

General DynamicsNASSCO-Norfolk

TERMS AND CONDITIONS FOR

LABOR PROVIDERS

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These Special Terms and Conditions (“Terms and Conditions”) are subject to General Dynamics NASSCO-Norfolk (“NASSCO-Norfolk”) General or Military Ship Repair Terms and Conditions, as applicable, and shall be included in, made a part of, and incorporated by reference to each requisition for temporary labor services between the parties (for purposes of these Terms and Conditions, each such requisition is referred to herein as “Contract”) pursuant to which Seller, as herein below defined, shall provide resource labor to NASSCO-Norfolk) and shall have a Term that expires with said Contract.

1. Independent Contractor.

a. Seller provides temporary labor to NASSCO-Norfolk as an independent contractor. Seller is the sole employer and/or principal for all of Seller’s employees who perform services under the applicable Contract. Seller’s employees are not to be construed as agents or employees of NASSCO-Norfolk. The Seller and NASSCO Norfolk intend that (i) Seller and not NASSCO-Norfolk be deemed the “common law employer” (within the meaning of Treas. Reg. § 31.3401(c)-1(c)) of employees placed with NASSCO-Norfolk by Seller, and (ii) such employees be deemed the common law employees of Seller and not NASSCO-Norfolk. Notwithstanding the foregoing, the parties nevertheless intend to satisfy the requirements of Treas. Reg. § 54.4980H-4(b)(2), under which an offer of group health plan coverage made by Seller is treated as an offer of coverage by NASSCO-Norfolk for all purposes of Code § 4980H, provided that certain criteria are satisfied. NASSCO-Norfolk therefore agrees to pay Seller in accordance with the agreed bill-out rates set forth on Seller’s Temporary Rate Matrix which is incorporated in any applicable Contract.

b. Seller must provide temporary labor using bona fide employees of Seller and will not provide labor using independent contractors, subcontractors, or other sellers. Moreover, Seller acknowledges and agrees that in accordance with the applicable Contract, Seller shall: (i) recruit, interview, select, hire and assign Seller employees to perform work; (ii) pay the wages, overtime, and benefits of Seller employees; (iii) exercise human resources (non-operational) supervision of Seller employees, (iv) provide all employment law- related disclosures and maintain all payroll records in accordance with the requirements of applicable law; (v) withhold, remit and report payroll taxes and workers’ compensation relating to Seller employees; and (vi) obtain and administer Seller employees’ I-9 documentation and verification of employment eligibility under applicable legal requirements and restrictions (including the Immigration Reform and Control Act of 1986, as amended).

c. Seller acknowledges that its employees are excluded from coverage by NASSCO-Norfolk’s profit sharing, pension, welfare benefit, bonus, incentive and compensation plans provided for the benefit of NASSCO-Norfolk employees. Seller agrees to indemnify NASSCO-Norfolk for any claim for these benefits brought by Seller’s employees against NASSCO-Norfolk. Seller agrees that before Seller assigns any of its employees to perform services at NASSCO-Norfolk, each of Seller’s employees will be notified of this document and shall execute an Agreement acknowledging they are an independent contractor and therefore not eligible for NASSCO-Norfolk benefits.

d. Additionally, Seller shall reimburse, indemnify, and hold harmless NASSCO-Norfolk for, any taxes, penalties, or other liabilities assessed against Seller or NASSCO-Norfolk under Code §4980H with respect to Seller employees assigned to NASSCO- Norfolk due to Seller’s failure to—

(i) offer “minimum essential coverage” under an “eligible employer-sponsored plan,” each within the meaning of Code §5000A(f)(1)(B); or;

(ii) offer coverage that is “affordable” or provides “minimum value,” each within the meaning of Code §36B(c)(2)(C) and §4980H(b) and related regulations.

Provided, however, that in no event shall indemnity under this Subsection d of this provision extend to any taxes, penalties, or other liabilities under Code §4980H where such tax, penalty, or other liability results from the imposition of penalties under (i) Code §4980H(a), as a result of the failure by the NASSCO-Norfolk to make offers of minimum essential coverage to its employees under an eligible employer-sponsored plan, or (ii) Code §4980H(b) as a result of NASSCO-Norfolk’s making an offer of minimum essential coverage to its employees under an eligible employer-sponsored plan that is either unaffordable or fails to provide minimum value.

