

<b>AWARD/CONTRACT</b>		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)			RATING	PAGE OF PAGES 1   75	
2. CONTRACT (Proc. Inst. Ident.) NO. N00033-08-C-2004		3. EFFECTIVE DATE 09 May 2008		4. REQUISITION/PURCHASE REQUEST/PROJECT NO. N000338127P233			
5. ISSUED BY MILITARY SEALIFT COMMAND, N1031/PM2 914 CHARLES MORRIS COURT SE WASHINGTON NAVY YARD DC 20398-5540		CODE N00033	6. ADMINISTERED BY (If other than Item 5)  <b>See Item 5</b>			CODE	
7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, state and zip code) OFFSHORE SERVICE VESSELS LLC GARY CHOUET (DBA) EDISON CHOUET OFFSHORE PO BOX 310 GALLIANO LA 70354-0310				8. DELIVERY [ ] FOB ORIGIN [ X ] OTHER (See below)		9. DISCOUNT FOR PROMPT PAYMENT	
CODE 0BFF3		FACILITY CODE		10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN:		ITEM <b>Block 5</b>	
11. SHIP TO/MARK FOR  <b>See Schedule</b>		CODE	12. PAYMENT WILL BE MADE BY DFAS INDIANAPOLIS SUBMIT INVOICES IAW THE CONTRACT. SEE SCHEDULE FOR DETAILS AA 00000			CODE HQ0484	
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: [ ] 10 U.S.C. 2304(c)( ) [ ] 41 U.S.C. 253(c)( )				14. ACCOUNTING AND APPROPRIATION DATA <b>See Schedule</b>			
15A. ITEM NO.	15B. SUPPLIES/ SERVICES		15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT	
<b>SEE SCHEDULE</b>							
<b>15G. TOTAL AMOUNT OF CONTRACT</b>						<b>\$1,242,000.00</b>	
16. TABLE OF CONTENTS							
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CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE							
17. [ X ] CONTRACTOR'S NEGOTIATED AGREEMENT Contractor is required to sign this document and return [ ] copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)				18. [ ] AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number N00033-08-R-2004-0005 including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.			
19A. NAME AND TITLE OF SIGNER (Type or print)				20A. NAME AND TITLE OF CONTRACTING OFFICER VERONICA HOLZER / CONTRACT SPECIALIST TEL: (b)(6) EMAIL: (b)(6)			
19B. NAME OF CONTRACTOR  BY _____ (Signature of person authorized to sign)		19C. DATE SIGNED		20B. UNITED STATES OF AMERICA  BY <u>Veronica Holzer</u> (Signature of Contracting Officer)		20C. DATE SIGNED 18-Jun-2008	

Section B - Supplies or Services and Prices

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001	PER DIEM - FIRM PERIOD FFP CHARTER HIRE PER DIEM FOR 07/01/08-06/30/09 FOB: Destination	1	Each	(b)(4)	(b)(4)
				NET AMT	(b)(4)
				ACRN AA	(b)(4)
				CIN: 00000000000000000000000000000000	

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
000101	C-COMMANDO - CHARTER HIRE FY 08 - 01 JUL 08 TO 30 SEP 08 - 92 DAY FFP C-COMMANDO - CHARTER HIRE FY 08 - 01 JUL 08 TO 30 SEP 08 - 92 DAYS @ (b)(4) . FOB: Destination PURCHASE REQUEST NUMBER: (b)(4)	1	Each		
				NET AMT	\$0.00

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT	
0002	REIMBURSABLES - FIRM PERIOD FFP REIMBURSABLE EXPENSES FOR 07/01/08-06/30/09 FOB: Destination		Each			
					NET AMT	\$0.00

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT	
0003 OPTION	PER DIEM - FIRST OPTION PERIOD FFP CHARTER HIRE PER DIEM FOR 07/01/09-12/31/09 FOB: Destination		Each			
					NET AMT	\$0.00

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT	
0004 OPTION	REIMBURSABLES - FIRST OPTION PERIOD FFP REIMBURSABLE EXPENSES FOR 07/01/09-12/31/09 FOB: Destination		Each			
					NET AMT	\$0.00

SPECIAL TIME BOX FORMAT

# MSC SPECIALTIME 99

**[5-99]**

Vessel(s):
M/V C-COMMANDO
Owner, DUNS, CAGE, TIN (and TIN of parent, if applicable)
Offshore Service Vessels, LLC DUNS: 064676281      CAGE: 0BFF3 TIN: 720743771
Solicitation Number (date):
N00033-08-R-2004
Contract Number (date):
N00033-08-C-2004

1. Vessel(s) Required:	2. Place / Range of Delivery (Part IV(b)):
Government seeks a vessel as outlined in this solicitation.	(b)(4)
	3. Place / Range of Redelivery (Part IV(c)):
	(b)(4)
4. Charter Period (Part IV(e)):	5. Laydays (Parts IV(b)):
Firm 12-month period and one 6-month option	Commencing:
	06/14/2008
	Canceling:
	07/01/2008
	Note: Laydays are subject to change
6. Terms/Conditions/Attachments added, deleted or modified:	
The special time proforma document has been modified for this mission.	

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Vessel(s):
M/V C-COMMANDO

7. Vessel/Flag/Year Built: M/V C-COMMANDO/US/1997	8. Proposal Firm Until:
9. Amendments Acknowledged (amendment numbers and dates) <b>Amendment 0001</b> dated 31 January 2008 <b>Amendment 0002</b> dated 14 February 2008 <b>Amendment 0003</b> dated 20 February 2008 <b>Amendment 0004</b> dated 8 April 2008 <b>Amendment 0005</b> dated 21 April 2008	

10. Owner (style, address, phone, cell phone, pager, e-mail, fax) Offshore Service Vessels, LLC 16201 East Main St. Galliano, LA 70354  Phone: (b)(6) Fax: (b)(6)  (b)(6)	11. Broker (address, phone, e-mail, fax)
	12. Remittance address for hire (if other than box 10)

13. - 17. RESERVED
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Vessel(s):
M/V C-COMMANDO

**PER DIEM RATES**

**FIRM PERIOD**

FULL OPERATIONAL STATUS RATES			REDUCED OPERATIONAL STATUS RATE (ROS LESS THAN 10 DAYS)			REDUCED OPERATIONAL STATUS RATE (ROS 10 DAYS AND LONGER)		
18A.	(b)(4)	USD per diem	19A.	(b)(4)	USD per diem	20A.	(b)(4)	USD per diem

**FIRST OPTION PERIOD**

FULL OPERATIONAL STATUS RATES			REDUCED OPERATIONAL STATUS RATE (ROS LESS THAN 10 DAYS)			REDUCED OPERATIONAL STATUS RATE (ROS 10 DAYS AND LONGER)		
18B.	(b)(4)	USD per diem	19B.	(b)(4)	USD per diem	20B.	(b)(4)	USD per diem

21. Indicate crewing arrangements during ROS (Less Than 10 Days) and ROS (10 Days and Longer):
(b)(4)

22. Other Costs:

I-4

Vessel(s): M/V C-COMMANDO
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LAYDAYS PROPOSED

23. Laydays Proposed: 1 July 2008	24. Estimated Readiness Date: 1 July 2008
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GENERAL

25. Vessel type and, if applicable, MARAD design type:	
26. Place built: North American Shipbuilding, LLC	27. Year built: 1997
28. INMARSAT Ident.: N/A	29. Vessel's e-mail/Fax: (b)(6)
30. Call Letters: (b) (4)	31. Official number: (b) (4)
32. Net registered tonnage: (b)	33. Panama Canal tonnage: (b)
34. Gross registered tonnage: (b)	35. Suez Canal tonnage: (b)
36. Beam (extreme): a. (ft) (b)      b. (m) (b)	37. Length Overall: a. (ft) (b)      b. (m) (b)
38. Reserved	39. Length between perpendiculars: a. (ft) (b)      b. (m) (b)
40. Summer mean draft: a. (ft) (b)      b. (m) (b)	41. Reserved
42. Displacement, loaded (on draft in Box 34): a (LT) (b)      b. (M) (b)	43. Summer Load Line Freeboard: a. (ft) (b)      b. (m) (b)
44. Shaft Horsepower/kilowatts a. (hp) (b)      b. (kW) (b)	45. Brake Horsepower/kilowatts a. (hp) (b)      b. (kW) (b)
46. Nationality of Master/Officers/Crew: US	47. Number of persons other than crew that can be carried: (b)
48. Classification society entered and class assigned: (b) (4)	
49. Insured value of vessel (USD) (b)(4)	50. Vessel's present position/destination: Pearl Harbor, HI
51. Last dry-dock date (mm/dd/yy): (b)(4)	52. Next dry-dock date (mm/dd/yy): (b)(4)
53. MarAd subsidized vessel:      Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	



I-5

Vessel(s):
M/V C-COMMANDO

**GEAR**

54. Number/location/SWL capacity of winches, derricks, booms, and cranes
(b) (4)

**CASUALTIES/DEFICIENCIES**

55. Has vessel been involved in any serious grounding or collision within a period of twelve months from the submission date of this proposal? (include full description if "yes")
N/A
56. Are any deficiencies lodged by any regulatory body outstanding against the Vessel (include full description if "yes")
N/A

I-6

Vessel(s): M/V C-COMMANDO
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**FUEL CONSUMPTION AT SERVICE SPEEDS**

57. Average warranted speed (knots, for laden, moderate weather) (b) (4)	58. Reserved.
59. Average fuel consumption (net bbls at 60 deg F and grade(s): for laden, moderate weather passage as speed identified in Box 57) (b)(4)	60. Reserved
61. Auxiliaries underway fuel consumption (net bbls at 60 deg F and grade(s), only if not elsewhere identified) (b)(4)	62. Idle fuel period fuel consumption (net bbls at 60 deg F and grade(s)) (b)(4)

**FUEL CONSUMPTION AT VARIABLE SPEEDS**

63. Average fuel consumption (net bbls at 60 deg F for all grades and all engines/auxiliaries utilized while underway over moderate-weather passages)
63A: Grades Consumed: (b)(4)

63 B. LADEN TO SUMMER MARKS			
Knots (NM)	Net bbls per mile	Net bbls per day	Operating Range
01>			
02>			
03>			
04>			
05>			
06>	(b)(4)	(b)(4)	(b)(4)
07>			
08>	(b)(4)	(b)(4)	(b)(4)
09>			
10>	(b)(4)	(b)(4)	(b)(4)
11>			
12>	(b)(4)	(b)(4)	(b)(4)
13>			
14>			
15>			

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Vessel(s):
M/V C-COMMANDO

FUEL GRADE

64. Minimum vessel fuel specifications

(b)(4)

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SECTION B PART 2**SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS**

## B.2 Charter Hire

B-2.1 Hire Rates Charter hire for services under this Charter Party shall be payable at the applicable rates stipulated in Boxes 18–20 and shall be earned at the expiration of each fifteen (15) days of the charter period. Except as otherwise provided herein, said hire rates shall be considered payment in full for all services of the Vessel and Associated Equipment under this Charter including all overtime, penalty time, bonuses, payments, and emoluments payable to Master, Officers, and crew for services under this Charter, irrespective of the geographic scope of said service. Said hire rates are exclusive of the costs of fuel and port charges, which are addressed at Section H-15 (Fuel) and H-13 (Port Charges and Expenses) below, respectively, and other stevedoring costs such as loading, securing and discharging cargo, which are addressed in Section C-9 (Loading and Discharging) below.

B-2.2 Loss of Vessel Should the Vessel be either lost or missing, or become a constructive total loss, this Charter shall terminate and hire shall cease to be payable at the time of her loss or, if said time is unknown, at the time of the Vessel's last received communication. If the Vessel should be off hire or missing when a payment of hire would otherwise be due, payment shall be made for all hire due for the charter period until the Vessel was lost or the last communication was received. Thereafter, payment shall be postponed until the off-hire period ceases or the safety of the Vessel is ascertained, as the case may be.

## Section C - Descriptions and Specifications

SECTION C**SECTION C – DESCRIPTIONS AND SPECIFICATIONS**C-1 DEFINITIONS AND ACRONYMS

**AEL** – Allowance Equipment List

**Alterations** - Additions of equipment; changes to the configuration, location, type, or number of pieces of equipment or systems; changes in the arrangement and outfitting of Vessel’s structure.

**Assisting** – Movement of a tow, which is making use of, or which has available for use, her own propulsion

**Associated Equipment** - Construed to include all Contractor-furnished or owned equipment necessary for performance under this Charter

**ATO** – Anti-Terrorism Officer (same as Vessel Security Officer and Force Protection Officer)

**AT/FP** – Anti-Terrorism/Force Protection

**Bbl** - Barrel (42 U.S. gallons volume measure)

**CAGE** - Commercial and Governmental Entity Code (reference DFARS 252.204-7001)

**CBR-D:** Chemical, Biological and Radiological Defense

**CFE** - Contractor-furnished equipment

**Charter** - This document when executed; interchangeable with “contract” and “Charter Party”

**Charterer** - The United States of America

**Charter Party Date** - Identified in Box 28 of SF-33

**CHOP** – Charterer’s Option

**CMWWD:** Counter Measures Water Wash Down System. Fixed system (or temporary using fire hoses attached to steel clips welded to vertical bulkheads or other structure). Using ship’s firemain system, when activated, provides 360 degree (ideally) sea water curtain protection, mitigating the effects of CBR attacks. Also used to wash contaminants from ship’s structure after a CBR attack.

**Cocoon** – a non-permanent structure installed above all or part of the main deck in order to permit climate control of containers /cargo located outside of the vessel’s cargo holds.

**COMSC** - Commander, Military Sealift Command

**COMSCINST** - COMSC Instruction

**Contracting Officer** - Identified in Box 26 of SF-33

**COR** - Contracting Officer's Representative

**Contractor** - Interchangeable with “Owner”

**Crew** - Of the Vessel identified at Box 7

**Decontamination Station:** An area of the ship (near entrances from the weather decks) with features for crew decontamination.

**DESC** – Defense Energy Support Center

**DFARS** - Department of Defense Federal Acquisition Regulation Supplement (issued by the Department of Defense)

**DOD** - Department of Defense

**DWT** – Deadweight

**EST** – Embarked Security Team, normally 15-person force, U.S. Navy or other

**FAR** - Federal Acquisition Regulation

**FCC** - Federal Communications Commission

**FEU** – Forty Foot Equivalent Unit (Cargo container of 40 foot length, or size/volume/cargo capacity measurement equal to same)

**FLO/FLO** – Float-on, Float-off loading/discharging process

**Ft** – feet

**FPCON** – Force Protection Condition

**FPCON NORMAL** – This condition applies when a general global threat of possible terrorist activity exists and warrants a routine security posture. At a minimum, access control will be conducted at all DoD installations and facilities.

**FPCON ALPHA** - This condition is declared as a general warning of possible terrorist activity, the nature and extent of which is unpredictable, when the circumstances do not justify full implementation of the measures of FPCON BRAVO. However, it may be necessary to implement selected measures from FPCON BRAVO. The measures in this FPCON must be capable of being maintained indefinitely.

**FPCON BRAVO** - This condition is declared when there is an increased and more predictable threat of terrorist activity even though no particular target is identified. The measures of this FPCON must be capable of being maintained for weeks without causing undue hardship, without affecting operational capability and without aggravating relations with local authorities.

**FPCON CHARLIE** - This condition is declared when an incident occurs or when intelligence is received indicating that some form of terrorist action against installations or personnel is imminent. Implementation of this measure for more than short periods will probably create hardship and will affect peacetime activities of the installation and its personnel.

**FPCON DELTA** - This condition is declared when a terrorist attack has occurred or when intelligence has been received that terrorist action against a specific location is likely. Normally this FPCON is declared as a localized warning.

**FP Officer (FPO)** – same as Vessel Safety Officer/VSO and Anti-Terrorism Officer/ATO.

**Full Operational Status (FOS)** - Vessel manned and provisioned, all Associated Equipment operational, and Vessel prepared in all respects to perform her mission in accordance with this Charter, whether or not so ordered (see Section H-16 - Reduced Operational Status (Layup) below))

**GFP** - Government-furnished property (see FAR 52.245-2 below)

**Government** - The United States of America; interchangeable with “Charterer”

**Government Designated Representative** - Including, but not limited to, force protection personnel, military, Government employees, and Government Contractors

**hp** – horsepower [1 hp equals 0.745799 kW]

**km** – kilometers

**kPa** – kilo Pascal [1 kPa equals 20.886 psf]

**kW** - kilowatts [1 kW equals 1.34 horsepower (hp)]

**LASH** – Lighter-aboard –ship vessel

**Literage (lighterage)** – small boats (pusher boat, tug, etc) used for in-stream cargo discharge operations

**LO/LO** – Lift-on/Lift-off loading/discharging process

**LTON or LT** - Long Ton (2,240 pounds weight)

**m** – meter

**m<sup>3</sup>** – cubic meter

**Master** - Of the Vessel(s) identified in Box 7

**MT** – Measurement Ton (forty cubic feet, volume measurement)

**Moderate Weather** - Conditions up to sustained winds of Beaufort Force 5 and sea state 4

**MOTSU** - Military Ocean Terminal, Sunny Point, NC

**MSC** - U.S. Department of the Navy, Military Sealift Command

**MSFSC** - U.S. Department of the Navy, Military Sealift Fleet Support Command

**MSCHQ** – Headquarters, Military Sealift Command, Washington, DC

**NAPS** - Navy Acquisition Procedures Supplement (issued by the Department of the Navy)

**NM**- Nautical Miles

**NMCARS** - Navy Marine Corps Acquisition Regulation Supplement

**Owner** - That entity exercising commercial control of the Vessel(s) identified in Box 7; interchangeable with “Contractor” and “Offeror” and to include disponent owners and all the shipowner’s and disponent owner’s agents, employees, independent Contractors, Master, Officers, and crew.



**P&I** - Marine protection and indemnity insurance

**Paying Office** - Identified in Box 25 of SF-33

**Place** - Any berth, dock, anchorage, submarine line, alongside any Vessel or lighter or any other place whatsoever to which Charterer is entitled to direct the Vessel hereunder

**Psf** – Pounds per square foot (load measurement)

**Psi** - pounds per square inch (pressure measure)

**Readiness** - See Section H-6 below

**Reduced Operational Status (ROS)** - see Section H-16 below

**RFP** - Request for Proposals; interchangeable with solicitation

**RO/RO** – Roll-on/Roll-off loading/discharging process

**ROS** - Reduced operational status

**SDWT** - Deadweight capacity, to assigned summer mean draft

**Speed** – Derived by dividing the total hours at sea on any given sea passage (as show in the Vessel’s log)—after excluding any hours of non-moderate weather and any sea passage covered by an off-hire calculation—into the total miles at sea on the given sea passage.

**SWL** - Safe Working Load

**t** – Metric Ton (weight measurement)

**TEU** – Twenty Foot Equivalent Unit (Cargo container of 20 foot length, 8 foot height, 8 foot width, or size/volume/cargo capacity measurement equal to same)

**TIN** - Taxpayer Identification Number

**USCG** - United States Coast Guard

**USD** – U.S. Dollars

**Vessel(s)** - Identified at Box 7

**VSO** – Vessel Security Officer (same as ATO/Anti-Terrorism Officer and Force Protection Officer/FPO)

**WOG** - Without guaranty

C-2 MISSION:

The vessel shall serve as host/support ship for Naval Special Warfare/Special Operational Forces (NSW/SOF). Vessel shall provide hyperbaric chamber operations, replenishment/minor maintenance support, diving operations and personnel support, and transportation of the Advanced SEAL Delivery System (ASDS) by towing and/or carrying on deck. The vessel will store ordnance, gasoline, and carry/operate a certified hyperbaric chamber. The vessel will normally operate near the Hawaiian Islands, U.S. West Coast, and Guam.

Homeport is expected to be Pearl Harbor, Hawaii.

C-3 VESSEL REQUIREMENTS:

**C-3.1 Capacities/Dimensions.**

C-3.1.1 Open deck space:

- i Minimum 95 feet long by 48 feet wide contiguous open deck space.

C-3.1.2 The vessel must have sufficient deck strength to load and transport the following within the contiguous open deck space:

- i One recompression chamber (recompression chamber consists of two units: (1) Life Support Skid, 8'x8'x10', weighing 14,000 lbs. (GFE), (2) Fly Away Recompression Chamber, 8'x8'x20', weighing 17,500 lbs.) (GFE). Recompression units must be stowed next to one another on the main deck working area with adequate accessibility.
- ii Mission-specific support vans (three (3) 8'x8'x20' Milvans, weighing up to 24,000 lbs. each) (GFE)
- iii Six (6) Combat Rubber Raiding Craft (CRRCs) (Zodiac boats, models F470 and G470. See manuals for exact specifications) (GFE)
- iv Two (2) 24-ft. Rigid Hull Inflatable Boats (RHIBs) (24'x11', 9,000 lbs. each) (GFE)
- v Two (2) SEAL delivery vehicles (SDVs) weighing approximately 6,000 lbs. each (approximately 8,000 lbs. each with water entrained; dimensions approximately 20 ft. x 5 ft. x 5 ft.) (GFE)
- vi Vessel must be able to transport an Advanced Seal Delivery System (ASDS) with or without the ASDS transporter on deck and provide along-side mooring in a protected harbor. See specifications below. (GFE)
- vii Vessel must be able to transport a Dry Deck Shelter (DDS) with or without the DDS transporter on deck. See specifications below. (GFE)

C-3.1.3 In addition the vessel must provide the following:

- i A 300-sq.-ft. administrative/conference space sufficient to handle up to 15 people. Space shall have tables and seating to accommodate the above number, with power outlets providing standard 120 VAC power for computers and presentation equipment.
- ii Vessel must support berthing for 25 government personnel—four per stateroom, eight per head. Curtained-off bunks are acceptable. Messing for the 25 personnel above shall be in accordance with section C-3.23. The 25 Government personnel mentioned herein are in addition to any and all crew.

