

**U.S. VIRTUAL SEA BORDER
PROOF-OF-CONCEPT SAMPLE SCRIPT
(Draft)**

STAKEHOLDERS:

- Master, [Shipping Company] Ship
- [Shipping Company] Security Officer Representative
- U.S. Port Security Official (at the U.S. arrival port)
- Port Facility Security Officer Representative
- Charterer / Cargo Owner Representative

PURPOSE:

To prove the U.S. Virtual Sea Border concept.

NOTES:

- (1) For the actual proof-of-concept beta-test, only the Shipping Company Ship Security Officer representative, Shipping Company Security Officer representative and U.S. port security official (for port of Portland, ME, USA) are to be on-line;
- (2) Also, an observer and port security official from U.S. Coast Guard (USCG) Sector Northern New England (SNNE) will be on-hand at the NI²-CIE office and server, which will be used in simulation of the USCG SNNE Command Center;
- (3) Lastly, a video recording of the interactive audit will be made to help prove the concept.

BACKGROUND:

Scenario is set while the laden [Shipping Company] ship is en route to port of South Portland, ME, USA. When the Master sends the 96 hour U.S. pre-arrival message, a request is also sent from the ship's Master and Ship Security Officer and Shipping Company's Company Security Officer for their voluntary participation with the U.S. VIRTUAL SEA BORDER ALL HAZARDS THREAT ASSESSMENT AUDIT. The all hazards threat assessment audit is to be conducted prior to the ship's U.S. exclusive economic zone (EEZ) entry. Via the ship's INTERNET link an email message is sent to the South Portland based USCG Sector Northern New England Command Center.

June 1, 2006 (Message #1):

FM: Master, Teekay Ship
TO: USCG SNNE Command Center
CC: Teekay Company Security Officer Representative

SUBJ: 96 HOUR PRE ARRIVAL MESSAGE REQUESTING U.S. VIRTUAL SEA
BORDER ALL HAZARDS THREAT ASSESSMENT AUDIT

1. Prior to entering US EEZ via MICROSOFT NET-MEETING, SKYPE or other above parties to be on-line at 1400Z, June 5, 2006 ready for audio-visual threat assessment audit.

2. In accordance with MARITIME GREENLANE ACT of 2006 and U.S. Department of Homeland Security Policy by agreeing to this voluntary threat assessment in the event subject ship and ship manager / owner are deemed to be an acceptable risk then the ship may gain priority access to moor and won't be subjected to any port security related delays.

Respectfully,
Captain I.M. Secure

June 1, 2006 (Message #2):

FM: USCG SNNE Command Center
TO: Master, Teekay Ship
CC: Teekay Company Security Officer Representative

1. Having verified ship's and Master's authenticity via AIS, Master's request for U.S. Virtual Sea Border All Hazards Threat Assessment Audit, scheduled for 1400Z June 6, 2006, is approved.

Respectfully,
USCG Port Security Watch-stander

Location: At the USCG SNNE Command Center's Port Security Watch Desk
Time: 1400Z, June 6. 2006

Via MICROSOFT NET MEETING or SKYPE the USCG Port Security Watch-stander receives incoming transmission from Master, Teekay Ship.

Via the USCG Port Security Watch-stander's desk-top computer with INTERNET access and head-set, using either MICROSOFT NET MEETING or SKYPE, the USCG Port Security Watch-stander answers the incoming transmission from Master, Teekay Ship (TK Master).

USCG Watch-stander: Hello (he is now able to see a live video from the ship of the Master who has on a head-set and is seen talking).

TK Master: Hello, this is Captain I.M Secure ready for the U.S. Virtual Sea Border All Hazards Threat Assessment Audit.

USCG Watch-stander: Captain, noted, awaiting contact from the Teekay Company Security Officer Representative (TKCSO).

Teekay Master: Yes, they should be contacting you shortly.

Via the USCG Port Security Watch-stander's desk-top computer with INTERNET access and head-set, using either MICROSOFT NET MEETING or SKYPE, the USCG Port Security Watch-stander answers the incoming transmission from Teekay's Company Security Officer Representative (TKCSO).