If NASSCO-Norfolk is notified by any government entity of NASSCO-Norfolk’s potential liability for any such taxes, penalties, or other liabilities relating to any Seller employee, Seller shall fully cooperate, at Seller’s reasonable expense, with NASSCO-Norfolk’s efforts to object to or appeal any such determination of liability or potential liability.

2. NASSCO-Norfolk's Property.

Seller, on behalf of itself and its employees, assigns to NASSCO-Norfolk all rights, title, and interest in all materials and information prepared or developed by Seller or its employees pursuant to the Contract, including, but not limited to, documents, drawings, calculations, maps, sketches, notes, reports, data, designs, technical information, technologies, manufacturing and production processes, models and samples (the “Developer’s Information”), whether delivered to NASSCO-Norfolk or not. Seller shall deliver all of the Developer’s Information, as applicable along with any materials furnished to Seller or its employees by NASSCO-Norfolk, upon request and in any event upon termination of this Contract. Seller represents and warrants that each of Seller’s employees performing services under this Contract shall sign an Agreement with Seller vesting all of their employee’s rights in such Developer’s Information to Seller.

3. Termination of Individual Services.

Seller shall, upon request of NASSCO-Norfolk, immediately remove any of its employees from NASSCO-Norfolk’s facilities that NASSCO-NASSCO-Norfolk Labor Providers Terms and Conditions
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Norfolk considers, in its sole discretion:

- (a) not required for the performance of the Contract; or
- (b) unsuitable, for any or no reason, for performance of the Contract.

In the event the Seller removes any of its employees from NASSCO-Norfolk's facilities for any of the above reasons or for its own reasons, Seller shall immediately notify NASSCO-Norfolk Pass Office and the Staffing and Compensation Manager of such termination(s) and any reasonably requested information by NASSCO-Norfolk related to Seller's employee(s). Then, within seventy-two (72) hours of the termination, Seller must return the employee's NASSCO-Norfolk issued badge to NASSCO-Norfolk Pass Office. Finally, in the event that any of Seller's employees are removed from NASSCO-Norfolk's facilities, Seller shall, at the same time or promptly thereafter, replace each removed employee with another of comparable skill and ability, unless NASSCO-Norfolk requests otherwise. The expiration, termination, or extension of the term of this Contract shall not affect the terms of any individual order for Seller's employees placed under this Contract prior to the expiration, termination, or extension. The individual order will continue to be governed by the terms and conditions of this Contract under which the orders were placed.

4. **Notification of Resignation.**

To the extent possible, if Seller's employees choose to resign from employment while working at NASSCO-Norfolk, Seller will provide NASSCO-Norfolk with two (2) week notice. NASSCO-Norfolk's authorized personnel must approve any replacement.

5. **Right to Hire.**

NASSCO-Norfolk reserves the right, but not the obligation, to solicit and hire any of Seller's employees after ninety (90) days from when that employee started work for NASSCO-Norfolk under this Contract, at no additional cost to NASSCO-Norfolk. Should Seller terminate this Contract, NASSCO-Norfolk has no restriction on the solicitation or hiring any of Seller's employees who are providing or previously provided services for Seller to NASSCO-Norfolk. Seller agrees that it shall not contact or solicit any NASSCO-Norfolk employee to leave his/her employment with NASSCO-Norfolk.

6. **Personal Time Off (PTO).**

Seller shall provide NASSCO-Norfolk with two (2) week notice for any PTO request submitted by Seller's employees.

7. **Immigration Requirements.**

Seller represents and warrants that each of its employees is authorized to work in the United States during the entire period of performance of the Contract. Seller will provide NASSCO-Norfolk with evidence of compliance with immigration requirements satisfactory to NASSCO-Norfolk for each of Seller's employees prior to their entry into NASSCO-Norfolk's facilities.

8. **Payroll Taxes.**

Seller agrees to maintain and provide for each of its employees all lawfully required payroll and accounting systems, including applicable payroll taxes and deductions as required by federal, state and local law. Seller shall be solely responsible for any failure to provide for the collection or remittance of any payroll tax or deduction, and shall defend, indemnify and hold NASSCO-Norfolk harmless for all loss, costs, expenses (including actual attorneys' fees), and penalties and interest assessed by any governmental agency incurred by NASSCO-Norfolk as a result of its failure to do so. Seller agrees to make its books and records of account available to NASSCO-Norfolk for inspection and audit so NASSCO-Norfolk can verify compliance with this Paragraph at all reasonable times and places.

