



Site Supplement

National Aerospace Solutions, LLC.

Arnold Engineering Development Complex Test Operations & Sustainment

1.0 INSURANCE REQUIREMENTS

Unless otherwise specified in this Purchase Order (hereinafter "Order") SELLER shall, at its sole expense, maintain in effect at all times during the performance of the Work, insurance coverage with limits not less than those set forth below with insurers and under forms of policies satisfactory to BUYER. SELLER shall deliver to BUYER no later than ten (10) calendar days after Order award, but in any event prior to entering the Jobsite, certificates of insurance as evidence that policies providing such coverage and limits of insurance are in full force and effect. Certificates shall be issued in the form provided by BUYER or if none is provided in a form acceptable to BUYER and provide that not less than thirty (30) calendar days advance written notice will be given to BUYER prior to cancellation, termination or material alteration of said policies of insurance. Certificates shall identify on their face the project name and the applicable Order number.

1.1 Standard Coverage:

- A. Workers' Compensation as required by any applicable law or regulation.
If there is an exposure of injury to SELLER'S employees under the U.S. Longshoremen's and Harbor Workers' Compensation Act, the Jones Act or under laws, regulations or statutes applicable to maritime employees, coverage shall be included for such injuries or claims.
- B. Employer's Liability of not less than \$1,000,000 each accident.

1.2 General Liability Insurance

A. Coverage

- i. SELLER shall carry Commercial General Liability Insurance covering all operations by or on behalf of SELLER providing insurance for bodily injury liability and property damage liability for the limits of liability indicated below and including coverage for:
 - a) Premises and Operations;
 - b) Products and Completed Operations; for at least three (3) years following completion of SELLER'S Work;
 - c) Contractual Liability;
 - d) Broad form Property Damage (including Completed Operations);
 - e) Explosion, Collapse and Underground Hazards; and
 - f) Personal Injury Liability.
- ii. The Commercial General Liability insurance shall be the Occurrence Coverage Form.

B. Policy Limits

For SELLER'S Commercial General Liability Insurance, the limits of liability for bodily injury, property damage, and personal injury shall be not less than:
\$1,000,000 Combined single limit for Bodily Injury and Property Damage each occurrence;
\$1,000,000 Personal Injury Limit each occurrence;

C. Additional Insureds

- i. BUYER, Government, each of their parents, subsidiaries and affiliates, and the offices, directors and employees of each such entity (collectively "Government Group") shall be named as Additional Insureds under the Commercial General Liability Insurance policy, required under this clause, but only with respect to liability arising out of the operations for BUYER and Government by or for SELLER. Such insurance shall include an Insurer's waiver of subrogation in favor of the Additional Insureds, be primary as regards any other coverage maintained for or by the Additional Insureds, and shall contain a cross-liability or severability of interest clause.
- ii. Any insurance maintained by BUYER, and Government their subsidiaries and affiliates, and their officers, directors and employees, is excess of, and shall not in any manner contribute to, any insurance provided on their behalf as Additional Insureds under insurance provided by the SELLER under this Order regardless of whether such SELLER- provided insurance is written on a primary, excess or umbrella basis.

1.3 Automobile Liability Insurance including coverage for the operation of any vehicle to include, but not limited to, owned, hired and non-owned.

- A. The combined single limit for Bodily Injury and Property Damage Liability shall be not less than \$1,000,000 for any one accident or loss.

- B. SELLER'S Automobile Liability Insurance shall include coverage for Automobile Contractual Liability.
- 1.4 In the event SELLER maintains insurance covering loss or damage to equipment, tools or any other property of SELLER such insurance shall include an Insurer's waiver of subrogation in favor of BUYER, and Government and their subsidiaries and affiliates.
- 1.5 Related Obligations:
- A. The requirements contained herein as to types and limits, as well as BUYER'S approval of insurance coverage to be maintained by SELLER, are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by SELLER under this Order.
- B. The Certificates of Insurance must provide clear evidence that SELLER'S Insurance Policies contain the minimum limits of coverage and the special provisions prescribed in this clause.
- C. Neither BUYER, nor Government is maintaining any insurance on behalf of SELLER covering against loss or damage to the Work or to any other property of SELLER unless otherwise specifically stated herein and as may be described by appendix hereto.
- 1.6 Notifications:
- In accordance with the submittal requirements outlined above, SELLER shall deliver the original and two (2) copies of the Certificate(s) of Insurance, including copies of the Additional Insured and Waiver of Subrogation Endorsements, required by this clause and all subsequent notices of cancellation, termination and alteration of such policies to:

National Aerospace Solutions, LLC 100 Kindel Drive
Arnold AFB, TN 37389
Attention: BUYER'S Representative
Order No.: TBD

2.0 INDEMNITY

- 2.1 SELLER hereby releases and shall indemnify, defend and hold harmless Buyer, Customer/Government and their subsidiaries and affiliates and the officers, agents, employees, successors and assigns and authorized representatives of all the foregoing from and against any and all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, interest, attorney's fees, costs, expenses, and losses of whatsoever kind or nature in connection with or to the performance of this Order, whether arising before or after completion of the Work hereunder and in any manner directly or indirectly caused, occasioned, or contributed to in whole or in part or claimed to be caused, occasioned or contributed to in whole or in part, by reason of any act, omission, fault or negligence whether active or passive of SELLER, its lower-tier suppliers, Orderers or of anyone acting under its direction or control or on its behalf.
- 2.2 The foregoing shall include, but is not limited to, indemnity for:
Property damage and injury to or death of any person, including employees of Buyer, Customer/Government or SELLER. The breach by SELLER of any representation, warranty, covenant or performance obligation of this order.
- 2.3 BUYER, Customer/Government and the insurers of each, shall not financially contribute in any way to defense and indemnity obligations of SELLER, whether or not covered by insurance.
- 2.4 SELLER'S aforesaid release, indemnity and hold harmless obligations, or portions or applications thereof, shall apply even in- the event of the fault or negligence, whether active or passive, or strict liability of the parties released, indemnified or held harmless to the fullest extent permitted by law, but in no event shall they apply to liability caused by the willful misconduct or negligence of the party released, indemnified or held harmless.
- 2.5 SELLER specifically waives any immunity provided against this indemnity by an industrial insurance or workers' compensation statute.

3.0 PROJECT REQUIREMENTS

- 3.1 The Project requirements regarding special work and security, background checks, badging, escorting rules, personal vehicles, vehicle registration, gasoline, chemical limited area, waste recycling, traffic control, drug and alcohol screening, radio transmissions, emergency response authority, Project work schedule and other topics. Seller representative shall be escorted at all times.
- 3.2 Project requirement documents are available upon request from the Buyer.

4.0 SAFETY, HEALTH AND SECURITY

- 4.1 SELLER shall adopt and proceed in accordance with BUYER'S Safety and Health (S&H) requirements. Safety documents are available via the NAS website at <http://nas-llc.us/supplierportal.htm>
- 4.2 SELLER'S failure to correct an unsafe condition after notice thereof shall be grounds for an order to suspend the affected operations until the unsafe condition is corrected and, if the violation continues, termination under the provisions of this Order.
- 4.3 Violations of the following NAS Life Critical Work Requirements listed herein may result in removal from NAS work locations:

I. DRUGS AND ALCOHOL

Failure to report to work fit for duty in accordance with NAS Procedure PR-SHE-0001, *Substance Abuse Procedure*.

- Use, possession, distribution, manufacturing, or sale and/or being at or reporting to work under the influence of illegal drugs and/or abuse of controlled substances (including prescription drugs not authorized by a physician).
- Consumption of or being under the influence of alcohol at work.
- Use of prescription or legal non-prescription drug(s) that might in any way impair employee's ability to safely perform assigned job duties without a proper fitness for duty assessment, per PR-SHE-0001, *Substance Abuse*.
- Being under the influence of prescription medications at work without a legally valid prescription indicating employee name, dosage, and quantity.

II. FALL PROTECTION AND PREVENTION

Being exposed to and/or directing or allowing others to be exposed to potential falls from unprotected heights of 4 feet or greater without the use of positive fall prevention or fall arrest equipment in accordance with AEDC SHE Standard F6, *Fall Protection*.

Failure to install hard barricades or use 100% fall protection where a 4-foot fall hazard exists.