USCG Watch-stander: Hello (he is now able to see a live video from the ship of the Master and Ship Security Officer and from the ship's management office of the Company Security Officer Representative).

TK CSO: Good Morning, this is Teekay's Company Security Officer Representative ready for the U.S. Virtual Sea Border All Hazards Threat Assessment Audit.

USCG Watch-stander: Mr. TK CSO, Understood. Initial audit questions are to be directed to the Ships Security Officer and Master. Either or both may answer. However, prior to my proceeding I'll need verbal confirmation from all participants about the following.

USCG Watch-stander: As you know this is a voluntary audit. If deemed successful then the ship shall be granted "green-lane" status and won't be subjected to any port security related delays. Is it understood by all participants that efforts to intentionally falsify an answer may subject that individual to penalties and liabilities identified by 18 U.S. Code Sec. 1001?

TK CSO, Ship Security Officer and Master: Yes, this is understood.

USCG Watch-stander: Thank you. First set of questions are for the Ship Security Officer, are you ready?

Ship Security Officer: Yes.

USCG Watch-stander: What is the ship's flag state administration?

Ship Security Officer: Bahamas Maritime Authority.

USCG Watch-stander: What is the ship's classification society?

Ship Security Officer: Det Norske Veritas.

USCG Watch-stander: What are the officers' nationalities?

Ship Security Officer: Master is British. Chief Engineer is Italian. I am the Chief Officer and Ship Security Officer and my nationality is Indian. The First Engineer is Croatian. All other officers are Filipino.

USCG Watch-stander: Can you provide me with an electronic copy of the ships crew list?

Ship Security Officer: Yes, sending this to you now as an email attachment.

USCG Watch-stander: What is the crew's nationality?

Ship Security Officer: They are Filipino.

USCG Watch-stander: Are officers and/or crew exclusive employees of the Teekay Shipping Company or are the hired through a third-party?

Ship Security Officer: All Teekay sea-staff are hired by Teekay Manning Officers, which are exclusive to the Teekay Shipping Company.

USCG Watch-stander: What are the business relationships between the organizations financing the ship, managing the ship, and hiring the sea staff?

Ship Security Officer: Although different entities, all are part of the greater Teekay Shipping Company and perform exclusive services for the Teekay organization. I'm sending you an email with a link to the Teekay web-site, which depicts the organizational structure.

USCG Watch-stander: In preparation for entry into U.S. waters as the Ship Security Officer have you had the ship inspected for contraband and/or stowaways?

Ship Security Officer: Yes, there isn't any contraband or stowaways on board this ship.

USCG Watch-stander: Having examined the crew list have any persons displayed disruptive behavior such as being violent against another person on the ship or made adversary comments about desires to harm U.S. citizens or damage U.S. property?

Ship Security Officer: No.

USCG Watch-stander: The next few questions are for the ship's Master.

USCG Watch-stander: Are all navigation equipment, propulsion machinery, electrical power generation machinery, cargo handling and pollution control machinery and equipment in good working order?

Master: Yes.

USCG Watch-stander: Are there any members of ships staff displaying any flu-like symptoms or that maybe carrying any diseases harmful to U.S. citizens?

Master: No.

USCG Watch-stander: Are there any outstanding conditions of class or class recommendations regarding ships hull or machinery?

Master: No.

USCG Watch-stander: Is the ships engineers oily waste management performed in strict compliance with MARPOL Annex I and U.S. Clean Water Act and Oil Pollution Act 1990 regulations?

Master: Yes.

USCG Watch-stander: Are all portable and fixed fire fighting and life-saving systems and equipment in satisfactory condition and ready for emergency operations?

Master: Yes.

USCG Watch-stander: Is any member of the crew sympathetic towards any terrorist group?

Ship Security Officer: No

Master: No.

USCG Watch-stander: Are there any known deficiencies and/or crew related incompetence that would prevent the safe and secure operation of the ship while in U.S. waters?

Master: No.