9. **Standards of Business Ethics and Conduct.**

Seller's employees working at NASSCO-Norfolk's facility must comply with General Dynamics *Standards of Business Ethics and Conduct*, which is incorporated into the Contract. It can be found at [www.NASSCO-NORFOLK.COM](http://www.nassco.com/pdfs/Blue-Book.pdf), "Purchasing", <http://www.nassco.com/pdfs/Blue-Book.pdf>. Notwithstanding Seller's employees' status as an independent contractor, Seller's employees do not satisfactorily pass proficiency testing agree to conduct their performance under the Contract in accordance with those standards and consistent with these Terms and Conditions.

10. **Training.**

Seller's employees working at NASSCO-Norfolk's facility must go through safety training prior to performing any services pursuant to the Contract. NASSCO-Norfolk will not pay for safety training time. Therefore, Seller must compensate employee training time based on federal, state and local labor laws. Further, Seller agrees to pay NASSCO-Norfolk for the costs associated with welding tests where Seller's employees terminate employment within 30 days of work on the Contract, as appropriate or applicable.

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11. **Background Check, Credit History Check and Drug Screen**

This section applies to any individual who is required to enter NASSCO-Norfolk's facilities on a regular basis (30 or more days in any 365-day period) who is not a legal employee of NASSCO-Norfolk. This includes consultants, temporary employees, and individuals employed by any of NASSCO-Norfolk's contractors, subcontractors, labor suppliers, personnel agencies, vendors, etc. These individuals must meet the minimum screening requirements in order to obtain a NASSCO-Norfolk issued badge before they are allowed to have unescorted access to NASSCO-Norfolk's facilities or access to NASSCO-Norfolk's computer networks. **Minimum screening requirements are:**

(a) **Background Check:** Seller shall have verified through background checks that all employees provided hereunder have the education, skills, qualifications and experience represented to NASSCO-Norfolk, including but not limited to the following:

- 1) I-9 information (such as Social Security number or Registration number)
- 2) E-verify verification
- 3) Name (including all aliases, nicknames and former names) and all addresses (7 years)
- 4) Employment history - Employers and dates of employment (7 years)
- 5) Job titles (7 years)
- 6) Reason for termination of prior employment (if disclosed) (7 years)
- 7) Education/Training—all pertinent degrees, professional licenses, certifications, etc.
- 8) Criminal history—prior criminal convictions and guilty pleas (federal and state) (7 years), excluding juvenile offenses and offenses sealed or expunged by law
- 9) Citizenship status
- 10) Past revocation, denial or suspension of U.S. Government security clearance (As applicable).
- 11) References (if any)
- 12) Any position specific requirements deemed necessary and appropriate by NASSCO-Norfolk.

In performing the background checks, Seller agrees to comply with all applicable local, state and federal laws, including the Fair Credit Reporting Act if applicable, where Seller has obtained the employee's consent and authorization to obtain such information and to follow all procedures required thereunder. Seller agrees to retain all documents relating to such background checks for individuals who are or were assigned to perform services while this Contract is in effect, for at least two years from the date of assignment at NASSCO-Norfolk. Upon request by NASSCO-Norfolk and within limits legally available to NASSCO-Norfolk, Seller agrees to provide to NASSCO-Norfolk within one (1) business day a copy of such documents for any individual assigned to perform services pursuant to this Contract.

(b) **Credit History Check:** For all Seller's employees whose work at NASSCO-Norfolk's facility will have any relationship to (a) administration of NASSCO-Norfolk's computer networks; (b) access to non-public data regarding NASSCO-Norfolk's financial performance; or (c) performance of functions determined by NASSCO-Norfolk to require a consumer credit history in order to protect NASSCO-Norfolk and its assets, a disclosure and consent authorization consistent with the Fair Credit Report Act (FCRA) and separate from the background check consent noted in the paragraph above, must be obtained by Seller, subject to verification by NASSCO-Norfolk that the FCRA consent in use by Seller permits NASSCO-Norfolk to receive and use the credit history check in connection with Seller's employees' access to NASSCO-Norfolk facilities.

