Citation and Notification of Penalty

To:
Huntington Ingalls Industries International Shipbu
and its successors
P.O. Box 149
Pascagoula, MS 39568

Inspection Site:
1000 Access Road
Pascagoula, MS 39568-0149

Inspection Number: 315303255
Inspection Date(s): 06/21/2011-07/20/2011
Issuance Date: 12/21/2011

The violation(s) described in this Citation and Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description given below.

This Citation and Notification of Penalty (this Citation) describes violations of the Occupational Safety and Health Act of 1970. The penalty(ies) listed herein is (are) based on these violations. You must abate the violations referred to in this Citation by the dates listed and pay the penalties proposed, unless within 15 working days (excluding weekends and Federal holidays) from your receipt of this Citation and Notification of Penalty you mail a notice of contest to the U.S. Department of Labor Area Office at the address shown above. Please refer to the enclosed booklet (OSHA 3000) which outlines your rights and responsibilities and which should be read in conjunction with this form. Issuance of this Citation does not constitute a finding that a violation of the Act has occurred unless there is a failure to contest as provided for in the Act or, if contested, unless this Citation is affirmed by the Review Commission or a court.

Posting - The law requires that a copy of this Citation and Notification of Penalty be posted immediately in a prominent place at or near the location of the violation(s) cited herein, or , if it is not practicable because of the nature of the employer’s operations, where it will be readily observable by all affected employees. This Citation must remain posted until the violation(s) cited herein has (have) been abated, or for 3 working days (excluding weekends and Federal holidays), whichever is longer. The penalty dollar amounts need not be posted and may be marked out or covered up prior to posting.

Informal Conference - An informal conference is not required. However, if you wish to have such a conference you may request one with the Area Director during the 15 working day contest period. During such an informal conference you may present any evidence or views which you believe would support an adjustment to the citation(s) and/or penalty(ies).

If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal
conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be submitted to the Area Director within 15 working days of your receipt of this Citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete, remove and post the page 4 Notice to Employees next to this Citation and Notification of Penalty as soon as the time, date, and place of the informal conference have been determined. Be sure to bring to the conference any and all supporting documentation of existing conditions as well as any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

**Right to Contest** - You have the right to contest this Citation and Notification of Penalty. You may contest all citation items or only individual items. You may also contest proposed penalties and/or abatement dates without contesting the underlying violations. **Unless you inform the Area Director in writing that you intend to contest the citation(s) and/or proposed penalty(ies) within 15 working days after receipt, the citation(s) and the proposed penalty(ies) will become a final order of the Occupational Safety and Health Review Commission and may not be reviewed by any court or agency.**

**Penalty Payment** - Penalties are due within 15 working days of receipt of this notification unless contested. (See the enclosed booklet and the additional information provided related to the Debt Collection Act of 1982.) Make your check or money order payable to "DOL-OSHA". Please indicate the Inspection Number on the remittance.

OSHA does not agree to any restrictions or conditions or endorsements put on any check or money order for less than the full amount due, and will cash the check or money order as if these restrictions, conditions, or endorsements do not exist.

**Notification of Corrective Action** - For violations which you do not contest, you should notify the U.S. Department of Labor Area Office promptly by letter that you have taken appropriate corrective action within the time frame set forth on this Citation. Please inform the Area Office in writing of the abatement steps you have taken and of their dates, together with adequate supporting documentation, e.g., drawings or photographs of corrected conditions, purchase/work orders related to abatement actions, air sampling results, etc.

**Employer Discrimination Unlawful** - The law prohibits discrimination by an employer against an employee for filing a complaint or for exercising any rights under this Act. An employee who believes that he/she has been discriminated against may file a complaint no later than 30 days after the discrimination occurred with the U.S. Department of Labor Area Office at the address shown above.

**Employer Rights and Responsibilities** - The enclosed booklet (OSHA 3000) outlines additional employer rights and responsibilities and should be read in conjunction with this notification.
Notice to Employees - The law gives an employee or his/her representative the opportunity to object to any abatement date set for a violation if he/she believes the date to be unreasonable. The contest must be mailed to the U.S. Department of Labor Area Office at the address shown above and postmarked within 15 working days (excluding weekends and Federal holidays) of the receipt by the employer of this Citation and Notification of Penalty.