- Performing Leading Edge Work without an approved Fall Protection Plan and Job Hazard Analysis. Leading Edge Work is defined by Occupational Safety and Health Administration (OSHA) Regulation 29 CFR 1926.500(b).
- Failure to secure at an approved anchorage point.
- Working around exposed edges and floor openings that are not securely covered and/or hard barricaded.
- Failure to install hard barricades or use 100% fall protection where a 6-foot fall hazard exists in construction zoned areas.

III. CONFINED SPACE

- Entering and/or directing or allowing others to enter any confined space without authorization and approved training.
- Entering and/or directing or allowing others to enter any confined space prior to documenting atmospheric testing.
- Entering and/or directing or allowing others to enter any confined space without an approved permit or work instructions, as applicable.
- Entering and/or directing or allowing others to enter a permit-required confined space without both an attendant at the entrance and an effective way to communicate.
- Failure to alert attendant and/or supervisor of any hazard that would affect confined space safe entry.
- Failures to evaluate, identify, and mitigate hazards prior to entry to any confined space.
- Failure of attendants to stay alert and not leave the entrance with people in the confined space.

IV. LOCKOUT/TAGOUT (LOTO)

- Improper removal and/or tampering with any tag and/or lock installed for the protection and safety of personnel.
- Commencing work on any machinery, system, or equipment prior to identification and isolation of all energy sources and any type of stored energy with authorized locks and tags, in accordance with procedures.
- Failure to verify zero energy prior to any work activities.
- Performing work covered by TOS LOTO procedures without authorization and required training on any machinery, system, or equipment.
- Manipulation or modification of any machinery, equipment, or system devices covered by any type of a LOTO without authorization and/or not in accordance with procedures.

V. RIGGING, LIFTING OPERATIONS, AND SUSPENDED PERSONNEL PLATFORMS

- Conducting lifting operations without authorization, training, and verification of competency in accordance with TOS hoisting and rigging procedures and SHE Standard D05, *AEDC Hoisting and Rigging Handbook*.
- Failure to operate all equipment in accordance with the manufacturer's instructions/guidelines and/or the NAS Crane and Rigging Operations requirements.
- Failure to conduct and/or direct lifting operations in accordance with the applicable work instructions and/or plans.
- Hoisting loads over people and/or working under a suspended load.
- Failure to use taglines as needed to control the load.
- Crossing a barricade that controls an area with a suspended load without authorization.
- Failing to use properly sized outrigger pads where required.

VI. DEFEATING SAFETY DEVICES

Disabling, bypassing, modifying, or removing any safety protection device impacting personnel safety without authorization, including, but not limited to:

- Disconnecting load indicators.
- Removing rotating equipment guards.
- Fixing triggers/power switches in the "on" position.
- Removing equipment/tool handles.
- Hard wiring electrical wires into outlets.

- Using over-rides of alarms without authorization. Agree upon authorization process prior to the start of work activities.
- Using damaged equipment and/or tools that have been tagged out of service.

VII. BARRICADES, TAGGING, AND SIGNS
(NEVER DISREGARD OR BYPASS SIGNAGE AND BARRICADING)

- Unauthorized entrance or work within “Danger” designated barricades e.g., Red Danger Barricades (imminent danger).
- Disregarding or bypassing signage, barricades, or traffic control personnel in work areas with imminent danger.
- Failure to isolate imminent danger areas with proper barricades, traffic control personnel, and/or information tags/signs.
- Misuse of red barricade imminent danger signage.

VIII. ELEVATED WORK PLATFORMS (AERIAL WORK PLATFORMS/LIFTS)

- Standing on the toe-board, mid-rail, or top-rail of the basket.
- Operating without being tied-off to the manufacturer’s designated anchor point, even during ground positioning.
- Exiting the basket once in operation or at height unless prior, documented approval has been obtained from NAS SHE representative and supervisor.

IX. SCAFFOLDING

- Accessing any scaffold without approved training and/or failure to obey the scaffold rules at all times.
- Accessing any scaffold without a documented and tagged daily inspection. Scaffold rules include strict adherence to the color-coded tagging system of yellow and green tags. A scaffold that is not tagged is considered to be a red-tagged scaffold.
- Scaffold builders must wear required fall protection and maintain 100% tie-off.
- Accessing a yellow-tagged scaffold without fall protection and/or maintaining 100% tie-off.
- Building, repairing, modifying, or altering any type of scaffold unless designated as an authorized scaffold builder with qualified training, and then only under the direction of a designated Competent Person.
- Failure to erect a scaffold in accordance with manufacturer’s instructions or per OSHA regulations.