(c) **Drug Screening:** NASSCO-Norfolk is a drug-free yard and must be in compliance with the Drug-Free Workplace Act of 1988. Every Seller's employee working at NASSCO-Norfolk's facility must be drug tested and all criteria tested must be negative results. NASSCO-Norfolk maintains the right to audit these findings at any time. In performing the drug tests, Seller agrees to comply with all applicable local, state and federal laws. Drug screening process must contain a seven panel testing for Amphetamines, Cannabinoids, Cocaine, Opiates, Phencyclidine (PCP), Barbiturates and Methamphetamines. Seller agrees to retain all documents relating to such drug tests for individuals who are or were assigned to perform services while this Contract is in effect, for at least two years from the date of last assignment at NASSCO-Norfolk. Upon request by NASSCO-Norfolk, Seller agrees to provide NASSCO-Norfolk within 1 business day with a copy of such documents for any Seller's employee assigned to perform services pursuant to this Contract.

12. **Testing for Job Qualification of Seller's Employees.**

It is Seller's responsibility to provide qualified employees to NASSCO-Norfolk in accordance with the job descriptions of the required labor categories. NASSCO-Norfolk reserves the right to randomly check and reassess some or all of the employees' required qualifications.

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13. **Compliance with Laws.**

Seller agrees to comply with all applicable present and future federal, state, and local laws, ordinances, rules, regulations, and orders, as they relate to Seller or Seller's employees, and shall defend and indemnify NASSCO-Norfolk for all claims and liability by reason of Seller's failure to do so. **To the extent not exempt, this contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status, or disability.** In addition, this contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. To the extent not exempt, this contractor and subcontractor shall also abide by the requirements of 29 CFR Part 471, Appendix A.

14. **ITAR/EAR.**

Seller and Seller's employees must adhere to all requirements contained in the International Traffic and Arms Regulations (ITAR), 22 CFR Subchapter M, Parts 120-130 and Export Administration Regulations (EAR), 15 CFR 730—774. While working at a NASSCO- Norfolk facilities; Seller's employees may have access to technical documents for both Military and Commercial contracts. For Sellers legally registered and located in the United States or foreign companies with registered sales offices in the United States, it is Seller's sole responsibility that Seller read, understand and comply with all requirements contained in the ITAR and EAR. For foreign companies with no offices in the United States, a Technical Assistance Agreement (TAA) may be acquired or renewed with the assistance of NASSCO- Norfolk personnel, but all regulations contained in ITAR and EAR will still apply.

15. **Employee/Seller Non-Competition.**

It is Seller's responsibility to inform each of its employees who will be working at NASSCO-Norfolk under this Contract that during his/her assignment to work at NASSCO-Norfolk for a period of not less than sixty (60) days thereafter, it is NASSCO-Norfolk's policy that such employee will not be eligible to work for another third party/seller at NASSCO-Norfolk unless all parties waive this requirement, which waiver shall not be unreasonably withheld.

16. **Pay Auditing.**

NASSCO-Norfolk reserves the right to inquire with any of Seller's employees what his/her pay rate is to confirm adherence to the pay rate set in the Temporary Labor Rate Matrix in substantially the form attached and incorporated into the Contract. Providing pay stub copies confirming rate may also be requested from Seller.

17. **Personal Information Privacy Protection.**

(a) **DEFINITIONS.** As used in this paragraph, the following capitalized terms shall have the meanings provided in this section.

Personal Information. "Personal Information" consists of any information that relates to an identified or identifiable NASSCO-Norfolk employee, and is collected or received by Seller, its employees, or its agents, in connection with or incidental to the contracted services that Seller performs for NASSCO-Norfolk.

Sensitive Personal Information. "Sensitive Personal Information" or "SPI" is a form of Personal Information that consists of one or more of the following elements of information about an individual:

- social security number, social insurance number, military identification number, or tribal identification card number;
- passport, visa, alien registration, or other identification number assigned for immigration purposes;
- driver's license number, national identification card number, state or provincial identification card number, or other government-issued identification number;
- account number, card number, routing number, passcode, or personal identification number ("PIN") for a checking or savings account, investment account, personal or NASSCO-Norfolk-sponsored credit or debit card, or any other financial account.