C-3.1.4 The vessel's draft must not exceed 17 feet.

**C-3.2 Certifications.**

- i Certified in accordance with a recognized regulatory body for support of launching small craft, Combat Rubber Raiding Craft (CRRC), and Rigid Hull Inflatable Boats (RHIBs).
- ii For SDVs and ASDS, "Rules for Building and Classing Underwater Vehicles, Systems, and Hyperbaric Facilities 2002," Appendix 4 (Certification of Handling Systems) from ABS applies. A copy is available upon request.
- iii At a minimum, vessel must be certified by the USCG as a Cargo Miscellaneous Vessel, and classed by the ABS. The Owner shall submit the vessel's most recent COI as a part of its offer.
- iv Hours of Operation. Following final acceptance, the vessel will be operational 24 hours a day, 7 days a week, whether at sea or inport. As such the Contractor shall submit a manning plan illustrating the crew level to meet all mission/Government requirements including crewing requirements mandated by USCG under 46 CFR 90 (Subchapter I).

C-3.2.1 Shipboard Physical Security. See Attachment J for Anti-terrorism/Force Protection (AT/FP) requirements.

C-3.2.2 Physical Security. COMSCINST 5530.3 Series establishes minimum physical security standards for all ships. The Master is responsible for the safety and security of his ship and crew and must ensure that appropriate members of his crew receive adequate shipboard and, when required, formal training to carry out these requirements. Except as otherwise noted herein, all costs for physical security shall be deemed to be included in the per diem charter hire rate.

**C-3.2.3 Small Arms Training.** The Contractor shall be responsible for all small arms training. The Contractor shall ensure that five crew members who will bear arms as part of their physical security duties have successfully completed a small arms familiarization course. The Contractor's course shall be taught to the same content and standards as the U.S. Navy's Small Arms Qualifications (Ashore/Afloat) Instructor Course J-041-0148. Such training shall be completed prior to commencement of shipboard employment. See Attachment J for further guidance.

**C-3.2.4 Ship Clearances.** The Government will secure diplomatic clearances and operational area clearances when and where required.

**C-3.3 Flag.** The vessel must be a Jones Act qualified U.S.-flagged vessel.

**C-3.4 Speed.** Minimum 12 knots transit speed.

**C-3.5 Endurance.** Minimum 15 days.

**C-3.6 Range.** Minimum 3,000 miles.

**C-3.7 Horsepower.** Minimum 1,000 shaft horsepower. Vessel is expected to tow an ASDS (67 ft. long; 52 LT) up to 90 nm in Sea States up to 5. Expected maximum pull is 22,000 lbs.

**C-3.8 Station Keeping.**

- i Vessel must be capable of operating and/or remaining on station in conditions up to and including winds of 30 knots and Sea State 5 (up to 12 feet).
- ii Vessel must be capable of slow-speed heading hold down to one knot. The vessel must be capable of maintaining station within a 150-foot radius of the established position. An operable Dynamic Positioning System is required.
- iii At a minimum, the vessel must be equipped with an operable bow thruster and twin screws capable of maintaining station and heading as noted above.

**C-3.9 Deck Equipment.**

- i Crane: Minimum 15-ton crane to launch CRRCs, RHIBs, and SDVs. The crane must be capable of lifting an SDV (8,000 lbs.) in minimum Sea State 3 (5-foot waves) with a minimum reach of 20 feet, as measured from the ship's hull outward. Crane must meet requirements of ABS certification for Offshore Cranes.
- ii Winches: Winches for stern towing of SDV; 28,000-lb. minimum working load capability with slow-speed line pay-out/haul-in speed and adequate wire/rope to support minimum working load.

**C-3.10 Fresh Water Requirement.**

- i Vessel must supply 2,000 gallons daily on back deck for miscellaneous use, including but not limited to equipment washdown.

**C-3.11 Compressed Air.**

- i Vessel to provide divers quality air at 3,000 PSI @ 100 CFM. U.S. Navy Diving and Manned Hyperbaric System safety Certification Manual, NAVSEA (SS521-AA-MAN-010, Revision 2, 1 Nov 2006) applies. A copy is available via website: <https://navseainst.navsea.navy.mil> or upon request. Vessel must also be able to recharge two SDVs at 100 CFM (to a max of 3,000 lbs).

**C-3.12 Sound Isolation/Vibration.**

- i Vessel must be able to support underwater telephone operations. These operations will be accomplished by a retractable tube that shall be installed in a suitable location that offers maximum separation from shipboard noise.

**C-3.13 Storage.**

- i Vessel must be equipped with a 200-gallon storage tank for gasoline, and associated equipment to facilitate refueling RHIBs at sea. Tank and storage shall be approved by the USCG. The contractor will re-fuel

Government small boats as required. The cost of fuel will be reimbursable in accordance with Sections H-15, G-5 and G-7.

#### **C-3.14 Communications.**

- i Vessel shall be Global Maritime Distress and Safety System (GMDSS) compliant.
- ii The vessel must be configured to receive Government-Furnished Equipment (GFE) underwater telephone transducers and acoustic navigation transducers. These items require through-hull penetration and are to be deployed by way of a retractable tube of minimum 12-inch diameter at least three to four feet below the bottom of the hull fitted with a hydraulic lifting winch, boom, or crane. Through-hull penetration, retractable tube, and lifting system are to be provided by the contractor.
- iii Vessel shall accommodate underwater telephone compatible with EDO 5400 having transponder interrogator pinger echo sounder (TIPE) (GFE). Antenna and patching to support NSW secure HF/VHF/UHF/SATCOM, INMARSAT.
- iv Communications equipment and chamber requires climate (AC/DH) control.
- v The vessel must meet any additional regulatory communication requirements for a vessel of its class and size.

#### **C-3.15 Navigation Equipment.**

- i Vessel shall be equipped with gyrocompass with repeaters, GPS and Radar. Radar should be capable of surface search to a minimum of 25 NM and be suitable for station keeping and for long-range tracking.

#### **C-3.16 Electrical Power.**

- i Vessel must be able to provide 240 amp, 440 VAC, three-phase, 60 Hz, 100 amp, delta-configured power to GFE on deck.

#### **C-3.17 Crew.**

- i The Master must hold a SECRET clearance. All crewmembers must be U.S citizens with valid U.S. passports for the full length of their assignment and will be required to submit to terrorist watch list checks. Crewmembers must have El Paso Intelligence Center (EPIC) record checks.
- ii It is essential that any vessel chartered as a result of this solicitation meet Section H-24, "Standards Of Appearance" and COMSC Instruction 3120.16 series "Standard of Appearance" (available upon request).
- iii Conduct of Master, Officers, and Crew. If the Charterer shall have reason to be dissatisfied with the conduct of the Master, Officers, or crew, the Owner shall, on receiving particulars of the complaint from the Contracting Officer, investigate the matter and, if necessary, make a change in personnel.
- iv The vessel will be crewed to safely and efficiently operate the vessel, operate deck equipment and small boats, and perform mission operations on a 24-hour basis as described herein. Additionally, crewing for voyages in accordance with USCG Subchapter I certification will be maintained throughout the charter period. Licensing, STCW endorsements, and documentation are required in accordance with U.S. Coast Guard regulations as applicable to the vessel's type, size, class, and service. The Master, officers, and crew shall possess valid and current licenses, certificates, and documents for the capacity in which each is employed. At all times while underway, the Contractor shall have at least one shipboard employee aboard who has U.S.C.G. recognized first aid and CPR certification within the past 12 months. All transportation costs for crewmembers shall be to the Contractor's account.

##### **C-3.17.1 Operational Responsibilities.**

- i The Master of the vessel shall be responsible at all times for the safety of the vessel and all on board. The Master of the vessel shall be responsible for meeting overall schedule requirements. The Master of the vessel shall be under the direction of the Operational or Task Force Commander with regards to the employment of the vessel, but shall not be under orders as regards safe navigation, care and custody of the vessel, and care and safety of equipment, gear, and persons onboard.
- ii A healthy functional relationship between the Contractor personnel (officers and crew) and the Sponsor is extremely critical. It is essential that the Master and Sponsor appreciate their individual responsibilities and dependence upon each other for attainment of the overall objective. A cooperative partnership between the two entities must be maintained at all times. The attitude of the partnership developed between the two

must extend to and be shared by all concerned. The Master and Government shall jointly prepare for all operations concerning the vessels.

- iii Irreconcilable differences between shipboard personnel and the Government regarding operations or other matters arising under this charter shall be fully documented and reported, by letter, message, or E-mail as appropriate, to the Contracting Officer for immediate resolution.
- iv On-Board Government Personnel: During operations there will be approximately twenty five (25) Government and/or military authorized personnel on board. The Senior Government Representative (SGR) or Senior Military Member aboard will serve as the primary point of contact between the Government, deployed Military Members and Contractor. The SGR is responsible for all authorized Government or Military personnel assigned to the vessel; logistics for all Government personnel and equipment; and working with the Contractor (vessel Master) to develop mission plans and plans of the day. Other Government or Military authorized personnel assigned to the vessel will be responsible for reporting aboard on time and participating in all drills and safety exercises. Support for these personnel shall be IAW Section C.3.2.
- v The Contractor shall employ an agent to arrange for all port services on a reimbursable basis during this charter as necessary. Port services shall include tugs, pilots, berthing, potable water, shore power, trash and garbage removal, oily waste removal, sewage removal, hazardous materials removal, line handlers, dedicated telephone service, and liberty launch services.
- vi Lifesaving Equipment/Drills. The Contractor shall operate all lifesaving support systems in accordance with manufacturer's instructions at the time intervals and frequencies as required. Lifesaving support systems include, but are not limited to life rafts, davits, winches, and boat engines. The Contractor shall conduct all regulatory drills required. Government personnel will participate in all regulatory drills.

#### **C-3.18 Other.**

- i Vessel must be equipped with a diver's staging area for launching and retrieving divers. At a minimum, staging area must consist of water access by ladder or removable bulkhead. The equipment used to handle the over-the-side divers should meet the requirements of U.S. Navy Diving and Manned Hyperbaric System Safety Certification Manual, NAVSEA (SS521-AA-MAN-010, Revision 2, 1 Nov 2006), and U.S. Navy Diving Manual.
- ii Vessel shall be equipped with towing hardware consisting of one 1,000-ft., 2.25-inch diameter, double-braid nylon towline (Contractor furnished); one 53-lb, 1.75-inch diameter shackle (GFE); one towing bridle (GFE); and towing drogue hardware (GFE). In addition, there must be 300 ft of Plasma or Spectra synthetic line between the end of the 1000-ft tow line and the tow bridle (Contractor furnished). Size and braid type must match the line in use.
- iii Vessel must be equipped with towing hardware consisting of 1.25-inch diameter wire type rope (Independent Wire Rope Core) sufficient to reach a 200-foot depth beyond the vessel's stern (Contractor furnished), and one galvanized 1.75-inch bolt type anchor shackle equivalent to Crosby model number G2130 (Contractor furnished). Government will provide one 1.75-inch diameter towing shackle, one towing bridle, and one towing drogue hardware as stated above.
- iv The owner will comply with and implement the ship physical security requirements contained in COMSC Instruction 5530.3 series. Vessel must be sufficiently manned to maintain a 24-hour access control watch (Gangway).
- v The contractor shall be responsible for the launch and recovery of the six small boats mentioned in paragraphs C-3.1.2, iii, and iv above. In addition, the contractor shall be responsible for the launch and recovery of the SDV mentioned in paragraph C-3.1.2, v above.
- vi The contractor shall be responsible for assisting government personnel with loading, securing, and discharging mission equipment.
- vii The contractor shall maintain GFE in accordance with FAR 52.245-1. This responsibility includes, but is not limited to, maintenance of the two RHIBs and their motors in accordance with the guidelines of the owner's manual.

**C-3.19 Vessel Modifications.** The Government may at its option modify the vessels to meet new or changing mission requirements. The Government will either task the Contractor to perform or to subcontract for the

modifications as a reimbursable item, or undertake the modifications itself. Any and all equipment put aboard as a result of the modifications will be Government Furnished Equipment (GFE). All GFE will be removed prior to the vessels re-delivery at the expense of the Government, unless otherwise agreed to. The Contractor may not modify the vessel without approval of the Contracting Officer. Any approved modifications will be fully tested and verified by the appropriate Government authority. Mission related unforeseen structural modifications affecting class or the vessel's certifications may be required. The costs of Government directed modifications, and the costs to restore the vessel to its original class or certification at award and as required by this contract shall be borne by the Government.

**C-3.20.** The Contractor shall develop a contingency plan adequate to ensure that there will be no interruption of operations and maintenance service due to labor disruption within the service provider's own labor force. The contingency plan must also include a plan to address substitution of personnel when qualified/trained personnel are not available due to leave, sickness, death, etc. The Contractor shall submit plan to contracting officer within 30 calendar days of contract award.

**C-3.21.** The Contractor shall test all crewmembers with pre-employment drug screening and develop a random drug testing program in accordance with 46 CFR Part 16 Section 230. The Contractor shall submit a random drug-testing plan to the Contracting Officer no later than 30 calendar days after contract award. Testing shall be conducted on a not to interfere basis with operations.

**C-3.22 Safety Plan.** The Contractor shall establish and maintain a safety program to promote occupational safety for the ship's force and all embarked personnel. The safety program shall encompass appropriate procedures and practices as necessary to establish a safe and hazard-free working and living environment. The program shall address areas of typical shipboard evolutions and equipment operations, mission operations, maintenance, and housekeeping. The program shall also incorporate applicable U.S. Coast Guard Regulations. The safety plan implementing the safety program shall be submitted to the Contracting Officer within thirty (30) calendar days after contract award. At a minimum, the safety program will include asbestos control, heat stress control, hearing and sight conservation, lead control, respiratory protection, electrical safety, gas free engineering, lock-out/tag out procedures, hazardous material control and management, mercury control, polychlorinated biphenyls, and man-made vitreous fibers. With respect to operations, the safety plan shall address methods to identify and communicate recommendations to improve the process, highlight safety hazards, and implement procedures to prevent unsafe practices. The Contractor shall comply with the plan approved by the Government.

**C-3.23 Food Service/Snacks for Government Personnel.** The Contractor shall provide three (3) galley-prepared meals and hotel services for embarked Government personnel. Food provided to the Government shall have the most reasonably attainable degree of variety, quality, quantity, and nutritional value. Meal items at a minimum shall consist of the following:

- i Breakfast - Eggs/omelets; breakfast meat (one); fruit; donuts, bagels, or sweet rolls; toast; hot or cold cereal; fruit juice; coffee, soft drinks, tea, milk and bottled water.
- ii Lunch - One sandwich type (hamburger, tuna salad, grilled cheese, etc); two entrees (of which one shall be hot and consist of meat); vegetables; rice/potatoes; coffee, soft drinks, tea, milk and bottled water.
- iii Dinner - Three entrees (of which two shall be hot and consist of meat); vegetables rice/potatoes; dessert; coffee, soft drinks, tea, milk and bottled water.
- iv The Contractor shall provide snack foods and bottled water for Government personnel. Snack foods shall include foods such as cheese and crackers; fresh fruit; peanut butter and jelly; cookies or brownies; popcorn; ice cream; potato chips; etc.
- v The Government will reimburse eight dollars (US) \$8.00 per person per meal for those permanently assigned.

**C-3.24 Food Service for Additional Government Personnel.** The Contractor shall provide galley prepared food service for additional personnel not permanently assigned to the vessel. It is the responsibility of the Contractor to collect for these meals. Breakfast shall be reimbursed at a not-to-exceed price of (US) \$4.25, and lunch and dinner at a not-to-exceed price of (US) \$8.00.

**C-3.25 Laundry Services Facilities.** The Contractor shall provide a 24-hour laundry facility for 25 Government assigned personnel.

C-4 ESTIMATED OPERATING SCENARIO:

Time Spent In Port / Underway		
50%	30%	20%
In Port	Underway: 2 kts (if slow speeds/tows are required)	Underway: 10 kts Transit

C-5 SPECIFICATIONS:

**C-5.1 Dry Deck Shelter (DDS) Specifications:**

DDS Overall Outside Dimensions:

Length: 40 ft  
 Width: 10'8"  
 Height: 10 ft  
 Weight: 30-35 tons

DDS on Transporter:

L = 93' 1"  
 W = 11'  
 H = 13'  
 Weight = 151,020 lbs.

**C-5.2 Advanced Seal Delivery System (ASDS) Specifications:**

Vehicle only:

Length = 65' 2"  
 Width = 10' 10"  
 Height = 8' 3"  
 Weight = 116,250 lbs.

Center of Gravity is 29' 9" from the tip of the bow.

Transporter (not including prime mover) w/o vehicle:

Length = 101' 10"  
 Width = 10'  
 Height = 8'  
 Weight = 76,700 lbs.

ASDS on Transporter

L = 101' 10"  
 W = 10' 10"  
 H = 13' 4"  
 Weight = 192,950 lbs.

C-6 TIN-FREE DELIVERY

Vessel shall deliver free of tin-based coating. Vessels requiring re-coating shall be stripped down to bare metal before repainting with suitable coating. Additionally, hulls requiring repainting shall be fleeted.

C-7 WARRANTY/DESCRIPTION OF VESSEL

**C-7.1 General**

The Owner warrants that the Vessel performing under this Charter Party shall be in full conformity with the requirements of this Charter Party, from the time of delivery and thereafter during the currency of this Charter Party.

In particular the Owner warrants that the Vessel is as described in Section B boxes and Section C of this Charter Party and that the Vessel shall be under U.S. flag upon delivery (see DFARS 252.247-7025 at Section I concerning requirements for reflagging work in U.S. shipyards). Should any specification of the Owner in the contract be in excess of a required specification elsewhere in this contract; the Owner's specification shall prevail over the required specification.

### **C-7.2 Regulatory Compliance**

The Owner warrants that the Vessel and all Associated Equipment shall be in full compliance with all applicable international conventions and all applicable laws, regulations, and other requirements of the nation of registry and of the nation(s) and local jurisdictions to whose port(s) and/or place(s) it is contemplated that the Vessel will be ordered hereunder. The Vessel shall be delivered and maintained in the highest class of a recognized classification society and be in compliance with all current safety, health, and pollution regulations promulgated by appropriate authorities, including the latest applicable IMO regulations. The Owner further warrants that the Vessel shall have on board all certificates, records, or other documents required by the aforesaid conventions, laws, regulations, and requirements, including a Certificate of Financial Responsibility meeting the requirements of the U.S. Coast Guard and promulgated pursuant to the U.S. Federal Water Pollution Control Act, as amended, and/or the Oil Pollution Act of 1990.

### **C-7.3 Complement**

The Owner warrants that the Vessel shall have an efficient and legally sufficient complement of Master, Officers, and crew with adequate training and experience in operation of all of the Vessel's equipment. The Master, Officers, and entire crew shall be U.S. citizens, speak English, and possess valid and current certificates, licenses, and documents. The Master, Officers, and crew of this Vessel shall be appointed or hired by the Owner and shall be deemed to be the servants and agents of the Owner at all times except as otherwise specified in this Charter. The Master of the Vessel shall be under the direction of the Charterer as regards the employment of the Vessel but shall not be under Charterer's orders as regards navigation, care, and custody of the Vessel.

### **C-7.4 Fuel and Speed Warranty**

C-7.4.1 Moderate Weather: Service Speeds. The Owner warrants that, unless otherwise ordered by the Charterer, the Vessel is capable of maintaining and shall maintain, throughout the currency of this Charter Party, the average speed in knots identified in Box 57 on any given moderate-weather passage from seabuoy to seabuoy while fully laden to summer marks. On any such passage as just described at the average speed identified in Box 57, daily fuel consumption in net barrels at 60 degrees Fahrenheit shall be at the average rate(s) identified in Boxes 59 and 61, for the grade(s)/viscosity(ies) therein identified to be consumed.

C-7.4.2 Moderate Weather: Variable Speeds. For periods during which the Charterer orders the Vessel to operate at speeds other than those identified in Box 57, the Owner warrants that the Vessel's total fuel consumption (including all auxiliaries) in net barrels at 60 degrees Fahrenheit at those ordered speeds in moderate weather shall be at the average rates identified in Box 63B for the stated speed, range, and load conditions for the grade(s)/viscosity(ies) therein identified to be consumed.

C-7.4.3 Auxiliaries. The Owner warrants that the Vessel's fuel consumption (underway/steaming/laden) in net barrels at 60 degrees Fahrenheit for all auxiliaries, in addition to any fuel consumption identified in Box 59, shall be at the average rate identified in Box 61 for the grades/viscosities therein identified to be consumed, regardless of speed or weather conditions.

C-7.4.4 Idle Periods. The Owner warrants that the Vessel's fuel consumption in net barrels at 60 degrees Fahrenheit during all periods at anchor or alongside berth shall be at the average rate identified in Box 62, for the grade(s)/viscosity(ies) therein identified to be consumed.