X. EXCAVATION AND TRENCHING

- Entering, or directing others to enter, an excavation or trench prior to obtaining an approved documented Excavation/Trenching Permit and ensuring that a Daily/Shift Inspection Assessment by a Competent Person has been performed prior to entry in accordance with SHE Standard C6, *Excavation, Trenching and Shoring*.
- Accessing an excavation deeper than 4 feet (1.2 meters) that has not been sloped, benched, or shored per requirements of the permit.
- Operating equipment to remove soil and/or dig without an Excavation/Trenching Permit.
- Performing excavations without a Competent Person present.
- Failure to provide adequate ingress/egress such as stairs and ladders within 25 feet of each worker in all trenches greater than 4 feet in depth.

XI. EXPLOSIVES SAFETY

- Not following approved plans, procedures, and instructions.
- Exceeding established personnel limits.
- Operating radios or cell phones where prohibited.

XII. HAZARDOUS CHEMICALS

- Possession or use of unauthorized chemicals. Authorized chemicals can be found on EESOHMIS database.
- Improper disposal of hazardous chemicals.
- Conducting hot work (burning, welding, brazing, soldering) near fuels without proper Industrial Hygiene, Safety, or Fire Department review and approval.
- Failure to implement the “two person” rule during any fueling or cryogenic operations.

XIII. ELECTRICAL HOT WORK

- Not wearing appropriate Arc Flash Personal Protective Equipment (PPE) for work performed inside of restricted boundary.
- Not establishing appropriate boundary requirements when working on or near exposed conductors.
- Not obtaining and working per an Energized Electrical Work Permit in accordance with SHE Standard B6, *Low-Voltage Electrical Safety-Related Work Practices*.

XIV. EXTREME PRESSURES AND TEMPERATURES

- Violating posted safe zone signage.
- Not wearing appropriate PPE while working with potential exposure to pressure or temperature.
- Blocking or disabling pressure relief devices.

5.0 PERMITS

Except as otherwise specified, SELLER shall procure and pay for all permits, licenses, certifications and other applicable governing authority requirements and inspections, other than inspections performed by BUYER, or permits which by law or regulation must be acquired by BUYER. SELLER shall furnish any documentation, bonds, securities or deposits or assistance required to allow performance of the Work.

6.0 TOOL CONTROL REQUIREMENTS FOR FOREIGN OBJECT AWARENESS AREAS (If Required)

Tool Control Requirements to be used when working in Foreign Object Critical Awareness Areas:

- 6.1 A dispatchable consolidated tool kit (DCTK) is any tool kit that is not permanent to a Foreign Object (FO) Awareness or FO Critical Area that will be used by personnel to perform work in an FO Critical or Awareness Area.
- 6.2 A DCTK may include tools owned by the Government, AEDC contractors, subcontractors, and non-AEDC contractors and subcontractors including test customers.
- 6.3 A DCTK shall be utilized for the shortest period necessary to perform the work.
- 6.4 Each DCTK shall have a custodian assigned.
- 6.5 All tools, expendable tools, and consumables must be marked to identify the custodian and/or tool kit.
- 6.6 Each DCTK shall have a temporary Master Inventory List (MIL) of all tools, expendable tools, and consumables; and identifies the custodian.
- 6.7 Inspect DCTK daily, record inventory on AFMC Form 1771, and report inspection results as required by Area Supervisor, Technical POC, or Master Permit Issuer. Inventories must be accomplished and documented upon the first opening and last closing of every shift.(Form AFMC 1771 may be downloaded at nas-llc.us/terms-and-conditions).
- 6.8 Lost tools must be immediately reported to the work permit issuing official or other work area responsible person.
- 6.9 If unmanned storage of DCTK is required, provide the following:
 - a. Lockable storage security protection (gang box, job box, cabinet, room, vehicle compartment, etc.).
 - b. Protection from weather or other potential physical harm.
 - c. Marking outside of storage units with name of Custodian and work crew organization.
- 6.10 At the end of work assignment: perform a final inventory, and remove the DCTK from the FO Awareness or FO Critical Area.