SPI also consists of information that is capable of being associated with a particular individual through a combination of an individual's name with one or more of the following identifiers:

- access code or password for an information system;
- mother's maiden name or date of birth;
- digital or electronic signature;
- biometric data, including fingerprint, retina, or iris image, or DNA profile; or

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- health insurance number or medical information (any information regarding an individual's medical history, mental, or physical condition, or medical treatment or diagnosis by a health care professional).
- (b) **CONTROL OF PERSONAL INFORMATION.** NASSCO-Norfolk has the exclusive authority to determine the purposes and means of processing of all Personal Information by Seller pursuant to the agreements between the Parties.
- (c) **USE OF PERSONAL INFORMATION.** Seller shall use Personal Information solely for the purpose of supporting its performance of the contracted services for NASSCO-Norfolk and not for any other purpose.
- (d) **ACCESS TO PERSONAL INFORMATION.** Seller shall restrict access to Personal Information to its employees who require access to this information to support Seller's performance of the contracted services for NASSCO-Norfolk. Seller may also permit employees or representatives of Seller's subcontractors and consultants to have access to Personal Information, but only (a) to the extent necessary for them to support Seller's performance of contracted services for NASSCO-Norfolk, and (b) with the written authorization of NASSCO-Norfolk in accordance with Section (e) below.
- (e) **TRANSFER OF PERSONAL INFORMATION.** Seller shall not permit Personal Information to be transferred to any third party that is not one of the **Approved Third Parties** listed on **Attachment A** hereto, unless transfer is:
 - (a) Required by subpoena or order of a court or tribunal of competent jurisdiction, or by a government agency entitled to obtain the information in the course of a lawful investigation (subject to a protective order or confidentiality agreement where reasonably possible);
 - (b) Necessary in connection with litigation between Seller and either NASSCO-Norfolk or the individual to whom the information relates (subject to a protective order or confidentiality agreement where reasonably possible);
 - (c) Authorized by the individual to whom the Personal Information at issue relates; or
 - (d) Authorized by NASSCO-Norfolk or the subject individual in writing.

From time to time, third parties can be added to the Approved Third Parties list or eliminated from that list by the mutual agreement of NASSCO-Norfolk and Seller by re-issuing **Attachment A** in updated form bearing the revision effective date. NASSCO-Norfolk can remove a Third Party from the list by providing written notice to Seller (i) if the Third Party fails to sign or renew a personal information security agreement in a form suitable to NASSCO-Norfolk or (ii) if NASSCO-Norfolk determines that the Third Party does not use sufficient data security procedures.

- (f) **INFORMATION SECURITY.** Seller shall maintain an information security program that satisfies applicable Privacy Laws and is consistent with general standards in Seller's industry. In addition, such program shall include appropriate administrative, technical, physical, organizational, and operational safeguards and other security measures to maintain the security and confidentiality of Personal Information and to protect it from known or reasonably anticipated threats or hazards to its security and integrity. The level of security and protection provided shall be commensurate with the nature of the Personal Information to be protected.
- (g) **STORAGE OF SPI.** Storage of SPI must be handled in a manner consistent with the access principles in Section (d) above. Records containing SPI in paper format or microfiche must be stored and secured appropriately in areas to which access is restricted to appropriate personnel. Records containing SPI in electronic format must be stored in a secure computer network satisfying the requirements of Section (f), the adequacy of which Seller will monitor to protect SPI against emerging security threats, and which Seller will enhance as necessary to address such threats. SPI cannot be stored electronically outside of this network environment (or NASSCO-Norfolk's own secure computer network) unless the storage device (e.g., laptop, memory stick, computer disk, etc.) is protected by appropriate encryption technology that is not less than 128 bits in length.
- (h) **TRANSMISSION OF SPI.** An electronic record that contains SPI cannot be transmitted electronically outside a secure network environment satisfying the requirements of Section (f) other than by a secure network connection or by communications protected by appropriate encryption technology that is not less than 128 bits in length. Likewise, Seller shall not require any individual to transmit SPI over the internet unless the connection is secure or the SPI is protected by encryption technology meeting this standard. Seller shall not print SPI on any mailed material unless required by law and will not make SPI visible through any envelope window unless required by law. Notwithstanding the provisions of this Section (h), when strictly necessary to perform the contracted services and permitted by applicable Privacy Laws, social security numbers and similar government-issued identification numbers may be included in applications and forms sent by mail, including documents sent as part of an application or enrollment process, or to establish, amend or terminate an account, contract or policy, or to confirm the accuracy of the Social Security or other identification number. SPI may be transmitted to and from Seller by facsimile, provided that Seller has taken reasonable precautions to avoid erroneous transmission or receipt.
- (i) **SUBPOENAS AND LEGAL PROCEEDINGS.** Subject to applicable law, Seller shall notify NASSCO-Norfolk immediately in writing of any subpoena or other judicial or administrative order by a court, tribunal, litigant, or government authority seeking access to or disclosure of Personal Information covered by this Rider. Subject to applicable law, NASSCO-Norfolk shall have the right to defend subpoena enforcement proceedings or motions to compel in lieu of and on behalf of Seller, which shall provide reasonable cooperation to NASSCO-Norfolk in connection with such defense.
- (j)