USCG Watch-stander: Next set of questions are for the Teekay Company Security Officer Representative.

USCG Watch-stander: When recruiting, selecting and hiring new seafarers to operate company ships, is this task exclusively a shipping company responsibility?

TK CSO: Yes.

USCG Watch-stander: Is the management of the ship exclusive to the ship's ownership?

TK CSO: Yes, how the ship is managed, how it is financed, and how it is maintained and crewed are all exclusive to Teekay Shipping; please see the www.Teekay.com link to the company organization structure.

USCG Watch-stander: When hiring new seafarers and/or new shore staff are they subjected to screening and background checks to ensure that they do not secretly represent a terrorist organization, or have sympathy towards terrorist groups intended on doing Americans harm?

TK CSO: Screening and background checks are performed on all new hires, similar to the interview process being presently conducted. During these checks risk assessments are made of employees and their possible intent not only to be sympathetic towards terrorist groups but also whether or not they may have tendencies for violence in the workplace.

USCG Watch-stander: Is the shipping company's senior management committed to safe and secure shipboard operations while the ship is in U.S. waters?

TK CSO: Yes.

USCG Watch-stander: What could you provide that verifies this commitment?

TK CSO: In addition to our efforts with this Voluntary Threat Assessment Audit, I'm sending you a hyperlink to www.Teekay.com where Teekay's Chief Executive Officer's commitment to health, safety, security and environmental protection and associated executive level policies maybe found.

USCGG Watch-stander: Has this ship or any other company ship while under Teekay management and ownership ever been detained for a violation of ISPS Code or MTSA regulations?

TK CSO: No.

USCG Watch-stander: Has this ship or any company ship been subjected to a breach of security over the past six months.

TK CSO: No.

USCG Watch-stander: While at South Portland, does the company have adequate finances to pay all associated port fees and is the ship's Certificate of Financial Responsibility up-to-date?

TK CSO: Yes.

USCG Watch-stander: Are there any crew changes scheduled for this in-port?

TK CSO: Yes, there are two crew changes to occur while the ship is at port of S. Portland, ME.

USCG Watch-stander: What controls are there to ensure either the off-signing or on-signing individuals don't abscond into the U.S.?

TK CSO: In addition to designating a Portland Steamship Agent to oversee the two on-signers while they wait for the ship's arrival and the off-signers after their arrival at the Portland International Airport, pre-departure and pre-arrival interviews were conducted of these individuals. Results of these interviews indicated that there aren't any signs to abscond, that they intend to follow through with their intended commitments.

USCG Watch-stander: Thank you for your answers. We will process this information and revert within the next few hours with the U.S. VIRTUAL SEA BORDER All Hazards Threat Assessment Audit results.

USCG Watch-stander: Executes decision support system software and biometrical assessment analysis of subject U.S. VIRTUAL SEA BORDER All Hazards Threat Assessment Audit answers. A numeric score is provided that falls within "green lane" status, indicating that the ship, crew, cargo and ship manager and owner are verified as "extremely legitimate" and do not present a threat to the U.S. and specifically, port of S. Portland, ME.

June 6, 2006 (Message #3)

FM: USCG SNNE COMMANDING OFFICER
TO: MASTER, TEEKAY SHIP
CC: TEEKAY COMPANY SECURITY OFFICER REPRESENTATIVE

SUBJ: THANK YOU AND CONGRATULATIONS!

1. Thank you for volunteering for the U.S. VIRTUAL SEA BORDER ALL HAZARDS THREAT ASSESSMENT AUDIT.
2. Results of subject threat assessment audit deems that the ship, crew, cargo, shipping company are not a threat and are an acceptable risk.
3. Based on these result the Teekay Ship may enter U.S. waters and proceed directly into port and to the Portland Pipeline Moorings without further USCG port security oversight.
4. Results of this comprehensive U.S. Virtual Sea Border All Hazards Threat Assessment Audit are to be made available to other USCG Sector Commanding Officers via the USCG Marine Information System and Law Enforcement data base.

USCG Sector NNE Commanding Officer sends.