C-7.4.5 Remedies. Should actual performance or readiness condition of the Vessel show any failure to satisfy one or more warranties or other Charter requirements not due to the fault of the Charterer, the hire may be equitably decreased, this Charter may be terminated, or the Vessel may be placed off-hire, at the Charterer's option so as to



indemnify the Charterer to the extent of such failure. However, in all cases the Owner shall bear the cost of excessive fuel consumption resulting from the Owner's breach of its fuel warranties. The foregoing remedies shall not limit other recoveries available under law or within this charter.

#### **C-7.5 Other Compliances**

The Contractor shall comply with all applicable Federal, State and local laws, executive orders, rules and regulations applicable to its performance under this contract.

#### **C-7.6 Compliance with laws unique to Government contracts**

The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. 327, et seq., Contract Work Hours and Safety Standards Act; 41 U.S.C. 51-58, Anti-Kickback Act of 1986; 41 U.S.C. 265 and 10 U.S.C. 2409 relating to whistleblower protections; 49 U.S.C. 40118, Fly American; and 41 U.S.C. 423 relating to procurement integrity.

### **C-8 REPORTING REQUIREMENTS**

#### **C-8.1 Charterer's Instructions**

The Charterer shall furnish the Master with all requisite instructions and sailing directions in writing, including COMSC Instruction 3121.9, "Standard Operating Manual," as revised. The Master shall exercise due diligence to observe all such orders and instructions of the Charterer in respect of the Charterer's employment of the Vessel's services.

### **C-9 LOADING AND DISCHARGING (MSC 5252.247-9846 (AUG 2005))**

#### **C-9.1 General**

The whole reach and burden of the Vessel shall be at the disposal of the Charterer, reserving only proper and sufficient space for Vessel's Master, Officers, and crew, tackle, apparel, furniture, provisions, stores, and fuel. The Charterer shall have the use of all cargo handling equipment onboard and the Owner shall provide sufficient power to operate all the Vessel's cargo handling equipment simultaneously. The Vessel shall work night and day, if required by the Charterer. The Charterer shall have the use of any special gear or fittings actually aboard the Vessel, although said gear or fittings are not required by this Charter. Any material required for securing cargo is to be furnished by the Charterer and for its account, but the Charterer may have the free use of any lashings aboard the Vessel. The Charterer will be responsible for the replacement of lashing gear damaged by the Charterer or its servants. Such replacement shall be as original or equivalent.

#### **C-9.2 Cargo Quantity Limitation**

In no case shall the cargo exceed what the Vessel can reasonably stow and carry, in the judgment of the Master, over and above the space and burden necessary for Vessel's Officers and crew, her cabin, tackle, apparel, furniture, provisions, fresh water, stores, necessary ballast and fuel. The amount of the deck cargo shall be at the discretion of the Master and the loading, carriage and discharge thereof shall be at the risk of the Charterer.

#### **C-9.3 Detention or Standby**

If by reason of the Owner's failure to use diligence to keep the Vessel in a thoroughly efficient state of hull, machinery, equipment, personnel, and other particulars relating to the seaworthiness of the Vessel, the Charterer incurs cost of stevedoring detention or standby time in connection with the loading or discharging of cargo, such costs shall be for the account of the Owner.

#### **C-9.4 Charterer's Responsibility**

The Charterer shall load, stow, trim, secure, and discharge the cargo, all in compliance with applicable laws and regulations and the permit/waiver requirements thereunder; notwithstanding, however, that the Master shall supervise and be responsible for such actions as they concern the seaworthiness and stability of the Vessel. Upon request of Charterer, Owner shall arrange for stevedoring services at ports visited under this Charter, with reimbursement for all

necessary and reasonable agency fees, all reasonable costs of loading and/or discharging, and port charges in accordance with Section (H-13) (Port Charges and Expenses) below.

#### **C-9.5 Expenses**

The Charterer shall pay all expenses directly connected with the loading and discharging of the cargo including stevedoring, wharfage, clerking and tallying, winchmen, heavy lifts, dumping, stowing, securing, lashing, sheathing, dunnaging, and trimming, and removal of strongbacks with shore equipment where the use of shore equipment is not necessitated by a structural or mechanical defect in the Vessel unless that defect is caused by the fault or negligence of the Charterer. Unless otherwise provided herein the Charterer shall provide necessary dunnage and shifting boards, also any extra fittings or materials requisite for a special trade or unusual cargoes, but the Owner shall allow the Charterer the use of any dunnage, shifting boards and other fittings or materials already on board the Vessel. The Charterer shall have the privilege of using shifting boards for dunnage, but if the Vessel's shifting boards are used as dunnage, the Charterer shall make good any damage to or shortage of such shifting boards on redelivery of the Vessel. If the Charterer elects or is required by the Owner to remove dunnage and fittings placed on board by the Charterer, the cost of removal and discharge shall be borne by the Charterer. Charterer shall have free use of any lashing gear, dunnaging, shifting boards, and fittings aboard the Vessel.

#### **C-9.6 Lighterage**

Lighterage, if any, will be at the risk and expense of the Charterer, except as otherwise provided herein. Vessel shall have adequate fendering for alongside operations and be able to lighter (skin to skin) from another vessel. Fenders shall be foam or similar material (not pneumatic or gas), and be deployable/retrievable by vessel's crew. Fenders shall be adequate to handle alongside cargo operations with coasters (small capacity container ships), lighterage, watercraft, or high speed vessels. Contractor shall arrange oil spill protection and cleanup.

#### **C-9.7 Stevedore Damage**

The Charterer is to be responsible for any physical damage done to the Vessel by Charterer stevedores on loading and/or discharging only if such damage is occasioned by negligence, breach of warranty or breach of contract and the Master advises Charterer, or Charterer's representatives, in writing, within 24 hours after occurrence of the specific damage and the Master further notifies the parties who have caused this damage, in writing, and endeavors to obtain their admission of liability. As soon as practicable after such damage is sustained, the Owner is to have an independent survey made to define and estimate the damage; a written copy of the survey report is to be promptly forwarded to the Charterer. All claims are to be settled directly between the Owner and the stevedores, with the Charterer being ultimately responsible.

#### **C-9.8 Safety in Loading and Discharging Cargo**

The Owner shall be knowledgeable of the Occupational Safety and Health Act of 1970, 29 U.S.C. 651 et seq., as amended, and to the standards promulgated thereunder by the Secretary of Labor.

#### **C-10 DECK CARGO**

Should deck cargo be carried, it shall be carried at the Charterer's risk, excepting cargo shipped in containers.

#### **C-11 SYSTEMS**

##### **C-11.1 Automated External Defibrillator (AED)**

The Contractor shall provide at least one Automated External Defibrillator (AED) unit. All AEDs must be FDA approved and be suitable for shipboard use. The Vessel's Medical Department Representative shall be trained to operate and maintain the AED.

The Contractor shall provide sufficient AEDs, stored in a location ready for use, to ensure that response time to shipboard medical emergencies does not exceed five minutes from any location on the Vessel. AEDs shall be stored in a location that is accessible to trained rescuers.

## Section D - Packaging and Marking

SECTION D**SECTION D - PACKAGING AND MARKING**D-1 PACKING - COMMERCIAL FOR DOMESTIC SHIPMENT

Material shall be packed for shipment in such a manner that will insure acceptance by common carrier and safe delivery at destination. Containers and closures shall comply with the Interstate Commerce Commission regulations, Uniform Freight Classification Rules or regulations of other carriers as applicable to the mode of transportation.

D-2 PACKING MATERIAL

The use of shredded paper, whether newspaper, office scrap, computer sheets, or wax paper in packing material for shipment to Navy activities is prohibited.

D-3 MARKINGS OF SHIPMENTS

Classified material shall be prepared for shipment in accordance with the Industrial Security Manual, DoD 5220.22M. Outer containers shall not disclose the name of classified matter contained within the envelope or package, even though the name itself may not be classified. If it is necessary that the outer container include or have attached thereto a list of the contents, unclassified code numbers of generic terms shall be used which will not disclose the specific contents. The Contractor shall mark all shipments under this contract in accordance with the edition of MIL-STD129, "Marking for Shipments and Storage" in effect on the date of the solicitation.

## Section E - Inspection and Acceptance

SECTION E**SECTION E – INSPECTION AND ACCEPTANCE**E-1 INSPECTION (TIME)

E-1.1 General The Vessel(s) and Associated Equipment shall be subject to the Government's inspection as to suitability for the required service prior to delivery and subject to subsequent inspections at any time during the currency of this Charter to determine continuing suitability for the required service as well as to determine whether the material condition of the Vessel(s) and Associated Equipment will prevent effective operation during basic and optional periods (if any) of this Charter. Such inspections may include but not be limited to:

- A. Condition and operability of all cargo handling gear including standing and running rigging, cranes, davits, booms, gantries, and status of regulatory body inspections of same;
- B. Condition and operability of navigation, communication, and environmental-protection equipment and existence of appropriate technical manuals and onboard spares;
- C. Condition (tightness and preservation) of hull, deck plating, superstructure, divisional bulkheads and the operability of ground tackle;
- D. General material condition and maintenance of the Vessel(s) and holds and tanks;
- E. Condition, operability, and certification of required safety and firefighting equipment;
- F. Operability and safety of engineering spaces and equipment;
- G. Bunker survey;
- H. Condition of all equipment required under this Charter

E-1.2 Government Survey. The Government further reserves the right to have the Vessel(s) surveyed at any time by an independent surveyor.

E-1.3 No Cost Cancellation-Deficiencies If in the opinion of the Government Inspector or independent surveyor deficiencies exist that preclude the adequacy of the Vessel(s) for the assigned service, a notice for correction will be issued. In the event that the stated deficiencies are not corrected in a reasonable period of time and in the opinion of the Contracting Officer (based upon the recommendation of the Government Inspector and/or the independent surveyor) the Vessel(s) is inadequate for the intended service or unable to operate for the remaining period of the Charter as a result of these deficiencies, the Government reserves the right to cancel this Charter at no cost to the Government at any time during its term or to take any other action available under this Charter or authorized by law.

E.1.4 The Vessel horsepower identified in Boxes 44 and 45 shall, if required by the Contracting Officer, be verified by an independent surveyor approved by the Government, at owner's expense.

E.2 PREDELIVERY INSPECTION A predelivery inspection of the Vessel may be held at Charterer's option upon the request of the Owner; such inspection shall be of an advisory nature only. At any such inspection, any representation of a Government representative present, or lack thereof, shall not be binding on the Charterer. This inspection shall be conducted, if possible, in a shipyard and on a date mutually agreeable to the Owner and the Government. The Owner will be advised of the condition of the Vessel and Associated Equipment as found by the Inspector. This predelivery procedure is to enable the Owner to correct any deficiencies discovered before the delivery inspection. The results of any predelivery inspection under this Article shall further be without prejudice to any later determinations that the Vessel or its Associated Equipment are unsuitable under this Charter Party, whether made at the delivery inspection or at any time during the currency of the charter period including options if exercised.

E-3 RESERVEDE-4 EXCUSABLE DELAYS/EXCEPTIONS (MSC 5252.247-9827 (AUG 2005))

E-4.1 Excepted events Neither the Vessel, her Master, the Owner, nor the Charterer shall, unless otherwise in this Charter Party expressly provided, be responsible for any loss or damage or delay or failure in performing hereunder arising or resulting from any act of God; act of public enemies, pirates, or assailing thieves; arrest or restraint of princes, rulers, or people; seizure under legal process provided bond is promptly furnished to release the Vessel; flood; fire; blockade; riot, insurrection, or civil commotion; earthquake; or explosion. The Vessel shall have the liberty to sail with or without pilots, to tow and to be towed, to assist Vessels in distress, and to deviate for the purpose of saving life or property, or to go into dry dock or into ways with or without cargo, passengers or other personnel, as applicable, on board.

E-4.2 Reservation The exceptions identified in E-4.1 above shall not be such as affect Owner's warranties respecting the condition of the Vessel, or the Owner's obligations respecting the loading, handling, stowage, carriage, custody, care, and discharge of the cargo. Defaults of subContractors at any tier or the Owner's failure to perform due to a labor disruption, labor dispute, or strike shall not constitute excepted events under E-4.1.

E-4.3 Notification The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

E-5 ACCEPTANCE

Final acceptance of all services provided under this contract shall be made only upon certification of the final invoice as defined in the invoicing provisions contained in Section G. Such certification shall be made by the Contracting Officer or his designated representative.

INSPECTION AND ACCEPTANCE TERMS

Supplies/services will be inspected/accepted at:

CLIN	INSPECT AT	INSPECT BY	ACCEPT AT	ACCEPT BY
0001	N/A	N/A	N/A	Government
000101	N/A	N/A	N/A	Government
0002	N/A	N/A	N/A	Government
0003	N/A	N/A	N/A	Government
0004	N/A	N/A	N/A	Government
9994	N/A	N/A	N/A	Government
9995	N/A	N/A	N/A	Government
9996	N/A	N/A	N/A	Government
9997	N/A	N/A	N/A	Government
9998	N/A	N/A	N/A	Government
9999	N/A	N/A	N/A	Government

CLAUSES INCORPORATED BY FULL TEXT

52.246-4 INSPECTION OF SERVICES--FIXED-PRICE (AUG 1996)

- (a) Definitions. "Services," as used in this clause, includes services performed, workmanship, and material furnished or utilized in the performance of services.
- (b) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the services under this contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to the Government during contract performance and for as long afterwards as the contract requires.
- (c) The Government has the right to inspect and test all services called for by the contract, to the extent practicable at all times and places during the term of the contract. The Government shall perform inspections and tests in a manner that will not unduly delay the work.
- (d) If the Government performs inspections or tests on the premises of the Contractor or a subcontractor, the Contractor shall furnish, and shall require subcontractors to furnish, at no increase in contract price, all reasonable facilities and assistance for the safe and convenient performance of these duties.
- (e) If any of the services do not conform with contract requirements, the Government may require the Contractor to perform the services again in conformity with contract requirements, at no increase in contract amount. When the defects in services cannot be corrected by reperformance, the Government may (1) require the Contractor to take necessary action to ensure that future performance conforms to contract requirements and (2) reduce the contract price to reflect the reduced value of the services performed.
- (f) If the Contractor fails to promptly perform the services again or to take the necessary action to ensure future performance in conformity with contract requirements, the Government may (1) by contract or otherwise, perform the services and charge to the Contractor any cost incurred by the Government that is directly related to the performance of such service or (2) terminate the contract for default.

(End of clause)

## Section F - Deliveries or Performance

SECTION F**SECTION F – DELIVERIES OR PERFORMANCE**

F-1 LAYDAYS The Vessel and all Associated Equipment shall be delivered to the Charterer at a port or place in accordance with Box 2 not later than 1000 hours local time at place of delivery on the canceling date stated in Box 5, the Owner giving written notice of readiness during office hours to the appropriate Government representative at the port or place of delivery on a working day (Saturdays, Sundays, or other recognized weekly days of rest, U.S. Government holidays, and holidays observed at the delivery port, whether national or local, shall not be considered working days). Government inspection of the Vessel shall be completed within a reasonable amount of time thereafter, not exceeding twenty-four (24) hours after proper tender of the notice of readiness, (Saturdays, Sundays, or other recognized weekly days of rest, U.S. Government holidays, and holidays observed at the delivery port, whether national or local, excepted in the computation of said twenty-four hour period). Hire shall commence upon acceptance of the Vessel by the Charterer but not before the commencing date stated in Box 5, unless approved in writing in advance by the Contracting Officer. The Charterer shall have the liberty to cancel this Charter at no cost to the Government should the Vessel or Associated Equipment not be ready in accordance with the provisions hereof by the canceling date stated in Box 5, said cancellation to be declared not later than twenty-four (24) hours after 1000 hours local time at place of delivery on the canceling date stated in Box 5, should the Vessel not be ready by that time. This paragraph shall not limit any right of the Government under this Charter Party or any right to take any other action authorized by law.

F-2 CONDITION The Vessel and all Associated Equipment shall be, insofar as due diligence can make them so, seaworthy, properly and efficiently manned and trained, equipped, supplied, and in every way suitable and adequately fitted for and in all respects ready for the service contemplated under this Charter Party. Any Associated Equipment shall upon delivery be as described in this Charter Party and all cargo-handling equipment shall be rigged, secured, and operable. The Owner shall exercise due diligence to maintain the Vessel and Associated Equipment in such state during the period of this Charter Party.

F-3 VESSEL(S) REDELIVERY Unless lost, the Vessel shall be redelivered at a port or place in accordance with Box 3. The Charterer shall give the Owner no less than one (1) day's notice of expected date and range of redelivery, and of actual port or place of redelivery. Redelivery notice shall not impair the Charterer's right to exercise any options under this Charter.

F-4

F-4.1 Safety The Charterer shall exercise due diligence to order the Vessel to safe berths or places (or alongside vessels or lighters reachable on her arrival and designated/procured by the Charterer) that the Vessel can approach, lie at, and depart from always accessible, always afloat. The Charterer shall not, however, be deemed to warrant the safety of any berth or place and shall not be liable or accountable for any loss, damage, injury, or delay resulting from any unsafe condition at any berth or place unless caused by the Charterer's failure to exercise due diligence as aforesaid. Any lightering will be at the expense of the Charterer; however, in the event the Charterer directs the Owner to arrange for lighterage services, the Owner shall make all necessary arrangements therefore.

F-4.2 Ice The Vessel shall not be ordered or bound to enter any port or place inaccessible due to ice or at which lights, lightships, markers, or buoys on Vessel's arrival are (or are likely to be) withdrawn by reason of ice. The Vessel shall not be obliged to force ice. If a port or place to which the Vessel is ordered is inaccessible due to ice, the Master shall immediately notify the Charterer requesting revised orders and shall remain outside the ice-bound area. If there is danger of the Vessel being frozen in at any port or place, the Vessel shall, at Master's discretion, proceed to the nearest safe and ice-free position, at the same time requesting the Charterer's revised orders. Any delay or detention resulting from ice to be for the Charterer's account.

F-5 CHARTER PERIOD This Charter Party shall be for the period designated in Box 4, commencing upon the Charterer's acceptance of the Vessel and continuing until either the date of her redelivery or the completion of the voyage then current, at the Charterer's sole option. Any option periods shall be in direct continuation; shall be

without guaranty at the Charterer's sole option; and shall be declared as specified in Section I. Optional periods may be declared at any time prior to redelivery of the Vessel.

F-6 DRYDOCK Owner, at its expense, shall drydock, clean and maintain the Vessel's bottom and propeller, and make all overhaul and other necessary repairs properly to maintain the Vessel(s) in class, maintain the Vessel(s) in compliance with F-2 (Condition) above and the warranties of C-7 above, and otherwise to keep the Vessel(s) tight, staunch, and strong, and in thoroughly efficient order and condition. For such purpose of drydock, Charterer shall allow Vessel(s) to proceed to an appropriate port upon 90 days' prior notice to the Contracting Officer. All towage, pilotage, fuel, gas-freeing if required, water, and other expenses incurred while proceeding to and from drydock shall be for Owner's account.

F-6.1 Suspension of Hire In case of drydocking, pursuant to F-6, at a port where Vessel(s) is to load, discharge, or bunker under Charterer's orders, hire shall be suspended from the time the Vessel(s) receives free pratique on arrival, if in ballast, or upon completion of discharge of cargo, if loaded, until Vessel(s) is again ready for service. In case of drydocking at a port other than where Vessel(s) loads, discharges or bunkers, payment of hire shall cease from the time of deviation until the Vessel(s) is again ready and in a position not less favorable to the Charterer than that at which such deviation occurred.

**DELIVERY INFORMATION**

CLIN	DELIVERY DATE	QUANTITY	SHIP TO ADDRESS	UIC
0001	N/A	N/A	N/A	N/A
000101	N/A	N/A	N/A	N/A
0002	N/A	N/A	N/A	N/A
0003	N/A	N/A	N/A	N/A
0004	N/A	N/A	N/A	N/A
9994	N/A	N/A	N/A	N/A
9995	N/A	N/A	N/A	N/A
9996	N/A	N/A	N/A	N/A
9997	N/A	N/A	N/A	N/A
9998	N/A	N/A	N/A	N/A
9999	N/A	N/A	N/A	N/A

**CLAUSES INCORPORATED BY REFERENCE**



52.242-15

Stop-Work Order

AUG 1989

## Section G - Contract Administration Data

**ACCOUNTING AND APPROPRIATION DATA**

AA: 97 X 4930 ND2A 000 00033 0 000033 2F0000000000000000  
 AMOUNT: \$1,242,000.00  
 CIN 00000000000000000000000000000000: \$1,242,000.00

**SECTION G****G-1 DESIGNATION OF PRINCIPAL CONTRACTING OFFICER**

The Principal Contracting Officer for this contract is:

Veronica Holzer, Contracting Officer (N1031)  
 Department of the Navy  
 Military Sealift Command  
 914 Charles Morris Court SE, Bldg. 157  
 Washington Navy Yard, DC 20398-5540

**G-2 CONTRACTING OFFICER'S REPRESENTATIVE (COR)  
(DFARS 252.201-7000)(DEC 1991)**

(a) *Definition.* "Contracting Officer's representative" means an individual designated in accordance with subsection 201.602-2 of the Defense Federal Acquisition Regulation Supplement and authorized in writing by the Contracting Officer to perform specific technical or administrative functions.