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- (k) **COMPLIANCE WITH PRIVACY LAWS.** To the extent they are applicable, Seller shall comply with (i) all applicable federal, state, provincial, country, and local laws, rules, regulations, directives and governmental requirements relating in any way to the privacy, confidentiality, or security of Personal Information including, without limitation, security breach notification laws; laws imposing minimum data security requirements, laws requiring the secure disposal of records containing certain Personal Information laws governing the use and transmission of social security numbers the Controlling the Assault of Non-Solicited Pornography and Marketing Act (CAN-SPAM); the FTC Disposal of Consumer Report Information and Records Rule, 16 C.F.R. § 682; the EU Directives governing general data protection (Directive 1995/46/EC), electronic commerce (Directive 2002/58/EC), and data retention (Directive 2006/24/EC); and the Canadian Personal Information Protection and Electronics Documents Act (“PIPEDA”) (collectively, “Privacy Laws”). Seller must supply certifications of compliance with these applicable data security laws and regulations.
- (l) **INFORMATION SECURITY INCIDENTS.** Seller shall immediately notify NASSCO-Norfolk of any actual or suspected theft, loss, unauthorized use, disclosure or acquisition of, or access to, any SPI (hereinafter “Information Security Incident”) of which Seller becomes aware. Such notice shall summarize in reasonable detail the effect of the Information Security Incident on the SPI and the corrective action taken or to be taken by Seller. Seller shall promptly take all appropriate corrective actions and shall cooperate with NASSCO-Norfolk in all reasonable and lawful efforts to mitigate or rectify such Information Security Incident.
- (m) **INSPECTION AND AUDIT.** NASSCO-Norfolk shall have the right to monitor Seller’s compliance with the terms of this provision by inspecting Seller’s facilities, equipment, and records, provided that any inspection will not unreasonably interfere with the normal conduct of Seller’s business. NASSCO-Norfolk’s rights shall include the right to conduct periodic audits of the procedures and safeguards used by Seller to protect Personal Information, provided that Seller and NASSCO-Norfolk may agree to an alternative documentation process in lieu of an audit. Seller shall cooperate with such requests by NASSCO-Norfolk.
- (n) **DESTRUCTION AND RETURN OF PERSONAL INFORMATION.** Upon the completion of Seller’s services for NASSCO-Norfolk (or such earlier time as NASSCO-Norfolk requests), Seller shall return to NASSCO-Norfolk, or at NASSCO-Norfolk’s request, securely destroy or render unreadable each and every original and copy in every media of all Personal Information in Seller’s possession, custody or control. In addition, Seller shall provide to NASSCO-Norfolk a written certification by an Officer of Seller confirming that such return or destruction occurred. If Seller cannot destroy all Personal Information as required herein due to recordkeeping law or the pendency of litigation requiring it to retain the Personal Information in its existing format, Seller warrants that it shall ensure the confidentiality of the Personal Information, that it shall not use or disclose Personal Information after termination of its services for NASSCO-Norfolk, and that it will comply with its destruction obligations once the legal prohibition on destruction has expired.

18. **Rates.**

Hourly rates shall include all costs for which NASSCO-Norfolk will be required to pay, including but not limited to:

- a. Rates shall include all transportation.
- b. Rates shall include all administrative and coordinating personnel.
- c. Rates shall apply to a scheduled workday which commences when the outside labor employee clocks in and ceases when the employee clocks out.
- d. Rates include: All outside labor contractors will ensure that their employees have all required position-specific Personal Protective Equipment (PPE).
- e. Seller’s employees will be paid according to General Dynamics NASSCO-Norfolk pay policies.

19. **Insurance.**

Seller shall continuously maintain insurance coverage with minimum limits of liability as set forth in the following Schedule at all times that Seller is providing Employees to Buyer. Seller shall provide certification of insurance coverage prior to the execution of this Contract subject to any applicable Terms and Conditions.