Inspection Activity Data - You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of the Electronic Freedom of Information Act. The information related to these alleged violations will be posted when our system indicates that you have received this citation, but no sooner than 30 calendar days after the Citation Issuance Date. You are encouraged to review the information concerning your establishment at WWW.OSHA.GOV. If you have any dispute with accuracy of the information displayed, please contact this office.
NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citation(s) issued on 12/21/2011. The conference will be held at the OSHA office located at Dr. A. H. McCoy Federal Building, 100 West Capitol Street, Suite 749, Jackson, MS, 39269-1620 on ___________ at ___________. Employees and/or representatives of employees have a right to attend an informal conference.
Citation and Notification of Penalty

Company Name: Huntington Ingalls Industries International Shipbu
Inspection Site: 1000 Access Road, Pascagoula, MS 39568-1149

Citation 1 Item 1  Type of Violation: Serious

29 CFR 1910.106(e)(2)(ii): Flammable or combustible liquid(s) were not stored in tanks or closed container(s):

(a) Plate Line Mixing Area - On or about June 30, 2011 the covers for the mixing pots were damaged and could not close therefore releasing flammable vapors in the area.

Date By Which Violation Must be Abated: 01/02/2012
Abatement Certification Required

Proposed Penalty: $3000.00

Citation 1 Item 2  Type of Violation: Serious

29 CFR 1910.106(e)(6)(ii): Class I flammable liquid(s) were dispensed into containers without electrically interconnecting the nozzle and the container:

(a) Paint Mixing Area - On or about June 24, 2011 paints and thinners were dispensed into containers without the containers being bonded.

Date By Which Violation Must be Abated: 01/02/2012
Abatement Certification Required

Proposed Penalty: $3000.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
Citation and Notification of Penalty

Company Name: Huntington Ingalls Industries International Shipbu
Inspection Site: 1000 Access Road, Pascagoula, MS 39568-1149

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for illness.

Citation 1 Item 3a Type of Violation: Serious

29 CFR 1915.88(h): The employer did not ensure that food, beverages, and tobacco products are not consumed or stored in any area where employees may be exposed to hazardous or toxic substances:
   (a) Facility - On or about June 29, 2011 employees consumed food and beverages in areas where arsenic, lead and cadmium dust were present.

Date By Which Violation Must be Abated: 01/16/2012
Abatement Certification and Documentation Required

Proposed Penalty: $ 7000.00

Citation 1 Item 3b Type of Violation: Serious

29 CFR 1910.1018(k)(1) as referenced by 1915.1018: All surfaces were not maintained as free as practicable of accumulations of inorganic arsenic:

(a) 7-Platten Shop, North End - On or about July 20, 2011 employees were exposed to arsenic dust through ingestion when the lunchroom table contained an accumulation of 6.34 micrograms of arsenic.

Date By Which Violation Must be Abated: 01/16/2012
Abatement Certification Required

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
Citation 1 Item 3c  Type of Violation:  Serious

29 CFR 1910.1025(h)(1) as referenced by 1915.1025:  All surfaces were not maintained as free as practicable of accumulations of lead:

(a)  7-Platten Shop, North End - On or about July 20, 2011 employees were exposed to lead dust through ingestion when their eating table contained an accumulation of 52.25 micrograms of lead.

(b)  IPD Breakroom - On or about June 29, 2011 employees were exposed to lead dust through ingestion when the inside of the black microwave contained an accumulation of 36.10 micrograms of lead.

Date By Which Violation Must be Abated: 01/16/2012
Abatement Certification Required

Citation 1 Item 3d  Type of Violation:  Serious

29 CFR 1910.1027(k)(1) as referenced by 1915.1027:  All surfaces were not maintained as free as practical of accumulations of cadmium:

(a)  7-Platten Shop, North End - On or about July 20, 2011 employees were exposed to cadmium dust through ingestion when their eating table contained an accumulation of 1.43 micrograms of cadmium.

Date By Which Violation Must be Abated: 01/16/2012
Abatement Certification Required
The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for illness.

Citation 1 Item 4a Type of Violation: Serious

29 CFR 1910.1200(f)(5)(i) as referenced by 1915.1200: The employer did not ensure that each container of hazardous chemicals in the workplace was labeled, tagged or marked with the identity of the hazardous chemical(s) contained therein:

(a) LPD 24 - On or about June 23, 2011 employees were using Lagging Adhesive & Coating from a bag that was not labeled.

(b) Blast and Paint Hall - On or about June 28, 2011 container containing oil was not labeled.

(c) NSC 3 - On or about June 24, 2011 container containing Interlac 537 Soft White F124 paint was not labeled.

Date By Which Violation Must be Abated: 12/27/2011

Abatement Certification Required

Proposed Penalty: $ 3000.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 315303255
Inspection Dates: 06/21/2011 - 07/20/2011
Issuance Date: 12/21/2011

Citation and Notification of Penalty

Company Name: Huntington Ingalls Industries International Shipbu
Inspection Site: 1000 Access Road, Pascagoula, MS 39568-1149

Citation 1 Item 4b Type of Violation: Serious

29 CFR 1910.1200(f)(5)(ii) as referenced by 1915.1200: The employer did not ensure that each container of hazardous chemicals in the workplace was labeled, tagged or marked with the appropriate hazard warnings:

(a) LPD 24 - On or about June 23, 2011 employees were using Lagging Adhesive & Coating from a bag that was not labeled.