(b) If the Contracting Officer designates a Contracting Officer's representative (COR), the Owner will receive a copy of the written designation. It will specify the extent of the COR's authority to act on behalf of the Contracting Officer. The COR is not authorized to make any commitments or changes that will affect price, quality, quantity, delivery, or any other term or condition of the contract.

**G-3 CONTRACTING OFFICER'S REPRESENTATIVE (COR)**

(a) Upon contract award, the Contracting Officer's Representative (COR) will be named in writing. As such, this individual will be responsible for monitoring the performance of the Owner and the adherence to the requirements of the contract as defined herein.

(b) The COR shall provide technical guidance on a day-to-day basis, and perform routine inspections of the facility on behalf of the Contracting Officer. In no event, however, shall any understanding or agreement, modification, change order, or other matter deviating from the terms of the contract be authorized by the COR, or any other Government personnel, unless formalized by the proper documents executed by the Contracting Officer.

(c) When in the opinion of the Owner, the COR, or any other Government personnel, requests effort outside the existing scope of the contract, the Owner will promptly notify the Contracting Officer. No action will be taken by the Owner under such technical instruction unless the Contracting Officer authorized the change.

**G-4 INVOICE REQUIREMENTS**

- (1) The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized) to the address designated in the contract to receive invoices. An invoice must include --
- (i) Name and address of the Contractor;
  - (ii) Invoice date and number;
  - (iii) Contract number, contract line item number and, if applicable, the order number;
  - (iv) Description, quantity, unit of measure, unit price and extended price of the items delivered;
  - (v) Shipping number and date of shipment, including the bill of lading number and weight of shipment if shipped on Government bill of lading;
  - (vi) Terms of any discount for prompt payment offered;
  - (vii) Name and address of official to whom payment is to be sent;
  - (viii) Name, title, and phone number of person to notify in event of defective invoice; and
  - (ix) Taxpayer Identification Number (TIN). The Contractor shall include its TIN on the invoice only if required elsewhere in this contract.
  - (x) Electronic funds transfer (EFT) banking information.
- (A) The Contractor shall include EFT banking information on the invoice only if required elsewhere in this contract.  
 (B) If EFT banking information is not required to be on the invoice, in order for the invoice to be a proper invoice, the Contractor shall have submitted correct EFT banking information in accordance with the applicable solicitation provision, contract clause (e.g., 52.232-33, Payment by Electronic Funds Transfer—Central Contractor Registration, or 52.232-34, Payment by Electronic Funds Transfer—Other Than Central Contractor Registration), or applicable agency procedures.  
 (C) EFT banking information is not required if the Government waived the requirement to pay by EFT.
- (2) Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) prompt payment regulations at 5 CFR part 1315.

#### G-4.1 Submission of Invoices

All invoices, requests for equitable adjustment, or similar requests for payment under this Charter shall be submitted not later than (six) 6 months after the end of the relevant period of service. All invoices, requests for equitable adjustment, or similar requests for payment not so submitted shall be deemed waived by the Owner.

G-5 PAYMENT Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget payment regulations at 5 CFR part 1315. In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the specified payment date if an electronic funds transfer payment is made.

#### G-6 PAYMENT OF FIXED PRICE PER DIEM (MSC 5252.232-9803 (DEC 1988))

- (a) Payment of per diem on the day the vessel(s) is delivered or redelivered will be made at the full Per Diem rate.
- (b) For periods of operation of less than a full 24-hour day (excluding delivery or redelivery days) the per diem rate will be prorated in accordance with the clause entitled "Determination of Applicable Fixed-Price Per Diem". Calculation of per diem will be based on Greenwich Mean Time.
- (c) Where a vessel(s) has a voyage in progress on the date of contract expiration in accordance with the clause at F-1, the applicable per diem rate for that vessel(s) for the period beyond the expiration date shall be the per diem rate that is in effect on the last day of the contract for that vessel(s).

#### G-7 REIMBURSABLE SUPPLIES AND SERVICES, TIME CHARTER (MSC 5252.232-9809 (MAR 2005))

- (1) The Government will reimburse the Contractor only for the actual price paid for those supplies and services that are expressly identified as reimbursable items by this contract. "Actual price" paid by the Contractor for such

supplies and services, includes tax paid, if any, and reduced by any and all credits and rebates, whether accrued or realized, associated with the supplies and services provided. "Actual price" does not include material handling charges, overhead, general and administrative costs, profit, or any other indirect cost that is in any way associated with the Contractor's purchase or provision of such supplies and services. The parties expressly agree that the offered and accepted daily rate includes all costs incurred or paid by the Contractor, including but not limited to material handling charges, overhead, general and administrative costs, or profit, that are in any way associated with the Contractor's purchase or provision of such supplies and services.

(2) To be eligible to receive reimbursement for services and supplies identified in this contract as reimbursable items and obtained in support of this contract, the Contractor shall obtain at least three quotes for each transaction in excess of \$2,500 to ensure that adequate price competition was sought or the Contractor shall provide an acceptable justification as to why it was impracticable to do so. In the case of fuel purchases, unless directed otherwise by the Contracting Officer, the Contractor shall provide the documentation listed in subparagraphs (i) through (iii) below to the Contracting Officer for approval prior to purchasing fuel. For purchases of services and supplies and other than fuel, the Contractor need provide the aforementioned documentation only when requested by the Contracting Officer. The Contractor shall maintain documentation of all reimbursable purchases until three years after the contract is completed and shall provide access to and copies of such documentation when requested by the Contracting Officer.

- (i) A description of the supplies or services to be subcontracted.
- (ii) Identification of the proposed subcontractor and price.
- (iii) Suppliers contacted and price quotes. Include other pertinent data such as price lists used if suppliers were not contacted and information regarding the selection if other than price-related factors were considered.

(3) The Contracting Officer may reduce the reimbursement by any amount above that which the Contracting Officer finds, in his/her sole discretion, is greater than that which is fair and reasonable for the supplies or services provided, giving due consideration to the facts and circumstances prevailing at the time that the Contractor procured the supplies and services. Disputes as to the amount by which any reimbursement is reduced shall be resolved in accordance with the "Disputes" clause of the contract. It shall be the Contractor's burden to demonstrate that the price it paid for reimbursable supplies and services was fair and reasonable.

(4) When the Contractor expects total funding expended for reimbursable items to reach 85 percent of the total funds available on each Reimbursable Supplies and Services CLIN, the Contractor shall notify the Contracting Officer and the COR and any other Government official identified by the Contracting Officer. The notice shall state the estimated amount of additional funds required to continue performance for the period specified in the Schedule. The Contractor shall not exceed or incur costs that exceed the amount of funding stated on each Reimbursable Supplies and Services CLIN at the time a reimbursable item is ordered.

(5) The Government is not obligated to reimburse the Contractor for otherwise reimbursable supplies and services in excess of the funded amount stated in the Schedule under each Reimbursable CLIN.

(6) The Contractor is not obligated to continue performance of any reimbursable work under this Contract or otherwise incur costs for reimbursable supplies or services in excess of the funded amount stated in the Schedule under each Reimbursable CLIN unless the Contracting Officer notifies the Contractor that the funded amount stated in the Schedule under the applicable Reimbursables CLIN has been increased. Notification shall be in writing. In the event notification is made orally, such notification shall be followed up in writing within two working days.

(7) No notice, communication, or representation from any person other than the Contracting Officer shall affect the Government's obligation to reimburse the Contractor.

(8) Change orders shall not be considered an authorization to exceed the funded amount stated in the Schedule under each Reimbursable CLIN unless they contain a statement expressly increasing the funded amount of the Reimbursables CLIN by a sufficient amount to cover the change order.

## Section H - Special Contract Requirements

SECTION HH-1 RESERVEDH-2 RESERVED

H-3 INSURANCE During the full period of this Charter Party, the Owner shall maintain marine insurance coverage on the Vessel, including Hull and Machinery, Protection and Indemnity (P&I), Pollution Liability, War Risk Hull and Machinery, War Risk P&I and Second Seamen's War Risk. Except as otherwise provided in this Charter Party, the expense for such insurance coverages shall be for the Owner's account and shall be deemed to be included in the hire payable under this Charter Party. Except as provided herein, the Owner shall be responsible for the cost of such insurance, including deductibles, premia, additional premia, calls, commissions, advancements, assessments, and overspill claims where applicable.

H-3.1 Trading Limits. If Vessel is sent beyond the limits of American Institute Trade Warranties or Institute Warranties (as applicable) under this Charter Party, the Charterer agrees to reimburse the Owner for the actual extra cost of additional premia and/or increased deductible levels, to the extent incurred, properly assessed by the Vessel's marine insurance underwriters and payable by the Owner, which extra cost is occasioned by the Vessel's trading beyond such limits.

H-3.2 Limitation of Liability. Except as otherwise specifically provided herein, the Charterer shall not be liable for any loss, damage, expense, cost, or liability whatsoever and howsoever incurred by the Owner or Vessel, or which are imposed upon the Owner or Vessel by operation of law. Any amount due the Owner under Section H-3 shall be subject to setoff by the Charterer to the extent of any amount recovered under insurance carried by the Owner, or to the extent of any amount recoverable under insurance required by Subparagraph H-3 above.

H-3.3 Notification to Charterer. The Owner shall, to the maximum extent practicable, keep the Charterer, through the Contracting Officer, currently informed in writing as to the potential vitiation, suspension, lapse, or termination of any of Vessel's insurance policies as a consequence of this Charter Party.

H-3.4 Charterer Named Assured. The United States of America shall be named as an additional assured with waiver of subrogation under the Vessel's Hull and Machinery policy (and the Increased Value policy if applicable), the Vessel's P&I entry, any additional pollution liability coverage, the Vessel's War Risk Hull and Machinery policy including P&I, and Second Seaman's War Risk.

H-4 WAR (MSC 5252.232-9812 (AUG 2005))

H-4.1 Voyage Instructions. If Vessel is ordered under this Charter Party to any port, place, zone, or route involved in a state of war, warlike operations or hostilities, civil strife, or piracy (whether there be a declaration of war or not) where it might reasonably be expected to be subject to capture, seizure, arrest, or hostile act by a belligerent power (whether de facto or de jure), it shall be unreasonable for the Owner not to prosecute said voyage instructions if insurance against said risks is then available commercially or under a Government program or if the Government offers the Owner an indemnity under Public Law 85-804 against losses that would be covered by such insurance. In the event of the existence of said risks, the Charterer shall, to the extent provided in Section H-4, assume provable additional costs of wages (including all additional bonuses and payments required) and insurance and all taxes associated therewith properly incurred by the Owner as a consequence of service under this Charter Party.

H-4.2 Additional Wage Costs. The Charterer shall reimburse the Owner for provable additional costs (including taxes associated therewith) incurred pursuant to this Charter Party as a consequence of the risks identified at Subparagraph H-4.1 above for (i) wages of Master, Officers, or crew and (ii) required payments or bonuses to Master, Officers, or crew. However, any of said wages or payments shall not exceed in amount that which would be

payable, under applicable laws and regulations, to U.S. civil service mariners in the employ of the Military Sealift Command in a similar port, place, zone, or route.

H-4.3 Additional Insurance Costs. The Charterer shall reimburse the Owner for provable additional costs of premia and taxes associated therewith (over and above such costs in effect on the Charter Party Date) reasonably incurred pursuant to this Charter Party as a consequence of the risks identified at Subparagraph H-4.1 above in the Vessel's War Risk Hull & Machinery policy, in the Vessel's War Risk Protection & Indemnity policy, and in any war risk policy on the lives of or for injuries to officers and crew. Provided, however, that no proportion of additional premia allocable to insuring an amount in excess of the coverage in place as of the Charter Party date shall be reimbursable by the Charterer with respect to any of the foregoing war risk policies. Provided further that the Owner shall apply for and remit to the Charterer as savings any rebates by reason of reductions in or rebates of premia charged for entry into war risk exclusion zones. Provided further that the United States of America shall be named as an additional assured with waiver of subrogation noted under all of the foregoing war risk policies. Alternatively, with respect to any area(s) excluded by war risk trading warranties under the Owner's commercial war risk insurance coverage, at the Charterer's sole option, and at no cost to the Government, the Charterer may delete this subparagraph with twenty-four hours notice, in which case (i) H-5 (Time Charter War Risk Coverage) below shall automatically be effective; or (ii) the Government shall offer an indemnity under Public Law 85-804.

H-4.4 Insurance Nonavailability. If no commercial or governmental insurance is available for service under this Charter Party covering the risks identified in Subparagraph H-4.1 above, Vessel shall not be required to enter or remain at any port, place, zone, or route subject to said risks; the Charterer in such case shall have the right to order the Vessel to other port(s) or place(s).

H-4.5 War Risk Coverage. The Owner must immediately notify the Charterer of any changes in the Vessel's commercial war risk insurance, including but not limited to, extensions of war risk exclusion zones and increases in commercial war risk insurance premia. The Owner must secure the Charterer's permission prior to entry into any commercial war risk exclusion zones before incurring liability for additional premia.

H-5 TIME CHARTER WAR RISK COVERAGE If invoked pursuant to clause H-4 above, under the authority of 46 U.S.C. App. 1285, the U.S. Maritime Administration will furnish the following war risk insurance coverages, which will be effective during the Vessel's transit during this Charter of areas currently excluded under commercial marine insurance war risk trading warranties.

H-5.1 War Risk Hull Coverage, insured at the hull value stated in Vessel's current commercial hull and increased-value policies effective on Charter Party date, a copy of which current hull policies shall be furnished to Charterer;

H-5.2 War Risk Protection and Indemnity coverage, insured at a value of either (i) 150% of the hull value stated in Vessel's current commercial hull policy effective on Charter Party date or (ii) \$50-million, whichever is greater but in no event exceeding that amount of commercial P&I cover which was in effect for the Vessel(s) on Charter Party date;

H-5.3 War Risk Blocking and Trapping Coverage;

H-5.4 War Risk Second Seamen's Coverage, the principal sum of which shall be \$200,000 per Master, Officer, or crew member (this is also loss-of-life benefit).

H-5.5 War Risk Loss-of-Hire coverage, if a commercial loss-of-hire policy was in effect on the Vessel on Charter Party date. The sum insured by this policy, including the amount of lost time that is covered, will be equivalent to the levels insured by the Vessel's commercial policy. However, the amount insured by this policy will in no event exceed the hire rate (effective under this Charter Party when the loss of time began), over a maximum duration of 90 days lost. This maximum amount will be further subject to a deductible equivalent to that in place under the Vessel's commercial policy.

H-5.6 Terms of coverage above referenced to be in accordance with MARAD policies issued pursuant to the authority of 46 U.S.C. App. 1285 as approved by the Contracting Officer, in the form of Policy set forth in 46 CFR 308, as such form is amended.

H-5.7 The Contractor shall provide, as a minimum, a Certificate of Insurance evidencing types and levels of insurance held. If requested by Contracting Officer, the Contractor shall provide a copy of above mentioned policies with endorsements.

H-5.8 Notwithstanding any other provision of this Charter Party, all other insurance shall be for Owner's account.

H-6 READINESS (MSC 5252.246-9810 (JUN 1998)) Readiness is a required service of the Vessel. Readiness shall be defined as the ability of a Vessel and Associated Equipment to perform the function for which designed, built, or chartered, including the ability to deploy without delays, whether or not so ordered to perform. If there is a degradation of this readiness, such that actual performance or condition of the Vessel or Associated Equipment shows any failure to satisfy one or more of the Owner's warranties or renders the Vessel in less than a fully efficient state, the hire will be proportionately decreased so as to indemnify the Charterer to the extent of such failure, this Charter Party to remain otherwise unaffected. Failure of the parties to agree upon the extent of the proportional decrease in hire shall be a dispute under the clause entitled "Disputes" incorporated herein by reference in Section I below. Nothing in this clause shall limit the rights of the Charterer to place the Vessel off-hire pursuant to Section H-9 (Off-Hire) below.

H-7 RESERVED

H-8 REMEDIES Should actual performance or readiness condition of the Vessel(s) show any failure to satisfy one or more of such warranties or other Charter requirements not due to the fault of the Charterer, the hire may be equitably decreased, the Charter may be terminated, or the Vessel(s) may be placed off-hire, at Charterer's option so as to indemnify the Charterer to the extent of such failure

H-9 OFF-HIRE (MSC 5252.246-9811 (AUG 2005)) In the event of the loss of time resulting from deficiency and/or default of men including but not limited to misconduct, illness, injury, strikes, labor disruptions, lockouts, deficiency of stores; fire; breakdown of or damages to hull, machinery, or equipment; collision; stranding; grounding; detention by authorities; average accidents to Vessel or cargo unless resulting from inherent vice, quality, or defect of the cargo; repairs; inspections; dry docking for the purpose of examination or painting bottom; or deviation for the purpose of landing any ill or injured person onboard other than any passenger, supercargo, or military personnel who may be carried at the Charterer's request; or by any other cause whatsoever preventing the full working of the Vessel; the payment of hire shall cease for all time lost until the Vessel is again ready and in a fully efficient state to resume her service from a position not less favorable to the Charterer than that at which such loss of time commenced. Should the Vessel deviate or put back during a voyage contrary to the orders or directions of the Charterer for any reason, the hire is to be suspended from the time of her deviating or putting back until she is again ready and in a fully efficient state to resume her service from a position not less favorable to the Charterer than that at which such loss of time commenced. When the period of time lost to the Charterer on any one occasion is less than four (4) consecutive hours (or twelve (12) consecutive hours while in repositioning service), the hire shall not be reduced for such period.

H-9.1 Costs for Owner The cost of fuel consumed while the Vessel is off-hire, as well as all port charges, pilotages, and other expenses incurred during such period and consequent upon the putting in to any port or place other than that to which the Vessel is bound, shall be borne by the Owner. All fuel used by the Vessel being driven into port or to shallow harbors or to rivers or ports with bars, the delay of the Vessel and/or expenses resulting there from shall be for the Charterer's account.

H-9.2 Delays/Excessive Fuel Consumption If upon any passage the Vessel(s) (i) fails to make the warranted speed in Box 57 or if her warranted fuel consumption exceeds that in Boxes 59-63B, either or both of which are due to defect in or breakdown of any part of her hull, machinery, or equipment; casualty; or inefficiency of

Master, Officers, or crew or their failure to proceed with utmost dispatch, and (ii) is delayed more than 12 hours, the hire for the time lost and any cost of extra fuel consumed, if any, shall be borne by the Owner. Any delay by ice shall be for Charterer's account.

\*H-10 SUPERCARGO AND GOVERNMENT REPRESENTATIVES (MSC 5252.247-9858) (AUG 2005)

H-10.1 Charterer's Option The Charterer shall have the right to assign supercargo (supercargo as used herein is both plural and singular) and other Government designated representatives aboard the Vessel for duty purposes to the extent that accommodations and United States Coast Guard certification (when applicable) allow and in accordance with COMSC Instruction 3121.9 Series. The Charterer shall pay an amount of \$30.00 per day, per person, covering all expenses including accommodations and victualling. The \$30.00 per day shall be charged only when the individual is on board for a 24-hour period or greater. Otherwise, the Owner shall victual U.S. Government designated representatives, pilots, and Customs Officers when authorized by the Charterer at the rates specified in Section C-3.24. The Government particularly reserves the right to put a representative onboard the Vessel, with the pilot, at the approach to a discharge port (or otherwise as mutually agreeable) to inspect the Vessel and to monitor the unloading; reimbursement for accommodations and/or victualling is to be as described above.

H-10.2 Military Personnel In addition to the carriage of personnel noted in H-10.1 above, the Charterer shall have the right to assign other military personnel aboard the Vessel. Such personnel are not to require victualling or berthing facilities from the Vessel unless requested by the military commander aboard, in which case the Owner will be reimbursed out-of-pocket expenses not to exceed the amount per person per day set forth in H-10.1 above. The Charterer will supply life floats and jackets for the use of such military personnel carried aboard the Vessel during the charter period, unless otherwise specified in this Charter. Such items shall be removed by the Charterer at termination of this Charter.

H-10.3 Charterer's Liability The Charterer shall be liable to the Owner for any loss of the Vessel's fittings or appurtenances or any damage to the Vessel, her fittings, or appurtenances caused by the act of supercargo or Government designated representatives in the embarkation, carriage, or debarkation of supercargo or Government designated representatives to the extent such loss or damage is not payable under the Vessel's insurance policies. However, the Charterer shall not be liable for such damage unless written notice specifying such damage and, if obtainable, the name of the party or parties causing such damage shall have been given to the Charterer or its authorized representative within a reasonable time.

H-11 TIME LOST (MSC 5252.246-9812 (AUG 2005))

H-11.1 Tacking to the End of Charter Period Any time during which the Vessel is off hire under this Charter Party may be added to the charter period, at the Charterer's option. If the Charterer exercises its option to extend the charter period pursuant to this sub-clause, the charter period shall be deemed to include such extension and hire shall be payable at the rate(s) which would otherwise have been payable during each period of off hire.

H-11.2 Excessive Time Lost The Charterer may by written notice cancel this Charter at no cost to the Government whenever, in any given 365-day period, for any reason whatsoever, more than 30 days are lost except for time lost as a result of the causes set forth in subparagraph H-4 (WAR) above. Failure to cancel this Charter after thirty days are lost shall be without prejudice to any other rights of the Charterer, or any later right of the Charterer to cancel this Charter Party.