Commercial General Liability, Occurrence:	
General Aggregate	\$2,000,000
Product-Comp//OP AGG	\$1,000,000
Personal & ADV Injury	\$1,000,000
Each Occurrence	\$1,000,000
Damage to Rented Premises (Fire Legal Liability)	\$50,000
MED EXP (Per person)	\$5,000
Automobile Liability:	
Any auto	\$1,000,000
Workers’ Compensation and Employer’s Liability*:	
WC Statutory Limits:	
EL Each Accident	\$500,000
EL Disease-Policy	\$500,000

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EL Disease- (Each Employee)	\$500,000
Umbrella Liability (excess of GL, Auto and Employer's Liability)	\$5,000,000

*USL&H is required for work being conducted aboard Maritime Vessels and or other related Maritime work activity.

For Maritime Work Activity the Language in the "Description of Operations" on the certificate shall read, "All Operations: Workers Compensation includes USL&H coverage. Certificate Holder is listed as Additional Insured under General Liability policy."

For Non-Maritime Related Work Activity the Language in the "Description of Operations" on the certificate shall read, "All Operations: Certificate Holder is listed as Additional Insured under General Liability policy."

The Certificate Holder for all work operations shall read, "NASSCO-Norfolk, 200 Ligon Street, Norfolk, VA 23523."

20. **Working Hours**

Seller's work hours shall coincide with NASSCO-Norfolk's shift requirements. No premium shall be paid for night shift work. Overtime shall be paid to trade skilled employees for work performed as follows:

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- Any hours worked over 8 hours in a day or in excess of 40 hours straight time in one week are overtime.
- Other employees will be paid according to the applicable NASSCO-Norfolk overtime title categories.

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- Any hours worked over 40 hours straight time in one week are overtime.

All federal, state, and local laws concerning overtime compensation will be complied with and will precede any company policy when there are discrepancies.

21. **Store Room and Tool Room**

At Seller's request a work order shall be opened to allow Seller's employees to purchase small items from the storeroom and check out equipment from the tool room. A list of storeroom purchases made by Seller's employees will be printed and made available to Seller every Tuesday, mid once processed; these charges will be deducted from Seller's next check. Any charges not belonging to Seller shall be immediately brought to the attention of NASSCO-Norfolk's accounting department

Once an employee is terminated, it shall be the responsibility of Seller to ensure that employee has returned all equipment checked out from the tool room. Once this is done Seller shall be given a clearance ticket for that employee. These tickets shall be retained in your records. Any equipment not returned to the tool room in satisfactory condition shall be charged to your company.

22. **Coordinator.**

At no additional cost to NASSCO-Norfolk, Seller shall provide support personnel and at least one coordinator who is available to respond at all times during the shifts their employees work. This coordinator shall maintain administrative control of their employees and perform liaison as required with NASSCO-Norfolk. The coordinator's duties shall include but are not limited to: screening, interviewing, and verifying employment history of applicants; setting up interviews and tests with NASSCO-Norfolk personnel; orienting and outfitting employees; handling employee problems; ; and ensuring employee attendance.

23. **Accidents.**

Seller shall notify Buyer of all accidents that occur while working at any NASSCO-Norfolk facility and submit a copy of the following workmen's compensation claim forms:

- Virginia Workers' Compensation Commission Form #3, First Report of Injury (applicable for state in which work is performed).
- U.S. Department of Labor Form LS-202, Employer's First Report of Injury; and
- All medical notes from the treating physician.

24. **Fire watch.**

All fire watch shall be certified in accordance with the NAVSEA standard item 009-07, NASSCO-Norfolk's process control procedure for fire prevention and safety, and pass a written trade knowledge test with a grade of at least 70% correct, or any other test NASSCO-Norfolk determines to be germane. Certification shall be obtained by an NFPA certified instructor. All fire watch shall demonstrate the ability to extinguish a fire and to carry a full fire bottle up steps prior to being assigned to work at NASSCO-Norfolk.

Fire watch will be required to be trained in accordance with the Occupational Safety and Health Administration 29 CFR Subpart P 1915.505 and NAVSEA Standard Items 009-07 Title: Confined Space Entry, Certification, Fire Prevention and Housekeeping. Paragraph 3.3.1 requires annual Fire watch training.