(b) Blast and Paint Hall - On or about June 28, 2011 oil container was not labeled.

(c) NSC 3 - On or about June 24, 2011 Interlac 537 Soft White F124 paint container was not labeled.

Date By Which Violation Must be Abated: 12/27/2011
Abatement Certification Required

Clyde P. Payne
Area Director

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.
INVOICE/ DEBT COLLECTION NOTICE

Company Name: Huntington Ingalls Industries International Shipbu
Inspection Site: 1000 Access Road, Pascagoula, MS 39568-0149
Issuance Date: 12/21/2011

Summary of Penalties for Inspection Number 315303255

Citation 1, Serious = $ 16000.00
TOTAL PROPOSED PENALTIES = $ 16000.00

To avoid additional charges, please remit payment promptly to this Area Office for the total amount of the uncontested penalties summarized above. Make your check or money order payable to: "DOL-OSHA". Please indicate OSHA's Inspection Number (indicated above) on the remittance.

OSHA does not agree to any restrictions or conditions or endorsements put on any check or money order for less than full amount due, and will cash the check or money order as if these restrictions, conditions, or endorsements do not exist.

If a personal check is issued, it will be converted into an electronic fund transfer (EFT). This means that our bank will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will then usually occur within 24 hours and will be shown on your regular account statement. You will not receive your original check back. The bank will destroy your original check, but will keep a copy of it. If the EFT cannot be completed because of insufficient funds or closed account, the bank will attempt to make the transfer up to 2 times.

Pursuant to the Debt Collection Act of 1982 (Public Law 97-365) and regulations of the U.S. Department of Labor (29 CFR Part 20), the Occupational Safety and Health Administration is required to assess interest, delinquent charges, and administrative costs for the collection of delinquent penalty debts for violations of the Occupational Safety and Health Act.

Interest. Interest charges will be assessed at an annual rate determined by the Secretary of the Treasury on all penalty debt amounts not paid within one month (30 calendar days) of the date on which the debt amount becomes due and payable (penalty due date). The current interest rate is 5%. Interest will accrue from the date on which the penalty amounts (as proposed or adjusted) become a final order of the Occupational Safety and Health Review Commission (that is, 15 working days from your receipt of the Citation and Notification of Penalty), unless you file
a notice of contest. Interest charges will be waived if the full amount owed is paid within 30 calendar days of the final order.

**Delinquent Charges.** A debt is considered delinquent if it has not been paid within one month (30 calendar days) of the penalty due date or if a satisfactory payment arrangement has not been made. If the debt remains delinquent for more than 90 calendar days, a delinquent charge of six percent (6%) per annum will be assessed accruing from the date that the debt became delinquent.

**Administrative Costs.** Agencies of the Department of Labor are required to assess additional charges for the recovery of delinquent debts. These additional charges are administrative costs incurred by the Agency in its attempt to collect an unpaid debt. Administrative costs will be assessed for demand letters sent in an attempt to collect the unpaid debt.

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Clyde P. Payne  
Area Director

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(Date)
Mr. Clyde P. Payne  
USDOL - OSHA  
Dr. A. H. McCoy Federal Building  
100 West Capitol Street, Suite 749  
Jackson, MS 39269-1620  

RE: Huntington Ingalls Industries International Shipbuilding  

Dear Mr. Payne:  

The hazard referenced in Inspection Number 315303255 for violation(s) identified as follows:  

Citation 1, item 1, was corrected on ______________ by the following method:  

_____________________________________________________________________________  

_____________________________________________________________________________  

Citation 1, item 2, was corrected on ______________ by the following method:  

_____________________________________________________________________________  

_____________________________________________________________________________  

Citation 1, item 3a, was corrected on ______________ by the following method:  

_____________________________________________________________________________  

_____________________________________________________________________________  

Citation 1, item 3b, was corrected on ______________ by the following method:  

_____________________________________________________________________________
Citation 1, item 3c, was corrected on ___________ by the following method:

_________________________________________________________________

_________________________________________________________________

Citation 1, item 3d, was corrected on ___________ by the following method:

_________________________________________________________________

_________________________________________________________________

Citation 1, item 4a, was corrected on ___________ by the following method:

_________________________________________________________________

_________________________________________________________________

Citation 1, item 4b, was corrected on ___________ by the following method:

_________________________________________________________________

_________________________________________________________________

I attest that the information contained in this document is accurate.

__________________________________________
(signature and date)

__________________________________________
(typed or printed name)