H-11.3 Relationship to Other Remedies No remedy conferred by this paragraph upon the Charterer is intended to be exclusive of any other remedy already conferred by this Charter Party now or hereafter existing at law or in equity or by statute.

H-12 NEGLIGENCE OF PILOTS (MSC 5252.247-9815 (AUG 2005))

The Government, as the Charterer, shall not be held responsible, liable, or accountable for losses sustained by the Owner or the Vessel through the negligence of pilots or tugboats although engaged by the Charterer. Pilots and tugboats shall be considered servants of the Owner.



#### H-13 PORT CHARGES AND EXPENSES (MSC 5252.232-9811 (AUG 2005))

H-13.1 Expenses for Charterer Except as otherwise provided herein, the Charterer shall pay expenses of loading and unloading cargo and all wharfage, dockage, canal tolls, dues, taxes, and similar port charges imposed by public authority including consular charges (except those pertaining to the Master, Officers, and crew) incurred by the Vessel in ports visited pursuant to the Charterer's direction. Agency fees, provided not incurred for the convenience of the Vessel or the Owner, shall also be for the Charterer's account. The Charterer shall pay all pilotage charged to the Vessel; however, in no case shall the Charterer reimburse the Owner for pilotage paid to the Master or other members of the crew. Surveyors or consultants as mutually agreed may be retained under this Charter in order to facilitate fact-finding in respect of actual or potential claim actions or for inspections or surveys generally; the costs therefore shall be as mutually agreed and, if for the Charterer's account, said costs shall be incurred only after prior written approval from the Contracting Officer.

H-13.2 Reimbursement All of the charges incurred for the Charterer's account as noted in H-13.1 above shall be paid by the Owner if so required by the Charterer. The Charterer shall thereafter reimburse the Owner for such charges in accordance with Section G-5 (Payment) and Section G-7 (Reimbursable Supplies and Services (Charters)).

#### H-14 OWNER'S OBLIGATION

(a) Provisions, Insurance, Wages, Fees, and Other Expenses The Owner shall, unless otherwise provided herein, provide and pay for all provisions; deck, engine room, and galley stores; lube oil; slop and garbage removal/disposal; fresh water; insurance on the Vessel; wages of, transportation of, and services for Master, Officers, and crew and consular fees pertaining to them in accordance with Section H-13 (Port Charges and Expenses) above. The Owner will be responsible for all port charges associated with the foregoing.

(b) Dispatch The Owner, through its agents, employees, and servants, shall commence and prosecute the voyages made pursuant to this Charter with utmost dispatch and shall render all customary assistance with the Vessel's crew and equipment.

(c) Logs The Owner shall have maintained onboard the Vessel deck and engine room logs, true copies of which shall be retained by the Owner and made available to the Charterer at any time upon request and at no cost to the Government for a period of 10 years after the expiration of this Charter Party. Logs shall be legible and in English.

#### H-15 FUEL (MSC 5252.247-9821) (JUN 1998)

H-15.1 Delivery Bunkers Upon delivery of the Vessel(s), the Owner shall present to the Contracting Officer a statement certified by the Owner or its authorized agent showing the amount and grade of fuel on board at the time of delivery with such additional verification as the Contracting Officer may require and the Charterer shall pay the Owner for such fuel at the current market price at the port of delivery upon certification and verification of such statement by the Contracting Officer. The Charterer shall pay for the on-hire bunker survey if performed by an independent surveyor and required by the Contracting Officer. The Owner shall provide additional bunkers as may be required by the Charterer prior to the acceptance of the Vessel(s) by the Charterer; the Charterer shall reimburse the Owner all costs directly connected with the bunkering of the additional fuel, including but not limited to, lighterage, dockage and similar charges, and taxes related therewith.

H-15.2 Provision of Fuel The Charterer shall ordinarily supply or cause to be supplied any or all of the fuel required by the Vessel during the period of this Charter. The grade of such fuel is to be specified by the Owner, and the grade supplied shall be at least that grade unless otherwise mutually agreed. For charters exceeding six months, the Government shall be responsible for any fuel testing. For charters of six months or less, the Owner shall be responsible for any fuel testing. Testing laboratory confirmation of compatibility and specifications of newly onboard delivered fuel shall constitute acceptance by the Owner. The Vessel shall not be off-hire in the event of

delay resulting from the supply of fuel found to be off specification, unless for want of due diligence by the Owner. If the Owner loads such fuel on the Vessel at his own expense, the Charterer shall reimburse the Owner the reasonable expenses of such loading.

**H-15.3 Owner's Purchase of Fuel** The Owner shall, if directed by the Charterer, purchase fuel for the Vessel(s), in which case the Charterer shall reimburse the Owner the cost of all fuel (excluding lube oils and slop removal) procured by the Owner and loaded in the Vessel(s) during the period of this Charter. If the Owner is required to incur costs under this paragraph by the Charterer, the Charterer shall thereafter reimburse the Owner for the reasonable expenses of such fuel upon presentation of properly certified vouchers, supporting receipts, and other documentation which justify the charges as fair and reasonable in accordance with Section G-5 (Payment) and G-7 (Reimbursable Supplies and Services). The Owner shall not, however, be reimbursed any amount in excess of the current market price of such fuel at the place of loading plus all reasonable expenses incurred by the Owner in loading said fuel on board the Vessel(s). The title to all fuel for the cost of which the Owner is entitled to be reimbursed hereunder shall automatically pass to and vest in the Charterer upon delivery to the Owner or upon the happening of any other event by which title passes from the vendor or supplier thereof to the Owner, in the case of any such fuel which is purchased for the performance of this Charter. The Charterer shall be afforded all benefits of Owner's contracts for its fuel requirements, including but not limited to any savings addressed in H-25 (Savings) below.

**H-15.4 Off-Hire** If the Vessel(s) should go off-hire during the period of this Charter, the Owner shall present to the Contracting Officer a statement certified by it or its authorized agent showing the amount of fuel on board at the time the off-hire period commenced and the amount of fuel on board when the off-hire period ended. The Charterer shall be credited for the cost of the fuel consumed during the off-hire period and also reasonable expenses incurred in loading such fuel, with such costs based upon costs at the previous refueling point. (See Attachment H for Off-Hire Percentages.)

**H-15.5 Redelivery** Upon redelivery of the Vessel(s), the Owner shall present to the Contracting Officer a statement certified by the Owner or its authorized agent showing the amount of fuel on board at the time of redelivery. A bunker survey conducted by an independent bunker surveyor approved by the Charterer shall be performed at the port of redelivery or such other place as the Charterer shall direct, at Owner's time and expense. The Charterer shall be credited with the value of fuel on board at the time of redelivery, computed at the current market price at the port of redelivery.

**H-15.6 Reasonable Expenses** The term "reasonable expenses" as used in this paragraph, shall mean all reasonable costs excluding crew overtime which are necessarily incurred in loading said fuel on board the Vessel(s) such as expenses incurred at tanker terminal; loading fuel from lighters, barges, or other craft used as lighters, including lighterage, lighter demurrage, or detention incurred; cost of shifting lighters for the convenience of the Vessel(s), handling lighter lines and oil booms; and such similar expenses which the Charterer shall find were necessarily incurred in the loading of fuel on the Vessel(s) during the period of this Charter.

**H-15.7 Bunker Sampling Equipment** For charters exceeding six months, the Owner shall provide and install a "drip-type" fuel oil testing flange for use by the Government in fuel oil testing. The Charterer shall provide instructions concerning frequency and mailing of samples.

**H-16 REDUCED OPERATIONAL STATUS (LAYUP) (MSC 5252.212-9805) (AUG 2005)**

**H-16.1 Charterer's Option** The Charterer shall have the right to direct the Owner to place the Vessel in a period of reduced operational status (ROS). During any such period the rate of hire shall be as stipulated in the applicable boxes in Section B. The less-than-10-day rates stipulated in Section B shall apply over the full term of: (a) any ROS period which actually extends less than 10 days, and (b) any ROS period which is initially estimated by the Charterer to extend less than 10 days, regardless of the actual duration. The 10-day-and-longer rates stipulated in Section B shall apply over the full term of any ROS period which is estimated to and does extend 10 days or longer, without reference to any other ROS or FOS rates.

H-16.2 Notice to Owner The Charterer shall give the Owner written or electronic notice or, in the event notice is given by telephone, written or electronic confirmation of exercise of the right specified in H-16.1 above, including with said notice an estimate of the duration of the ROS period. Such notice shall also specify the time at which the period of ROS is to commence, which time shall not be less than 48 hours subsequent to the receipt of such notice by the Owner or its representative. The Charterer shall give the Owner written or electronic notice or, in the event notice is given by telephone, written or electronic confirmation of termination of the period of ROS. Such notice shall specify the time at which such period shall terminate, which time shall be at least 72 hours (Saturdays, Sundays and holidays excluded) subsequent to the receipt of said notice by the Owner or its representative; provided, however, that by agreement between the Owner and the Charterer the Vessel may be returned to full operational status (FOS) before the time specified in the notice of termination of the reduced operational period.

H-17 WAIVER OF CLAIMS (MSC 5252.233-9801(AUG 2005)) All claims whatsoever under this contract shall be submitted to the Contracting Officer pursuant to the clause entitled "Disputes" within six months of the accrual of the claim. All claims not so submitted shall be deemed waived by the Owner.

H-18 CHARTER NOT A DEMISE (MSC 5252.247-9823 (DEC 1988)) Nothing herein contained shall be construed as creating a demise of the Vessel(s) to the Charterer, the Owner under this Charter retaining complete and exclusive possession and control of the Vessel(s) and her navigation.

H-19 SUBCHARTER (MSC 5252.247-9822 (AUG 2005)) The Charterer shall have the right, without the prior written consent of the Owner, to subcharter or agree to subcharter the Vessel under any form of time or voyage charter. If the Charterer shall enter into any such charter, the Charterer shall nevertheless remain responsible for the performance of this Charter. Any such subcharter shall include a provision that it is subject to the provisions of this Charter.

H-20 GENERAL AVERAGE (MSC 5252.247-9818 (AUG 2005)) General average shall be adjusted, stated and settled according to the York-Antwerp Rules 2004, and any subsequent modification thereof, in the port of New York and according to the laws and usages of the port of New York. In such adjustment, disbursements in foreign currencies shall be converted into United States Dollars at the exchange rate prevailing in the United States on the date made and allowances for damage to cargo claimed in foreign currency shall be converted into United States Dollars at the exchange rate prevailing on the last day of discharge of such damaged cargo from the Vessel. Notwithstanding the foregoing, the Charterer's contributions in general average shall in no event exceed three times the Owner's contribution for any single general average incident.

#### H-21 SALVAGE

H-21.1 All salvage moneys earned by the Vessel during the period of this Charter shall be divided equally between the Owner and the Charterer after deducting Master's, Officers' and crew's shares, legal expense, Vessel hire lost, if any, as a result of the salvage service, value of fuel consumed (which shall be paid in full to the Charterer from the salvage award), repairs of damage, if any, and other extraordinary loss or expense sustained as a result of the salvage service. Charter hire shall continue to be paid by the Charterer during deviations for the purpose of performing salvage service.

H-21.2 When engaged in the carriage of Government cargo and if requested by the Charterer, the Owner agrees to accept Navy salvage services. Such services may be provided using Navy personnel and resources or Navy contracted resources.

H-21.3 In providing such services, the Navy, through the Charterer, agrees to waive all claims for "pure" or "bonus" salvage. Instead, the Charterer shall be entitled to the following:

H-21.3.1 In those cases in which the salvage services are provided by Navy personnel and resources, the salvage claim shall be limited to a schedule of current per diem rates and allowable expenses as established by the Navy's Supervisor of Salvage. In no event shall such amount exceed a maximum claim of \$25,000 per day.

H-21.3.2 In those situations in which the Navy utilizes contracted resources to deliver assistance, the Owner shall be liable for the actual daily rate charged to the Navy by the Contractor(s).

H-21.4 It is understood that this limited Supervisor of Salvage claim is asserted against the Vessel only, is solely for the Vessel's account, and does not include any amounts for the salvage of the Government's cargo. Notwithstanding any other provisions of this contract, this limited Supervisor of Salvage claim IS NOT directly or by way of setoff chargeable in whole or in part to the Government by way of general average or otherwise.

H-22 LIMITATIONS (MSC 5252.247-9832 (JAN 1999)) The Owner shall have the benefit of all limitations of and exemptions from liability accorded to the Owner or Chartered Owner of the Vessel by any statute or rule of law for the time being in force except to the extent that contract terms entitle the Government to compensation from the Owner for the Owner's failure to perform the requirements and obligations of this Charter or such statute or rule of law limiting the Owner's liability is subordinate to any statutorily mandated provision of this Charter Party by operation of law. Nothing in this Charter Party shall operate to limit or deprive the Owner of any statutory exceptions or limitation of liability (against parties other than the Charterer) on the theory of personal contract or otherwise.

H-23 ALTERATIONS (MSC 5252.245-9801 (AUG 2005)) The Charterer shall be at liberty to make any additional alterations it may require beyond what is onboard at the commencement of this Charter, such work to be done at the Charterer's expense and on its time. The Charterer shall thereafter, during the period of this Charter, leave the Vessel in her original condition, ordinary wear and tear excepted, provided that the Contracting Officer is notified in writing within 30 days of completion of any alteration that the Contractor requests such restoration or removal. The Charterer shall be at liberty to install any equipment or defensive armament (including demagnetization by installed equipment or other process, e.g., degaussing, wiping, or deperming), to install any additional gear or equipment for loading, carrying or discharging cargoes, and to repaint the Vessel. Such work shall be done at the Charterer's expense and on its time and shall not be such as to be in contravention of any applicable law of the United States or regulation made pursuant thereto. Such equipment, armament, materials, and gear so fitted are to be considered "Government Property" under the terms of FAR clause 52.245-02 incorporated by reference. The Charterer shall, during the period of this Charter, remove the same together with any alterations and additions thereto at its expense and time and shall restore the Vessel to her condition and color prior to such changes, ordinary wear and tear excepted. The Government shall have the right to abandon in place any alteration or Government furnished property, unless the Contracting Officer is notified in writing within 30 days of completion of any alteration that the Contractor requests such restoration or removal.

H-24 STANDARDS OF APPEARANCE (MSC 5252.247-9864 (JUL 1991)) The Vessel operated under the proposed Charter will operate in direct support of the U.S. Government and the Department of Defense. In this direct support role, the Vessel is a representative of the U.S. government. It is, therefore, important that the operation meets the highest possible standards of appearance and Vessel smartness. To this end, the Owner and operator will institute a continuous program of Vessel(s) maintenance. The hull, decks, deckhouse, and all appurtenances will be cleaned and preserved as necessary and painted as required. The interior of the Vessel's deckhouses will be maintained in a clean and orderly state, with all equipment properly and securely stowed. The main and auxiliary machinery spaces will be kept clean and free of excessive accumulations of oil and debris. All spaces will be lighted to allow safe operation and correct maintenance of machinery and equipment.

H-24.1 All cargo holds will have adequate lighting to permit safe cargo operations 24/7.

H-25 SAVINGS (MSC 5252.232-9813 (JUN 1998)) The Owner agrees that any refunds, rebates, credits, discounts, insurance payments, or other amounts (including any interest thereon) accruing to or received by the Owner under this Charter shall be paid by the Owner to the Government to the extent that they are properly allocable to costs, expenses, or reimbursements for which the Owner has been reimbursed by the Government under the terms of this Charter. The foregoing shall apply to any savings to the Owner resulting from a fleet reduction, applied on a pro rata basis.

H-26 LAW GOVERNING (MSC 5252.247-9833 (JUN 1998)) This Charter Party shall be governed by the laws of the United States.

H-27 SUBSTITUTION Subject to the Charterer's approval, the Owner may, at any time, propose a substitute a Vessel or Vessels. The nominated Vessel or Vessels shall possess the same characteristics as the Vessel or Vessels being replaced. Approval of a vessel substitution is a matter with the Charterer's sole discretion.

H-28 RESERVED

H-29 BONUSES

(A) The delivery ballast bonus identified, if applicable, is in consideration of the Vessel's timely delivery and loading at the port, place, or range stipulated in Box 2 of this Charter, said Vessel having positioned there in ballast from the area identified elsewhere in Section B.

(B) Charterer shall have the unilateral right to change the delivery port or place once or more often, always consistent with Box 2.

(C) Should Charterer order Vessel(s) to deliver at a port or place other than that intended in Box 2, and should said change necessitate a ballast passage either shorter or longer than originally contemplated, the bonus shall be adjusted. This adjustment shall be proportionate to the change in ballast distance, expressed as a percentage variation describing the difference between the ballast distance run and the ballast distance originally contemplated.

(D) The redelivery ballast bonus, if applicable, is in consideration of the necessity to reposition the Vessel(s) in ballast to its customary trading range after its redelivery at the port, place or range stipulated in Box 3 of this Charter.

(E) Charterer shall have the unilateral right to change the redelivery port or place once or more often, always consistent with Box 3.

(F) Should Charterer order Vessel(s) to redeliver at a port or place other than that intended in Box 3, and should said change necessitate a ballast passage either shorter or longer than originally contemplated, the bonus shall be adjusted. This adjustment shall be proportionate to the change in ballast distance, expressed as a percentage variation describing the difference between the ballast distance run and the ballast distance originally contemplated.

(G) Unless otherwise agreed, the delivery bonus shall be considered earned upon acceptance of vessel(s) by Charterer and the redelivery ballast bonus shall be considered earned upon redelivery of vessel(s) to Owner.

(H) In the event a follow-on contract is awarded in direct continuation of this contract, Owner shall not be entitled to a ballast/redelivery bonus under this contract and any bonus or other cost delineated herein for redelivery of the Vessel(s) shall be voided.

H-30 NO-COST CANCELLATION DELAY If it shall become clear to Owner that the Vessel(s) will be delayed in arrival beyond the cancelling date identified in Box 5, Owner may, at the earliest 72 hours before the Vessel(s) is due to sail for the delivery port, ask Charterer in writing whether the right to cancel will be exercised. Upon receipt of such written notice, Charterer shall, within one business day thereafter, exercise one of the following actions:

H-30.1 The Charter may be cancelled at no cost whatsoever to either party and the parties shall be relieved of any and all further responsibilities thereunder; or

H-30.2 The cancelling date may be extended to a date mutually agreed, and all other terms and conditions of the Charter shall continue in full force and effect.

H-31 RESERVED

H-32 RESERVED

H-33 RISK OF LOSS

(A) Carriage of Goods by Sea Act (COGSA) Except as otherwise specified herein, the Owner, Vessel(s), and Charterer in all matters arising under this Charter Party shall be entitled to the like privileges, rights, and immunities (from the time the cargo is loaded until the time it is discharged from the Vessel) as are contained in the COGSA, 46 U.S.C. App. 1300-1315. However, any references in COGSA to (a) notices of loss or damage or (b) limitation-of-action periods shall not apply to this Charter Party. For purposes of this Charter Party, the term "carrier" as used in COGSA shall mean "Owner" and the term "shipper" shall mean "Charterer."

(B) Containers For purposes of the application of the COGSA, goods shipped in containers which are stowed on deck shall be deemed shipped under deck. With respect to the limitation of liability provisions of COGSA, a container shall be considered a single package only if bulk cargo is stored therein. For non-bulk cargo shipped in containers, the limitation of liability provisions of COGSA shall apply to each package within a container or, for non-packaged cargo, to each measurement ton of cargo within the container. See also Section C-10.

(C) Package Limit Except in the case of containerized cargo, for purposes of the application of COGSA, in the case of any loss or damage to or in connection with goods exceeding in actual value \$500 per package, or in the case of goods not shipped in packages, per measurement ton, the value of the goods shall be deemed to be \$500 per package or per measurement ton, and the Owner's liability, if any, shall be determined on the basis of the value of \$500 per package or per measurement ton, unless the nature of the goods and a valuation higher than \$500 shall have been declared in this Charter Party and, in such case, if the actual value of the goods per package or per measurement ton shall exceed such declared value, the value shall nevertheless be deemed to be the declared value. Should Charterer declare valuation higher than \$500.00 per package or per measurement ton, Charterer shall direct Owner to obtain increased cargo legal-liability coverage on said higher-declaration cargo, with the expense of any additional premia and incurred deductibles therefor for Charterer's account.

For purposes of this contract, when ammunition other than small arms ammunition is carried, a "package" shall be considered to be one round of ammunition.

(D) Other Statutes The Owner and the Vessel(s) shall have the benefit of all limitations of and exemptions from liability accorded the Owner by any U.S. statute or rule of law for the time being in force, except to the extent that contract terms entitle the Government to compensation from the Contractor for the Contractor's failure to perform the requirements and obligations of this Charter or to the extent such statute or rule of law is subordinate to any statutorily mandated provision of this Charter Party by operation of law.

(E) Fire Neither the Owner nor any corporation owned by, subsidiary to, or associated or affiliated with the Owner shall be liable to answer for or make good any loss or damage to the cargo occurring at any time and even though before loading on or after discharge from the Vessel, by reason or by means of any fire whatsoever, unless such fire shall be caused by its design or neglect or unless such wholly owned, subsidiary, or associated corporation serves as underwriter for the Owner and the policy between the Owner and underwriter provides coverage for such liability.

H-34 STATUTORY EMPLOYEE Pursuant to La.R.S. 23:1061(A)(3) the Department of the Navy, by and through Military Sealift Command, and Contractor expressly provide and agree that the United States of America and/or the Department of the Navy, by and through Military Sealift Command, is the statutory employer of any of Contractor's employees and is entitled to the tort immunity provided in La.R.S. 23:1061 and La.R.S. 23:1032.

H-36 IN-TRANSIT VISIBILITY The Military Sealift Command has implemented a fully automated satellite tracking system (ASTARS) for the purpose of providing In-Transit Visibility (ITV) of its Vessels. To support this system, the Owner's Vessel shall be equipped with an INMARSAT-C Terminal with GPS input.

H-36.1 Prior to delivery of the Vessel, the Owner shall provide to the Charterer the make and model of the INMARSAT-C terminal, its registered identification number, and the specific satellite (POR, AORE, AORW, or IOR) on to which it is currently logged. Once this information is received, MSC technicians will remotely communicate with the terminal to activate reporting. When no longer required, MSC technicians will stop the terminal from reporting. The Owner shall provide MSC technicians with assistance as required to activate and maintain ASTARS reporting.

H-36.2 The cost of ASTARS reporting shall be included in the fixed price of this Charter.

H-37 FORCE PROTECTION (MSC 5252.247-9845 (AUG 2005)) Owner agrees that U. S. Armed Forces personnel may board the Vessel(s) at any time at any location for U. S. national security purposes, gives consent for such boarding, and agrees to cooperate fully with such U.S. Armed Forces personnel in the boarding party. Owner also agrees to permit U. S. Armed Forces personnel to search without limitation any and all vessel spaces for U.S. national security purposes.

H-37.1 Owner agrees to render all necessary assistance to U. S. Armed Forces personnel with respect to the identification and screening of crew members or such others as may be aboard the Vessel(s). Owner consents to the immediate removal of crewmembers or such others as may be aboard the Vessel(s) deemed unsuitable for any reason by the Contracting Officer or U.S. Armed Forces personnel. Owner agrees to replace any such crewmembers promptly and that such replacements will fully comply with all crew screening requirements. Charterer agrees to reimburse Owner for the reasonable costs directly incurred by the Owner with respect to such replacements.

H-37.2 Charterer reserves the right, at Charterer's sole option, to embark U.S. Armed Forces personnel and their weapons at any time during the period of the Charter to protect U. S. Armed Forces personnel, cargo or equipment on board the Vessel(s), or the Vessel(s). These force protection personnel will provide security in accordance with rules of engagement established by competent U. S. military authorities and will operate under the command of such authorities. Charterer agrees to reimburse Owner for cost of such personnel at the rate set forth in the Charter for Supercargo.

H-37.3 Owner agrees to comply fully with the current ship threat condition measures required by relevant Navy and MSC Force Protection instructions and messages for the threat condition of the area. This may include turning off Automatic Identification Systems onboard the Vessel, or adopting other security measures. Additionally, the Owner will comply with and implement the requirements of MSC's current SHIPBOARD ANTITERRORISM/FORCE PROTECTION (AT/FP) PROGRAM instruction, COMSCINST 5530.3 Series, as revised, incorporated herein by reference. The Contracting Officer will make the full text available upon request.

H-38 SECURITY THREAT In the event of a security threat or incident involving the Vessel, crew or cargo during the voyage, the Vessel's Master will report any incident immediately to the MSC Area Command in whose area the Vessel is currently located. The MSC HQ Global Command Information Center (GCIC) should be contacted if the MSC Area Command or Military Sealift Fleet Support Command cannot be reached. Contact numbers will be provided upon award.

H-39 IMMUNIZATIONS U.S. flag time chartered vessel(s) services are considered essential Contractor services to the Department of Defense in support of military and associated support missions. As a result, Masters, officers, crewmembers, and other individuals who are embarked on such vessels for Owner's purposes, including but not limited to subcontractors, are considered Contractor personnel performing mission essential services under DODI 3020.37, November 6, 1990, (Change 1, January 26, 1996), and are subject to the following:

(a) Masters, officers, crewmembers and other individuals, as described above, who are embarked on any vessel(s) subject to this charter shall be medically pre-screened and immunized in accordance with Commander, Military

Sealift Command (COMSC) policy, and any changes thereto, in effect or made during the period of this charter, including any options or extensions. Owner shall ensure that all Masters, Officers, crewmembers, and other individuals embarked on any vessel(s) subject to this charter comply with all such immunization programs. Notification of immunization requirements pursuant to this section shall be provided to Owner by the Contracting Officer.

(b) When immunizations are required pursuant to this clause, Owner shall provide notification, as directed by the Contracting Officer, of the immunization status of all embarked personnel within 24 hours of fixture or award. Further, at any time during the contract period, the immunization status of any relief personnel scheduled to board the vessel(s) is required no later than 96 hours prior to the personnel change, unless authorized otherwise by the Contracting Officer.

(c) Any Master, officer, crewmember or other individual who refuses to comply with the immunization requirements, or who is ineligible for a particular required immunization as provided herein, shall be removed by Owner from the vessel(s) as soon as possible, but not later than the next port call unless authorized by the Contracting Officer, and replaced with personnel who either have the required immunization or are eligible and will comply with the policy. Any removal and replacement of personnel pursuant to this clause shall be solely at Owner's expense, including, but not limited to, travel, per diem, wages and associated administrative expenses.

(d) Crew shortages resulting from the application of this section may subject the vessel(s) to being placed off-hire.

#### H-40 INVESTIGATIONS

The Owner agrees to cooperate in any investigation conducted by the Charterer. Such cooperation shall include, but not be limited to, the production of documents and logs and making the Owner's employees available for interview.

#### H-41 RESERVED

#### H-42 ORDER OF PRECEDENCE

Any inconsistency in this solicitation or contract shall be resolved by giving precedence in the following order:

- (a) The Schedule, including the Box format and excluding the specifications
- (b) Representations and other instructions
- (c) Contract clauses
- (d) Solicitation provisions (prior to award)
- (e) Other documents, exhibits, and attachments
- (f) Specifications

#### H-43 IDENTIFICATION CARDS

The Government will issue identification cards to the Master, Officers and crew. The Contractor shall be responsible for tracking and, upon redelivery of the Vessel, returning all cards. Instructions for obtaining the cards shall be provided to the Contractor after award.

#### H-44 MARAD CONSTRUCTION DIFFERENTIAL SUBSIDY (CDS) (MSC 5252.247-9844 (JUN 1998))

The Contractor, if operating a Vessel or Vessels built with Construction Differential Subsidy (CDS) unequivocally agrees that there will be no increase in contract price due to any liability to repay CDS which such Contractor may incur.

#### H-45 EXTRATERRITORIAL JURISDICTION

Upon award of this contract, the Contractor shall immediately notify all contractor personnel, who are or who will be employed by, or who are or who will be accompanying, United States Naval Forces outside the continental United States (OCONUS), and who are not a host country national ordinarily resident in the host country, that such personnel, and any dependents residing with such personnel, who engage in conduct OCONUS that would constitute an offense punishable by imprisonment for more than one year if the conduct had been engaged in within the special maritime and territorial jurisdiction of the United States, may potentially be subject to the criminal jurisdiction of the United States as required by the Military Extraterritorial Jurisdiction Act of 2000, Pub. L. 106-523, 114 Stat. 2488,



codified at 18 U.S.C. 3261 – 3267, as implemented by DoD Instruction 5525.11, “Criminal Jurisdiction over Civilians Employed by or accompanying the Armed Forces outside the United States.”

Section I - Contract Clauses

CLAUSES INCORPORATED BY FULL TEXT

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://farsite.hill.af.mil/>

<http://www.acquisition.gov/far/index.html>

(End of clause)

CLAUSES INCORPORATED BY REFERENCE

52.202-1	Definitions	JUL 2004
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	APR 1984
52.203-6	Restrictions On Subcontractor Sales To The Government	SEP 2006
52.203-7	Anti-Kickback Procedures	JUL 1995
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	JAN 1997
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity	JAN 1997
52.203-12	Limitation On Payments To Influence Certain Federal Transactions	SEP 2007
52.204-2	Security Requirements	AUG 1996
52.204-4	Printed or Copied Double-Sided on Recycled Paper	AUG 2000
52.204-7	Central Contractor Registration	JUL 2006
52.204-9	Personal Identity Verification of Contractor Personnel	SEP 2007
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	SEP 2006
52.215-2	Audit and Records--Negotiation	JUN 1999
52.215-8	Order of Precedence--Uniform Contract Format	OCT 1997
52.215-10	Price Reduction for Defective Cost or Pricing Data	OCT 1997
52.215-17	Waiver of Facilities Capital Cost of Money	OCT 1997
52.215-21	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data--Modifications	OCT 1997
52.219-4	Notice of Price Evaluation Preference for HUBZone Small Business Concerns	JUL 2005
52.219-8	Utilization of Small Business Concerns	MAY 2004
52.219-9 Alt II	Small Business Subcontracting Plan (Sep 2007) Alternate II	OCT 2001
52.219-14	Limitations On Subcontracting	DEC 1996
52.219-16	Liquidated Damages-Subcontracting Plan	JAN 1999
52.222-1	Notice To The Government Of Labor Disputes	FEB 1997
52.222-3	Convict Labor	JUN 2003
52.222-21	Prohibition Of Segregated Facilities	FEB 1999
52.222-26	Equal Opportunity	MAR 2007
52.222-35	Equal Opportunity For Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	SEP 2006

52.222-36	Affirmative Action For Workers With Disabilities	JUN 1998
52.222-37	Employment Reports On Special Disabled Veterans, Veterans Of The Vietnam Era, and Other Eligible Veterans	SEP 2006
52.222-39	Notification of Employee Rights Concerning Payment of Union Dues or Fees	DEC 2004
52.222-41	Service Contract Act Of 1965, As Amended	JUL 2005
52.222-43	Fair Labor Standards Act And Service Contract Act - Price Adjustment (Multiple Year And Option)	NOV 2006
52.222-50	Combating Trafficking in Persons	AUG 2007
52.223-3	Hazardous Material Identification And Material Safety Data	JAN 1997
52.223-5	Pollution Prevention and Right-to-Know Information	AUG 2003
52.223-6	Drug-Free Workplace	MAY 2001
52.223-10	Waste Reduction Program	AUG 2000
52.223-12	Refrigeration Equipment and Air Conditioners	MAY 1995
52.223-14	Toxic Chemical Release Reporting	AUG 2003
52.224-1	Privacy Act Notification	APR 1984
52.224-2	Privacy Act	APR 1984
52.225-1	Buy American Act--Supplies	JUN 2003
52.225-13	Restrictions on Certain Foreign Purchases	FEB 2006
52.227-1	Authorization and Consent	JUL 1995
52.227-2	Notice And Assistance Regarding Patent And Copyright Infringement	AUG 1996
52.227-3	Patent Indemnity	APR 1984
52.227-14	Rights in Data--General	JUN 1987
52.228-7	Insurance--Liability To Third Persons	MAR 1996
52.229-3	Federal, State And Local Taxes	APR 2003
52.229-6	Taxes--Foreign Fixed-Price Contracts	JUN 2003
52.232-1	Payments	APR 1984
52.232-4	Payments Under Transportation Contracts and Transportation-Related Services Contracts	APR 1984
52.232-8	Discounts For Prompt Payment	FEB 2002
52.232-9	Limitation On Withholding Of Payments	APR 1984
52.232-11	Extras	APR 1984
52.232-17	Interest	JUN 1996
52.232-18	Availability Of Funds	APR 1984
52.232-23	Assignment Of Claims	JAN 1986
52.232-25	Prompt Payment	OCT 2003
52.232-33	Payment by Electronic Funds Transfer--Central Contractor Registration	OCT 2003
52.233-1	Disputes	JUL 2002
52.233-3	Protest After Award	AUG 1996
52.233-4	Applicable Law for Breach of Contract Claim	OCT 2004
52.237-2	Protection Of Government Buildings, Equipment, And Vegetation	APR 1984
52.237-3	Continuity Of Services	JAN 1991
52.242-1	Notice of Intent to Disallow Costs	APR 1984
52.242-3	Penalties for Unallowable Costs	MAY 2001
52.242-13	Bankruptcy	JUL 1995
52.243-1 Alt I	Changes--Fixed Price (Aug 1987) - Alternate I	APR 1984
52.244-5	Competition In Subcontracting	DEC 1996
52.244-6	Subcontracts for Commercial Items	MAR 2007
52.245-1	Government Property	JUN 2007
52.245-9	Use And Charges	JUN 2007
52.246-25	Limitation Of Liability--Services	FEB 1997

52.247-63	Preference For U.S. Flag Air Carriers	JUN 2003
52.247-64	Preference for Privately Owned U.S. - Flag Commercial Vessels	FEB 2006
52.249-2	Termination For Convenience Of The Government (Fixed-Price)	MAY 2004
52.249-8	Default (Fixed-Price Supply & Service)	APR 1984
52.251-1	Government Supply Sources	APR 1984
52.253-1	Computer Generated Forms	JAN 1991
252.203-7001	Prohibition On Persons Convicted of Fraud or Other Defense-Contract-Related Felonies	DEC 2004
252.203-7002	Display Of DOD Hotline Poster	DEC 1991
252.204-7000	Disclosure Of Information	DEC 1991
252.204-7002	Payment For Subline Items Not Separately Priced	DEC 1991
252.204-7003	Control Of Government Personnel Work Product	APR 1992
252.204-7004 Alt A	Central Contractor Registration (52.204-7) Alternate A	SEP 2007
252.205-7000	Provision Of Information To Cooperative Agreement Holders	DEC 1991
252.209-7004	Subcontracting With Firms That Are Owned or Controlled By The Government of a Terrorist Country	DEC 2006
252.215-7000	Pricing Adjustments	DEC 1991
252.219-7003	Small Business Subcontracting Plan (DOD Contracts)	APR 2007
252.223-7001	Hazard Warning Labels	DEC 1991
252.223-7002	Safety Precautions For Ammunition And Explosives	MAY 1994
252.223-7004	Drug Free Work Force	SEP 1988
252.225-7001	Buy American Act And Balance Of Payments Program	JUN 2005
252.225-7002	Qualifying Country Sources As Subcontractors	APR 2003
252.225-7004	Report of Contract Performance Outside the United States and Canada--Submission after Award	MAY 2007
252.225-7012	Preference For Certain Domestic Commodities	JAN 2007
252.225-7014	Preference For Domestic Specialty Metals	JUN 2005
252.225-7015	Restriction on Acquisition of Hand Or Measuring Tools	JUN 2005
252.225-7021	Trade Agreements	MAR 2007
252.225-7025	Restriction on Acquisition of Forgings	JUL 2006
252.225-7028	Exclusionary Policies And Practices Of Foreign Government	APR 2003
252.225-7036	Buy American--Free Trade Agreement--Balance of Payments Program	MAR 2007
252.227-7013	Rights in Technical Data--Noncommercial Items	NOV 1995
252.227-7016	Rights in Bid or Proposal Information	JUN 1995
252.227-7037	Validation of Restrictive Markings on Technical Data	SEP 1999
252.231-7000	Supplemental Cost Principles	DEC 1991
252.232-7003	Electronic Submission of Payment Requests	MAR 2007
252.243-7001	Pricing Of Contract Modifications	DEC 1991
252.243-7002	Requests for Equitable Adjustment	MAR 1998
252.245-7000	Government-Furnished Mapping, Charting, and Geodesy Property	DEC 1991
252.247-7023	Transportation of Supplies by Sea	MAY 2002
252.247-7024	Notification Of Transportation Of Supplies By Sea	MAR 2000
252.247-7025	Reflagging or Repair Work	JUN 2005
252.249-7002	Notification of Anticipated Program Termination or Reduction	DEC 2006

CLAUSES INCORPORATED BY FULL TEXT

52.217-8 OPTION TO EXTEND SERVICES (NOV 1999) (VARIATION)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor anytime prior to contract expiration.

(End of clause)

#### 52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989)

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C. 5341 or 5332.

**THIS STATEMENT IS FOR INFORMATION ONLY: IT IS NOT A WAGE DETERMINATION**  
Employee Class Monetary Wage-Fringe Benefits

See Attachment F.

(End of clause)

#### 52.243-7 NOTIFICATION OF CHANGES (APR 1984)

(a) Definitions.

"Contracting Officer," as used in this clause, does not include any representative of the Contracting Officer.

"Specifically authorized representative (SAR)," as used in this clause, means any person the Contracting Officer has so designated by written notice (a copy of which shall be provided to the Contractor) which shall refer to this subparagraph and shall be issued to the designated representative before the SAR exercises such authority.

(b) Notice. The primary purpose of this clause is to obtain prompt reporting of Government conduct that the Contractor considers to constitute a change to this contract. Except for changes identified as such in writing and signed by the Contracting Officer, the Contractor shall notify the Administrative Contracting Officer in writing, within 60 calendar days from the date that the Contractor identifies any Government conduct (including actions, inactions, and written or oral communications) that the Contractor regards as a change to the contract terms and conditions. On the basis of the most accurate information available to the Contractor, the notice shall state--

- (1) The date, nature, and circumstances of the conduct regarded as a change;
- (2) The name, function, and activity of each Government individual and Contractor official or employee involved in or knowledgeable about such conduct;
- (3) The identification of any documents and the substance of any oral communication involved in such conduct;
- (4) In the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose;
- (5) The particular elements of contract performance for which the Contractor may seek an equitable adjustment under this clause, including--

- (i) What contract line items have been or may be affected by the alleged change;
  - (ii) What labor or materials or both have been or may be added, deleted, or wasted by the alleged change;
  - (iii) To the extent practicable, what delay and disruption in the manner and sequence of performance and effect on continued performance have been or may be caused by the alleged change;
  - (iv) What adjustments to contract price, delivery schedule, and other provisions affected by the alleged change are estimated; and
- (6) The Contractor's estimate of the time by which the Government must respond to the Contractor's notice to minimize cost, delay or disruption of performance.
- (c) Continued performance. Following submission of the notice required by (b) above, the Contractor shall diligently continue performance of this contract to the maximum extent possible in accordance with its terms and conditions as construed by the Contractor, unless the notice reports a direction of the Contracting Officer or a communication from a SAR of the Contracting Officer, in either of which events the Contractor shall continue performance; provided, however, that if the Contractor regards the direction or communication as a change as described in (b) above, notice shall be given in the manner provided. All directions, communications, interpretations, orders and similar actions of the SAR shall be reduced to writing and copies furnished to the Contractor and to the Contracting Officer. The Contracting Officer shall countermand any action which exceeds the authority of the SAR.
- (d) Government response. The Contracting Officer shall promptly, within 60 calendar days after receipt of notice, respond to the notice in writing. In responding, the Contracting Officer shall either--
- (1) Confirm that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance;
  - (2) Countermand any communication regarded as a change;
  - (3) Deny that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance; or
  - (4) In the event the Contractor's notice information is inadequate to make a decision under (1), (2), or (3) above, advise the Contractor what additional information is required, and establish the date by which it should be furnished and the date thereafter by which the Government will respond.
- (e) Equitable adjustments.
- (1) If the Contracting Officer confirms that Government conduct effected a change as alleged by the Contractor, and the conduct causes an increase or decrease in the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether changed or not changed by such conduct, an equitable adjustment shall be made--
    - (i) In the contract price or delivery schedule or both; and
    - (ii) In such other provisions of the contract as may be affected.
  - (2) The contract shall be modified in writing accordingly. In the case of drawings, designs or specifications which are defective and for which the Government is responsible, the equitable adjustment shall include the cost and time extension for delay reasonably incurred by the Contractor in attempting to comply with the defective drawings, designs or specifications before the Contractor identified, or reasonably should have identified, such defect. When

the cost of property made obsolete or excess as a result of a change confirmed by the Contracting Officer under this clause is included in the equitable adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of the property. The equitable adjustment shall not include increased costs or time extensions for delay resulting from the Contractor's failure to provide notice or to continue performance as provided, respectively, in (b) and (c) above.

Note: The phrases "contract price" and "cost" wherever they appear in the clause, may be appropriately modified to apply to cost-reimbursement or incentive contracts, or to combinations thereof.

(End of clause)

#### 52.246-20 WARRANTY OF SERVICES (MAY 2001)

##### (a) Definition.

"Acceptance," as used in this clause, means the act of an authorized representative of the Government by which the Government assumes for itself, or as an agent of another, ownership of existing and identified supplies, or approves specific services, as partial or complete performance of the contract.

(b) Notwithstanding inspection and acceptance by the Government or any provision concerning the conclusiveness thereof, the Contractor warrants that all services performed under this contract will, at the time of acceptance, be free from defects in workmanship and conform to the requirements of this contract. The Contracting Officer shall give written notice of any defect or nonconformance to the Contractor. This notice shall state either (1) that the Contractor shall correct or reperform any defective or nonconforming services, or (2) that the Government does not require correction or reperformance.

(c) If the Contractor is required to correct or reperform, it shall be at no cost to the Government, and any services corrected or reperfomed by the Contractor shall be subject to this clause to the same extent as work initially performed. If the Contractor fails or refuses to correct or reperform, the Contracting Officer may, by contract or otherwise, correct or replace with similar services and charge to the Contractor the cost occasioned to the Government thereby, or make an equitable adjustment in the contract price.

(d) If the Government does not require correction or reperformance, the Contracting Officer shall make an equitable adjustment in the contract price.

(End of clause)

#### 52.248-1 VALUE ENGINEERING (FEB 2000)

(a) General. The Contractor is encouraged to develop, prepare, and submit value engineering change proposals (VECP's) voluntarily. The Contractor shall share in any net acquisition savings realized from accepted VECP's, in accordance with the incentive sharing rates in paragraph (f) below.

(b) Definitions. "Acquisition savings," as used in this clause, means savings resulting from the application of a VECP to contracts awarded by the same contracting office or its successor for essentially the same unit. Acquisition savings include--

(1) Instant contract savings, which are the net cost reductions on this, the instant contract, and which are equal to the instant unit cost reduction multiplied by the number of instant contract units affected by the VECP, less the Contractor's allowable development and implementation costs;

(2) Concurrent contract savings, which are net reductions in the prices of other contracts that are definitized and ongoing at the time the VECP is accepted; and

(3) Future contract savings, which are the product of the future unit cost reduction multiplied by the number of future contract units in the sharing base. On an instant contract, future contract savings include savings on increases in quantities after VECP acceptance that are due to contract modifications, exercise of options, additional orders, and funding of subsequent year requirements on a multiyear contract.

"Collateral costs," as used in this clause, means agency cost of operation, maintenance, logistic support, or Government-furnished property.

"Collateral savings," as used in this clause, means those measurable net reductions resulting from a VECP in the agency's overall projected collateral costs, exclusive of acquisition savings, whether or not the acquisition cost changes.

"Contracting office" includes any contracting office that the acquisition is transferred to, such as another branch of the agency or another agency's office that is performing a joint acquisition action.

"Contractor's development and implementation costs," as used in this clause, means those costs the Contractor incurs on a VECP specifically in developing, testing, preparing, and submitting the VECP, as well as those costs the Contractor incurs to make the contractual changes required by Government acceptance of a VECP.

"Future unit cost reduction," as used in this clause, means the instant unit cost reduction adjusted as the Contracting Officer considers necessary for projected learning or changes in quantity during the sharing period. It is calculated at the time the VECP is accepted and applies either (1) throughout the sharing period, unless the Contracting Officer decides that recalculation is necessary because conditions are significantly different from those previously anticipated or (2) to the calculation of a lump-sum payment, which cannot later be revised.

"Government costs," as used in this clause, means those agency costs that result directly from developing and implementing the VECP, such as any net increases in the cost of testing, operations, maintenance, and logistics support. The term does not include the normal administrative costs of processing the VECP or any increase in this contract's cost or price resulting from negative instant contract savings.

"Instant contract," as used in this clause, means this contract, under which the VECP is submitted. It does not include increases in quantities after acceptance of the VECP that are due to contract modifications, exercise of options, or additional orders. If this is a multiyear contract, the term does not include quantities funded after VECP acceptance. If this contract is a fixed-price contract with prospective price redetermination, the term refers to the period for which firm prices have been established.

"Instant unit cost reduction" means the amount of the decrease in unit cost of performance (without deducting any Contractor's development or implementation costs) resulting from using the VECP on this, the instant contract. If this is a service contract, the instant unit cost reduction is normally equal to the number of hours per line-item task saved by using the VECP on this contract, multiplied by the appropriate contract labor rate.

"Negative instant contract savings" means the increase in the cost or price of this contract when the acceptance of a VECP results in an excess of the Contractor's allowable development and implementation costs over the product of the instant unit cost reduction multiplied by the number of instant contract units affected.

"Net acquisition savings" means total acquisition savings, including instant, concurrent, and future contract savings, less Government costs.

"Sharing base," as used in this clause, means the number of affected end items on contracts of the contracting office accepting the VECP.



Sharing period, as used in this clause, means the period beginning with acceptance of the first unit incorporating the VECP and ending at a calendar date or event determined by the contracting officer for each VECP.

"Unit," as used in this clause, means the item or task to which the Contracting Officer and the Contractor agree the VECP applies.

"Value engineering change proposal (VECP)" means a proposal that--

(1) Requires a change to this, the instant contract, to implement; and

(2) Results in reducing the overall projected cost to the agency without impairing essential functions or characteristics; provided, that it does not involve a change--

(i) In deliverable end item quantities only;

(ii) In research and development (R&D) end items or R&D test quantities that is due solely to results of previous testing under this contract; or

(iii) To the contract type only.

(c) VECP preparation. As a minimum, the Contractor shall include in each VECP the information described in subparagraphs (1) through (8) below. If the proposed change is affected by contractually required configuration management or similar procedures, the instructions in those procedures relating to format, identification, and priority assignment shall govern VECP preparation. The VECP shall include the following:

(1) A description of the difference between the existing contract requirement and the proposed requirement, the comparative advantages and disadvantages of each, a justification when an item's function or characteristics are being altered, the effect of the change on the end item's performance, and any pertinent objective test data.

(2) A list and analysis of the contract requirements that must be changed if the VECP is accepted, including any suggested specification revisions.

(3) Identification of the unit to which the VECP applies.

(4) A separate, detailed cost estimate for (i) the affected portions of the existing contract requirement and (ii) the VECP. The cost reduction associated with the VECP shall take into account the Contractor's allowable development and implementation costs, including any amount attributable to subcontracts under the Subcontracts paragraph of this clause, below.

(5) A description and estimate of costs the Government may incur in implementing the VECP, such as test and evaluation and operating and support costs.

(6) A prediction of any effects the proposed change would have on collateral costs to the agency.

(7) A statement of the time by which a contract modification accepting the VECP must be issued in order to achieve the maximum cost reduction, noting any effect on the contract completion time or delivery schedule.

(8) Identification of any previous submissions of the VECP, including the dates submitted, the agencies and contract numbers involved, and previous Government actions, if known.

(d) Submission. The Contractor shall submit VECP's to the Contracting Officer, unless this contract states otherwise. If this contract is administered by other than the contracting office, the Contractor shall submit a copy of the VECP simultaneously to the Contracting Officer and to the Administrative Contracting Officer.

(e) Government action. (1) The Contracting Officer will notify the Contractor of the status of the VECP within 45 calendar days after the contracting office receives it. If additional time is required, the Contracting Officer will notify the Contractor within the 45-day period and provide the reason for the delay and the expected date of the decision. The Government will process VECP's expeditiously; however, it shall not be liable for any delay in acting upon a VECP.

(2) If the VECP is not accepted, the Contracting Officer will notify the Contractor in writing, explaining the reasons for rejection. The Contractor may withdraw any VECP, in whole or in part, at any time before it is accepted by the Government. The Contracting Officer may require that the Contractor provide written notification before undertaking significant expenditures for VECP effort.

(3) Any VECP may be accepted, in whole or in part, by the Contracting Officer's award of a modification to this contract citing this clause and made either before or within a reasonable time after contract performance is completed. Until such a contract modification applies a VECP to this contract, the Contractor shall perform in accordance with the existing contract. The decision to accept or reject all or part of any VECP is a unilateral decision made solely at the discretion of the Contracting Officer.

(f) Sharing rates. If a VECP is accepted, the Contractor shall share in net acquisition savings according to the percentages shown in the table below. The percentage paid the Contractor depends upon (1) this contract's type (fixed-price, incentive, or cost-reimbursement), (2) the sharing arrangement specified in paragraph (a) above (incentive, program requirement, or a combination as delineated in the Schedule), and (3) the source of the savings (the instant contract, or concurrent and future contracts), as follows:

**CONTRACTOR'S SHARE OF NET ACQUISITION SAVINGS**

(Figures in percent)

Contract Type	Incentive (Voluntary)		Program Requirement (Mandatory)	
	Instant Contract Rate	Concurrent and Future Contract Rate	Instant Contract Rate	Concurrent and Future Contract Rate
Fixed-price (includes fixed-price-award-fee; excludes other fixed-price incentive contracts)	(1) 50	(1) 50	(1) 25	25
Incentive (fixed-price or cost) (other than award fee)	(2)	(1) 50	(2)	25
Cost-reimbursement (includes cost-plus-award-fee; excludes other cost-type incentive Contracts)	(3) 25	(3) 25	15	15

(1) The Contracting Officer may increase the Contractor's sharing rate to as high as 75 percent for each VECP.

(2) Same sharing arrangement as the contract's profit or fee adjustment formula.

(3) The Contracting Officer may increase the Contractor's sharing rate to as high as 50 percent for each VECP.

## (g) Calculating net acquisition savings.

(1) Acquisition savings are realized when (i) the cost or price is reduced on the instant contract, (ii) reductions are negotiated in concurrent contracts, (iii) future contracts are awarded, or (iv) agreement is reached on a lump-sum payment for future contract savings (see subparagraph (i)(4) below). Net acquisition savings are first realized, and the Contractor shall be paid a share, when Government costs and any negative instant contract savings have been fully offset against acquisition savings.

(2) Except in incentive contracts, Government costs and any price or cost increases resulting from negative instant contract savings shall be offset against acquisition savings each time such savings are realized until they are fully offset. Then, the Contractor's share is calculated by multiplying net acquisition savings by the appropriate Contractor's percentage sharing rate (see paragraph (f) above). Additional Contractor shares of net acquisition savings shall be paid to the Contractor at the time realized.

(3) If this is an incentive contract, recovery of Government costs on the instant contract shall be deferred and offset against concurrent and future contract savings. The Contractor shall share through the contract incentive structure in savings on the instant contract items affected. Any negative instant contract savings shall be added to the target cost or to the target price and ceiling price, and the amount shall be offset against concurrent and future contract savings.

(4) If the Government does not receive and accept all items on which it paid the Contractor's share, the Contractor shall reimburse the Government for the proportionate share of these payments.

(h) Contract adjustment. The modification accepting the VECP (or a subsequent modification issued as soon as possible after any negotiations are completed) shall--

(1) Reduce the contract price or estimated cost by the amount of instant contract savings, unless this is an incentive contract;

(2) When the amount of instant contract savings is negative, increase the contract price, target price and ceiling price, target cost, or estimated cost by that amount;

(3) Specify the Contractor's dollar share per unit on future contracts, or provide the lump-sum payment;

(4) Specify the amount of any Government costs or negative instant contract savings to be offset in determining net acquisition savings realized from concurrent or future contract savings; and

(5) Provide the Contractor's share of any net acquisition savings under the instant contract in accordance with the following:

(i) Fixed-price contracts--add to contract price.

(ii) Cost-reimbursement contracts--add to contract fee.

(i) Concurrent and future contract savings.

(1) Payments of the Contractor's share of concurrent and future contract savings shall be made by a modification to the instant contract in accordance with subparagraph (h)(5) above. For incentive contracts, shares shall be added as a separate firm-fixed-price line item on the instant contract. The Contractor shall maintain records adequate to identify the first delivered unit for 3 years after final payment under this contract.

(2) The Contracting Officer shall calculate the Contractor's share of concurrent contract savings by (i) subtracting from the reduction in price negotiated on the concurrent contract any Government costs or negative instant contract savings not yet offset and (ii) multiplying the result by the Contractor's sharing rate.

(3) The Contracting Officer shall calculate the Contractor's share of future contract savings by (i) multiplying the future unit cost reduction by the number of future contract units scheduled for delivery during the sharing period, (ii) subtracting any Government costs or negative instant contract savings not yet offset, and (iii) multiplying the result by the Contractor's sharing rate.

(4) When the Government wishes and the Contractor agrees, the Contractor's share of future contract savings may be paid in a single lump sum rather than in a series of payments over time as future contracts are awarded. Under this alternate procedure, the future contract savings may be calculated when the VECP is accepted, on the basis of the Contracting Officer's forecast of the number of units that will be delivered during the sharing period. The Contractor's share shall be included in a modification to this contract (see subparagraph (h)(3) above) and shall not be subject to subsequent adjustment.

(5) Alternate no-cost settlement method. When, in accordance with subsection 48.104-4 of the Federal Acquisition Regulation, the Government and the Contractor mutually agree to use the no-cost settlement method, the following applies:

(i) The Contractor will keep all the savings on the instant contract and on its concurrent contracts only.

(ii) The Government will keep all the savings resulting from concurrent contracts placed on other sources, savings from all future contracts, and all collateral savings.

(j) Collateral savings. If a VECP is accepted, the Contracting Officer will increase the instant contract amount, as specified in paragraph (h)(5) of this clause, by a rate from 20 to 100 percent, as determined by the Contracting Officer, of any projected collateral savings determined to be realized in a typical year of use after subtracting any Government costs not previously offset. However, the Contractor's share of collateral savings will not exceed the contract's firm-fixed-price, target price, target cost, or estimated cost, at the time the VECP is accepted, or \$100,000, whichever is greater. The Contracting Officer will be the sole determiner of the amount of collateral savings.

(k) Relationship to other incentives. Only those benefits of an accepted VECP not rewardable under performance, design-to-cost (production unit cost, operating and support costs, reliability and maintainability), or similar incentives shall be rewarded under this clause. However, the targets of such incentives affected by the VECP shall not be adjusted because of VECP acceptance. If this contract specifies targets but provides no incentive to surpass them, the value engineering sharing shall apply only to the amount of achievement better than target.

(l) Subcontracts. The Contractor shall include an appropriate value engineering clause in any subcontract of \$100,000 or more and may include one in subcontracts of lesser value. In calculating any adjustment in this contract's price for instant contract savings (or negative instant contract savings), the Contractor's allowable development and implementation costs shall include any subcontractor's allowable development and implementation costs, and any value engineering incentive payments to a subcontractor, clearly resulting from a VECP accepted by the Government under this contract. The Contractor may choose any arrangement for subcontractor value engineering incentive payments; provided, that the payments shall not reduce the Government's share of concurrent or future contract savings or collateral savings.

(m) Data. The Contractor may restrict the Government's right to use any part of a VECP or the supporting data by marking the following legend on the affected parts:

"These data, furnished under the Value Engineering clause of contract . . . . . , shall not be disclosed outside the Government or duplicated, used, or disclosed, in whole or in part, for any purpose other than to evaluate a value engineering change proposal submitted under the clause. This restriction does not limit the Government's right to use information contained in these data if it has been obtained or is otherwise available from the Contractor or from another source without limitations."

If a VECP is accepted, the Contractor hereby grants the Government unlimited rights in the VECP and supporting data, except that, with respect to data qualifying and submitted as limited rights technical data, the Government shall

have the rights specified in the contract modification implementing the VECP and shall appropriately mark the data. (The terms "unlimited rights" and "limited rights" are defined in Part 27 of the Federal Acquisition Regulation.)

(End of clause)

#### 52.252-4 ALTERATIONS IN CONTRACT (APR 1984)

Portions of this contract are altered as follows:

See Box 6 in Section B.

(End of clause)

#### 252.211-7003 ITEM IDENTIFICATION AND VALUATION (JUN 2005)

(a) Definitions. As used in this clause'

Automatic identification device means a device, such as a reader or interrogator, used to retrieve data encoded on machine-readable media.

Concatenated unique item identifier means--

(1) For items that are serialized within the enterprise identifier, the linking together of the unique identifier data elements in order of the issuing agency code, enterprise identifier, and unique serial number within the enterprise identifier; or

(2) For items that are serialized within the original part, lot, or batch number, the linking together of the unique identifier data elements in order of the issuing agency code; enterprise identifier; original part, lot, or batch number; and serial number within the original part, lot, or batch number.

Data qualifier means a specified character (or string of characters) that immediately precedes a data field that defines the general category or intended use of the data that follows.

DoD recognized unique identification equivalent means a unique identification method that is in commercial use and has been recognized by DoD. All DoD recognized unique identification equivalents are listed at <http://www.acq.osd.mil/dpap/UID/equivalents.html>.

DoD unique item identification means a system of marking items delivered to DoD with unique item identifiers that have machine-readable data elements to distinguish an item from all other like and unlike items. For items that are serialized within the enterprise identifier, the unique item identifier shall include the data elements of the enterprise identifier and a unique serial number. For items that are serialized within the part, lot, or batch number within the enterprise identifier, the unique item identifier shall include the data elements of the enterprise identifier; the original part, lot, or batch number; and the serial number.

Enterprise means the entity (e.g., a manufacturer or vendor) responsible for assigning unique item identifiers to items.

Enterprise identifier means a code that is uniquely assigned to an enterprise by an issuing agency.

Government's unit acquisition cost means--

- (1) For fixed-price type line, subline, or exhibit line items, the unit price identified in the contract at the time of delivery;
- (2) For cost-type or undefinitized line, subline, or exhibit line items, the Contractor's estimated fully burdened unit cost to the Government at the time of delivery; and
- (3) For items produced under a time-and-materials contract, the Contractor's estimated fully burdened unit cost to the Government at the time of delivery.

Issuing agency means an organization responsible for assigning a non-repeatable identifier to an enterprise (i.e., Dun & Bradstreet's Data Universal Numbering System (DUNS) Number, Uniform Code Council (UCC)/EAN International (EAN) Company Prefix, or Defense Logistics Information System (DLIS) Commercial and Government Entity (CAGE) Code).

Issuing agency code means a code that designates the registration (or controlling) authority for the enterprise identifier.

Item means a single hardware article or a single unit formed by a grouping of subassemblies, components, or constituent parts.

Lot or batch number means an identifying number assigned by the enterprise to a designated group of items, usually referred to as either a lot or a batch, all of which were manufactured under identical conditions.

Machine-readable means an automatic identification technology media, such as bar codes, contact memory buttons, radio frequency identification, or optical memory cards.

Original part number means a combination of numbers or letters assigned by the enterprise at item creation to a class of items with the same form, fit, function, and interface.

Parent item means the item assembly, intermediate component, or subassembly that has an embedded item with a unique item identifier or DoD recognized unique identification equivalent.

Serial number within the enterprise identifier means a combination of numbers, letters, or symbols assigned by the enterprise to an item that provides for the differentiation of that item from any other like and unlike item and is never used again within the enterprise.

Serial number within the part, lot, or batch number means a combination of numbers or letters assigned by the enterprise to an item that provides for the differentiation of that item from any other like item within a part, lot, or batch number assignment.

Serialization within the enterprise identifier means each item produced is assigned a serial number that is unique among all the tangible items produced by the enterprise and is never used again. The enterprise is responsible for ensuring unique serialization within the enterprise identifier.

Serialization within the part, lot, or batch number means each item of a particular part, lot, or batch number is assigned a unique serial number within that part, lot, or batch number assignment. The enterprise is responsible for ensuring unique serialization within the part, lot, or batch number within the enterprise identifier.

Unique item identifier means a set of data elements marked on items that is globally unique and unambiguous.

Unique item identifier type means a designator to indicate which method of uniquely identifying a part has been used. The current list of accepted unique item identifier types is maintained at [http://www.acq.osd.mil/dpap/UID/uid\\_\\_types.html](http://www.acq.osd.mil/dpap/UID/uid__types.html).

(b) The Contractor shall deliver all items under a contract line, subline, or exhibit line item.

(c) DoD unique item identification or DoD recognized unique identification equivalents.

(1) The Contractor shall provide DoD unique item identification, or a DoD recognized unique identification equivalent, for--

(i) All delivered items for which the Government's unit acquisition cost is \$5,000 or more; and

(ii) The following items for which the Government's unit acquisition cost is less than \$5,000:

Contract line, subline, or exhibit line item No.	Item description:
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(iii) Subassemblies, components, and parts embedded within delivered items as specified in Attachment Number ----  
-.

(2) The concatenated unique item identifier and the component data elements of the DoD unique item identification or DoD recognized unique identification equivalent shall not change over the life of the item.

(3) Data syntax and semantics of DoD unique item identification and DoD recognized unique identification equivalents. The Contractor shall ensure that--

(i) The encoded data elements (except issuing agency code) of the unique item identifier are marked on the item using one of the following three types of data qualifiers, as determined by the Contractor:

(A) Data Identifiers (DIs) (Format 06) in accordance with ISO/IEC International Standard 15418, Information Technology ``EAN/UCC Application Identifiers and ANSI MH 10 Data Identifiers and ANSI MH 10 Data Identifiers and Maintenance.

(B) Application Identifiers (AIs) (Format 05), in accordance with ISO/IEC International Standard 15418, Information Technology ``EAN/UCC Application Identifiers and ANSI MH 10 Data Identifiers and ANSI MH 10 Data Identifiers and Maintenance.

(C) Text Element Identifiers (TEIs), in accordance with the DoD collaborative solution ``DD" format for use until the solution is approved by ISO/IEC JTC1 SC 31. The ``DD" format is described in Appendix D of the DoD Guide to Uniquely Identifying Items, available at <http://www.acq.osd.mil/dpap/UID/guides.htm>; and

(ii) The encoded data elements of the unique item identifier conform to ISO/IEC International Standard 15434, Information Technology--Syntax for High Capacity Automatic Data Capture Media.

(4) DoD unique item identification and DoD recognized unique identification equivalents.

(i) The Contractor shall--

(A) Determine whether to serialize within the enterprise identifier or serialize within the part, lot, or batch number; and

(B) Place the data elements of the unique item identifier (enterprise identifier; serial number; and for serialization within the part, lot, or batch number only; original part, lot, or batch number) on items requiring marking by paragraph (c)(1) of this clause, based on the criteria provided in the version of MIL-STD-130, Identification Marking of U.S. Military Property, cited in the contract Schedule.

(ii) The issuing agency code--

(a) Shall not be placed on the item; and

(B) Shall be derived from the data qualifier for the enterprise identifier.

(d) For each item that requires unique item identification under paragraph (c)(1)(i) or (ii) of this clause, in addition to the information provided as part of the Material Inspection and Receiving Report specified elsewhere in this contract, the Contractor shall report at the time of delivery, either as part of, or associated with, the Material Inspection and Receiving Report, the following information:

(1) Concatenated unique item identifier; or DoD recognized unique identification equivalent.

(2) Unique item identifier type.

(3) Issuing agency code (if concatenated unique item identifier is used).

(4) Enterprise identifier (if concatenated unique item identifier is used).

(5) Original part number.

(6) Lot or batch number.

(7) Current part number (if not the same as the original part number).

(8) Current part number effective date.

(9) Serial number.

(10) Government's unit acquisition cost.

(e) For embedded DoD serially managed subassemblies, components, and parts that require unique item identification under paragraph (c)(1)(iii) of this clause, the Contractor shall report at the time of delivery, either as part of, or associated with the Material Inspection and Receiving Report specified elsewhere in this contract, the following information:

(1) Concatenated unique item identifier or DoD recognized unique identification equivalent of the parent item delivered under a contract line, subline, or exhibit line item that contains the embedded subassembly, component, or part.

(2) Concatenated unique item identifier or DoD recognized unique identification equivalent of the embedded subassembly, component, or part.

(3) Unique item identifier type.\*\*

(4) Issuing agency code (if concatenated unique item identifier is used).\*\*

(5) Enterprise identifier (if concatenated unique item identifier is used).\*\*

(6) Original part number.\*\*

(7) Lot or batch number.\*\*

(8) Current part number (if not the same as the original part number).\*\*



(9) Current part number effective date.\*\*

(10) Serial number.\*\*

(11) Unit of measure.

(12) Description.

\*\* Once per item.

(f) The Contractor shall submit the information required by paragraphs (d) and (e) of this clause in accordance with the data submission procedures at <http://www.acq.osd.mil/dpap/UID/DataSubmission.htm>.

(g) Subcontracts. If paragraph (c)(1) of this clause applies, the Contractor shall include this clause, including this paragraph (g), in all subcontracts issued under this contract.

(End of clause)

#### 252.225-7005 IDENTIFICATION OF EXPENDITURES IN THE UNITED STATES (JUN 2005)

(a) Definition. United States, as used in this clause, means the 50 States, the District of Columbia, and outlying areas.

(b) This clause applies only if the Contractor is--

(1) A concern incorporated in the United States (including a subsidiary that is incorporated in the United States, even if the parent corporation is not incorporated in the United States); or

(2) An unincorporated concern having its principal place of business in the United States.

(c) On each invoice, voucher, or other request for payment under this contract, the Contractor shall identify that part of the requested payment that represents estimated expenditures in the United States. The identification--

(1) May be expressed either as dollar amounts or as percentages of the total amount of the request for payment;

(2) Should be based on reasonable estimates; and

(3) Shall state the full amount of the payment requested, subdivided into the following categories:

(i) U.S. products--expenditures for material and equipment manufactured or produced in the United States, including end products, components, or construction material, but excluding transportation;

(ii) U.S. services--expenditures for services performed in the United States, including all charges for overhead, other indirect costs, and profit under construction or service contracts;

(iii) Transportation on U.S. carriers--expenditures for transportation furnished by U.S. flag, ocean, surface, and air carriers; and

(iv) Expenditures not identified under paragraphs (c)(3)(i) through (iii) of this clause.

(d) Nothing in this clause requires the establishment or maintenance of detailed accounting records or gives the U.S. Government any right to audit the Contractor's books or records.

(End of clause)

252.225-7027 RESTRICTION ON CONTINGENT FEES FOR FOREIGN MILITARY SALES (APR 2003)

(a) Except as provided in paragraph (b) of this clause, contingent fees, as defined in the Covenant Against Contingent Fees clause of this contract, are generally an allowable cost, provided the fees are paid to--

(1) A bona fide employee of the Contractor; or

(2) A bona fide established commercial or selling agency maintained by the Contractor for the purpose of securing business.

(b) For foreign military sales, unless the contingent fees have been identified and payment approved in writing by the foreign customer before contract award, the following contingent fees are unallowable under this contract:

(1) For sales to the Government(s) of \_\_\_\_\_, contingent fees in any amount.

(2) For sales to Governments not listed in paragraph (b)(1) of this clause, contingent fees exceeding \$50,000 per foreign military sale case.

(End of Clause)

252.225-7040 CONTRACTOR PERSONNEL AUTHORIZED TO ACCOMPANY U.S. ARMED FORCES DEPLOYED OUTSIDE THE UNITED STATES (JUN 2006)

(a) Definitions. As used in this clause--

Combatant Commander means the commander of a unified or specified combatant command established in accordance with 10 U.S.C. 161.

Other military operations means a range of military force responses that can be projected to accomplish assigned tasks. Such operations may include one or a combination of the following: Civic action, humanitarian assistance, civil affairs, and other military activities to develop positive relationships with other countries; confidence building and other measures to reduce military tensions; military presence; activities to convey messages to adversaries; military deceptions and psychological operations; quarantines, blockades, and harassment operations; raids; intervention operations; armed conflict involving air, land, maritime, and strategic warfare operations; support for law enforcement authorities to counter international criminal activities (terrorism, narcotics trafficking, slavery, and piracy); support for law enforcement authorities to suppress domestic rebellion; and support for insurgency, counterinsurgency, and civil war in foreign countries.

Theater of operations means an area defined by the combatant commander for the conduct or support of specified operations.

(b) General.

(1) This clause applies when Contractor personnel are authorized to accompany U.S. Armed Forces deployed outside the United States in--

- (i) Contingency operations;
  - (ii) Humanitarian or peacekeeping operations;
  - (iii) Other military operations; or
  - (iv) Military exercises designated by the Combatant Commander.
- (2) Contract performance in support of U.S. Armed Forces deployed outside the United States may require work in dangerous or austere conditions. The Contractor accepts the risks associated with required contract performance in such operations.
- (3) Contractor personnel are civilians accompanying the U.S. Armed Forces.
- (i) Except as provided in paragraph (b)(3)(ii) of this clause, Contractor personnel are not authorized to use deadly force against enemy armed forces other than in self-defense.
  - (ii) Private security Contractor personnel are authorized to use deadly force only when necessary to execute their security mission to protect assets/persons, consistent with the mission statement contained in their contract.
  - (iii) Civilians who accompany the U.S. Armed Forces lose their law of war protection from direct attack if and for such time as they take a direct part in hostilities.
- (4) Service performed by Contractor personnel subject to this clause is not active duty or service under 38 U.S.C. 106 note.
- (c) Support. (1)(i) The Combatant Commander will develop a security plan for protection of Contractor personnel in locations where there is not sufficient or legitimate civil authority, when the Combatant Commander decides it is in the interests of the Government to provide security because--
- (A) The Contractor cannot obtain effective security services;
  - (B) Effective security services are unavailable at a reasonable cost; or
  - (C) Threat conditions necessitate security through military means.
- (ii) The Contracting Officer shall include in the contract the level of protection to be provided to Contractor personnel.
  - (iii) In appropriate cases, the Combatant Commander may provide security through military means, commensurate with the level of security provided DoD civilians.
- (2)(i) Generally, all Contractor personnel authorized to accompany the U.S. Armed Forces in the theater of operations may be provided resuscitative care, stabilization, hospitalization at level III military treatment facilities, and assistance with patient movement in emergencies where loss of life, limb, or eyesight could occur. Hospitalization will be limited to stabilization and short-term medical treatment with an emphasis on return to duty or placement in the patient movement system.
- (ii) When the Government provides medical treatment or transportation of Contractor personnel to a selected civilian facility, the Contractor shall ensure that the Government is reimbursed for any costs associated with such treatment or transportation.
  - (iii) Medical or dental care beyond this standard is not authorized unless specified elsewhere in this contract.

(3) Unless specified elsewhere in this contract, the Contractor is responsible for all other support required for its personnel engaged in the theater of operations under this contract.

(4) Contractor personnel must have a letter of authorization issued by the Contracting Officer in order to process through a deployment center or to travel to, from, or within the theater of operations. The letter of authorization also will identify any additional authorizations, privileges, or Government support that Contractor personnel are entitled to under this contract.

(d) Compliance with laws and regulations. The Contractor shall comply with, and shall ensure that its personnel authorized to accompany U.S. Armed Forces deployed outside the United States as specified in paragraph (b)(1) of this clause are familiar with and comply with, all applicable--

(1) United States, host country, and third country national laws;

(2) Treaties and international agreements;

(3) United States regulations, directives, instructions, policies, and procedures; and

(4) Orders, directives, and instructions issued by the Combatant Commander, including those relating to force protection, security, health, safety, or relations and interaction with local nationals.

(e) Pre-deployment requirements. (1) The Contractor shall ensure that the following requirements are met prior to deploying personnel in support of U.S. Armed Forces. Specific requirements for each category may be specified in the statement of work or elsewhere in the contract.

(i) All required security and background checks are complete and acceptable.

(ii) All deploying personnel meet the minimum medical screening requirements and have received all required immunizations as specified in the contract. The Government will provide, at no cost to the Contractor, any theater-specific immunizations and/or medications not available to the general public.

(iii) Deploying personnel have all necessary passports, visas, and other documents required to enter and exit a theater of operations and have a Geneva Conventions identification card, or other appropriate DoD identity credential, from the deployment center. Any Common Access Card issued to deploying personnel shall contain the access permissions allowed by the letter of authorization issued in accordance with paragraph (c)(4) of this clause.

(iv) Special area, country, and theater clearance is obtained for personnel. Clearance requirements are in DoD Directive 4500.54, Official Temporary Duty Abroad, and DoD 4500.54-G, DoD Foreign Clearance Guide. Contractor personnel are considered non-DoD personnel traveling under DoD sponsorship.

(v) All personnel have received personal security training. At a minimum, the training shall--

(A) Cover safety and security issues facing employees overseas;

(B) Identify safety and security contingency planning activities; and

(C) Identify ways to utilize safety and security personnel and other resources appropriately.

(vi) All personnel have received isolated personnel training, if specified in the contract.

(2) The Contractor shall notify all personnel who are not a host country national, or who are not ordinarily resident in the host country, that--

(i) Such employees, and dependents residing with such employees, who engage in conduct outside the United States that would constitute an offense punishable by imprisonment for more than one year if the conduct had been engaged in within the special maritime and territorial jurisdiction of the United States, may potentially be subject to the criminal jurisdiction of the United States in accordance with the Military Extraterritorial Jurisdiction Act of 2000 (18 U.S.C. 3621, et seq.);

(ii) Pursuant to the War Crimes Act (18 U.S.C. 2441), Federal criminal jurisdiction also extends to conduct that is determined to constitute a violation of the law of war when committed by a civilian national of the United States;

(iii) Other laws may provide for prosecution of U.S. nationals who commit offenses on the premises of U.S. diplomatic, consular, military or other U.S. Government missions outside the United States (18 U.S.C. 7(9)); and

(iv) When there is a formal declaration of war by Congress, Contractor personnel authorized to accompany U.S. Armed Forces may be subject to prosecution under the Uniform Code of Military Justice.

(f) Processing and departure points. Deployed Contractor personnel shall--

(1) Process through the deployment center designated in the contract, or as otherwise directed by the Contracting Officer, prior to deploying. The deployment center will conduct deployment processing to ensure visibility and accountability of Contractor personnel and to ensure that all deployment requirements are met, including the requirements specified in paragraph (e)(1) of this clause;

(2) Use the point of departure and transportation mode directed by the Contracting Officer; and

(3) Process through a Joint Reception Center (JRC) upon arrival at the deployed location. The JRC will validate personnel accountability, ensure that specific theater of operations entrance requirements are met, and brief Contractor personnel on theater-specific policies and procedures.

(g) Personnel data list.

(1) In accordance with DoD Instruction 3020.41, Contractor Personnel Authorized to Accompany the U.S. Armed Forces, the Contractor shall establish and maintain with the designated Government official a current list of all Contractor personnel that deploy with or otherwise provide support in the theater of operations to U.S. Armed Forces as specified in paragraph (b)(1) of this clause. The list shall include each individual's general location in the theater of operations. The Contracting Officer will inform the Contractor of the Government official designated to receive this data and the appropriate automated system(s) to use for this effort.

(2) The Contractor shall ensure that all employees on the list have a current DD Form 93, Record of Emergency Data Card, on file with both the Contractor and the designated Government official.

(h) Contractor personnel. (1) The Contracting Officer may direct the Contractor, at its own expense, to remove and replace any Contractor personnel who jeopardize or interfere with mission accomplishment or who fail to comply with or violate applicable requirements of this clause. Such action may be taken at the Government's discretion without prejudice to its rights under any other provision of this contract, including the Termination for Default clause.

(2) The Contractor shall have a plan on file showing how the Contractor would replace employees who are unavailable for deployment or who need to be replaced during deployment. The Contractor shall keep this plan current and shall provide a copy to the Contracting Officer upon request. The plan shall--

(i) Identify all personnel who are subject to military mobilization;

(ii) Detail how the position would be filled if the individual were mobilized; and

(iii) Identify all personnel who occupy a position that the Contracting Officer has designated as mission essential.

(i) Military clothing and protective equipment.

(1) Contractor personnel are prohibited from wearing military clothing unless specifically authorized in writing by the Combatant Commander. If authorized to wear military clothing, Contractor personnel must--

(i) Wear distinctive patches, arm bands, nametags, or headgear, in order to be distinguishable from military personnel, consistent with force protection measures; and

(ii) Carry the written authorization with them at all times.

(2) Contractor personnel may wear military-unique organizational clothing and individual equipment (OCIE) required for safety and security, such as ballistic, nuclear, biological, or chemical protective equipment.

(3) The deployment center, or the Combatant Commander, shall issue OCIE and shall provide training, if necessary, to ensure the safety and security of Contractor personnel.

(4) The Contractor shall ensure that all issued OCIE is returned to the point of issue, unless otherwise directed by the Contracting Officer.

(j) Weapons. (1) If the Contractor requests that its personnel performing in the theater of operations be authorized to carry weapons, the request shall be made through the Contracting Officer to the Combatant Commander, in accordance with DoD Instruction 3020.41, paragraph 6.3.4.1 or, if the contract is for security services, paragraph 6.3.5.3. The Combatant Commander will determine whether to authorize in-theater Contractor personnel to carry weapons and what weapons and ammunition will be allowed.

(2) If the Contracting Officer, subject to the approval of the Combatant Commander, authorizes the carrying of weapons--

(i) The Contracting Officer may authorize the Contractor to issue Contractor-owned weapons and ammunition to specified employees; or

(ii) The (Contracting Officer to specify the appropriate individual, e.g., Contracting Officer's Representative, Regional Security Officer) may issue Government-furnished weapons and ammunition to the Contractor for issuance to specified Contractor employees.

(3) The Contractor shall ensure that its personnel who are authorized to carry weapons--

(i) Are adequately trained to carry and use them--

(A) Safely;

(B) With full understanding of, and adherence to, the rules of the use of force issued by the Combatant Commander; and

(C) In compliance with applicable agency policies, agreements, rules, regulations, and other applicable law;

(ii) Are not barred from possession of a firearm by 18 U.S.C. 922; and

(iii) Adhere to all guidance and orders issued by the Combatant Commander regarding possession, use, safety, and accountability of weapons and ammunition.

(4) Whether or not weapons are Government-furnished, all liability for the use of any weapon by Contractor personnel rests solely with the Contractor and the Contractor employee using such weapon.

(5) Upon redeployment or revocation by the Combatant Commander of the Contractor's authorization to issue firearms, the Contractor shall ensure that all Government-issued weapons and unexpended ammunition are returned as directed by the Contracting Officer.

(k) Vehicle or equipment licenses. Contractor personnel shall possess the required licenses to operate all vehicles or equipment necessary to perform the contract in the theater of operations.

(l) Purchase of scarce goods and services. If the Combatant Commander has established an organization for the theater of operations whose function is to determine that certain items are scarce goods or services, the Contractor shall coordinate with that organization local purchases of goods and services designated as scarce, in accordance with instructions provided by the Contracting Officer.

(m) Evacuation. (1) If the Combatant Commander orders a mandatory evacuation of some or all personnel, the Government will provide assistance, to the extent available, to United States and third country national Contractor personnel.

(2) In the event of a non-mandatory evacuation order, unless authorized in writing by the Contracting Officer, the Contractor shall maintain personnel on location sufficient to meet obligations under this contract.

(n) Next of kin notification and personnel recovery.

(1) The Contractor shall be responsible for notification of the employee-designated next of kin in the event an employee dies, requires evacuation due to an injury, or is isolated, missing, detained, captured, or abducted.

(2) In the case of isolated, missing, detained, captured, or abducted Contractor personnel, the Government will assist in personnel recovery actions in accordance with DoD Directive 2310.2, Personnel Recovery.

(o) Mortuary affairs. Mortuary affairs for Contractor personnel who die while accompanying the U.S. Armed Forces will be handled in accordance with DoD Directive 1300.22, Mortuary Affairs Policy.

(p) Changes. In addition to the changes otherwise authorized by the Changes clause of this contract, the Contracting Officer may, at any time, by written order identified as a change order, make changes in the place of performance or Government-furnished facilities, equipment, material, services, or site. Any change order issued in accordance with this paragraph (p) shall be subject to the provisions of the Changes clause of this contract.

(q) Subcontracts. The Contractor shall incorporate the substance of this clause, including this paragraph (q), in all subcontracts when subcontractor personnel are authorized to accompany U.S. Armed Forces deployed outside the United States in--

(1) Contingency operations;

(2) Humanitarian or peacekeeping operations;

(3) Other military operations; or

(4) Military exercises designated by the Combatant Commander.

(End of clause)

252.225-7043 ANTITERRORISM/FORCE PROTECTION POLICY FOR DEFENSE CONTRACTORS  
OUTSIDE THE UNITED STATES (MAR 2006)

(a) Definition. United States, as used in this clause, means, the 50 States, the District of Columbia, and outlying areas.

(b) Except as provided in paragraph (c) of this clause, the Contractor and its subcontractors, if performing or traveling outside the United States under this contract, shall--

- (1) Affiliate with the Overseas Security Advisory Council, if the Contractor or subcontractor is a U.S. entity;
- (2) Ensure that Contractor and subcontractor personnel who are U.S. nationals and are in-country on a non-transitory basis, register with the U.S. Embassy, and that Contractor and subcontractor personnel who are third country nationals comply with any security related requirements of the Embassy of their nationality;
- (3) Provide, to Contractor and subcontractor personnel, antiterrorism/force protection awareness information commensurate with that which the Department of Defense (DoD) provides to its military and civilian personnel and their families, to the extent such information can be made available prior to travel outside the United States; and
- (4) Obtain and comply with the most current antiterrorism/force protection guidance for Contractor and subcontractor personnel.

(c) The requirements of this clause do not apply to any subcontractor that is--

- (1) A foreign government;
- (2) A representative of a foreign government; or
- (3) A foreign corporation wholly owned by a foreign government.

(d) Information and guidance pertaining to DoD antiterrorism/force protection can be obtained from [Contracting Officer to insert applicable information cited in PGI 225.7403-1].

(End of clause)

252.232-7007 LIMITATION OF GOVERNMENT'S OBLIGATION (MAY 2006)

(a) Contract line item(s) 0001 through 0004 are incrementally funded. For these item(s), the sum of \$1,242,000 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For items(s) identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those item(s) for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those item(s) beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those item(s) regardless of anything to the contrary in the clause entitled "TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line item(s) for convenience includes costs, profit and estimated termination settlement costs for those item(s).



(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable item(s). The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the item(s) funded pursuant to this clause, for subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause, or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any item(s) for which additional funds have not been allotted, pursuant to the clause of this contract entitled "TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT".

(d) When additional funds are allotted for continued performance of the contract line item(s) identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraph (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line item(s) identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the item(s), or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line item(s) identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "DEFAULT." The provisions of this clause are limited to work and allotment of funds for the contract line item(s) set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) or (e) of this clause.

(h) Nothing in this clause affects the right of the Government to this contract pursuant to the clause of this contract entitled "TERMINATION FOR CONVENIENCE OF THE GOVERNMENT."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract in accordance with the following schedule:

On execution of contract

1 October 2008

1 July 2009

1 October 2009

(End of clause)

MSC 5252.217-9806 Option to Extend the Term of the Contract - ALT I (DEC 2005)

(a) The Government may extend the term of this contract by written notice to the contractor anytime prior to redelivery of the Vessel. The Government may, but is not required to, give the contractor a preliminary notice of its intent to extend anytime prior to redelivery of the Vessel. The preliminary notice, if provided, does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 59 months.

(End of Clause)

Section J - List of Documents, Exhibits and Other Attachments

SECTION J

SECTION J – LIST OF ATTACHMENTS

- A. List of Government Furnished Directives
- B. List of Basic Pricing Data
- C. Crew Complement
- D. Electronic Data Interchange Trading Partner Agreement
- E. Form DD 254
- F. Department of Labor Wage Determination
- G. Form SF LLL
- H. Off-Hire Guidelines
- I. COMSCINST 3121.9 Series, MSC Standard Operating Manual (SOM)
- J. Anti-Terrorism/Force Protection (AT/FP) Requirements
- K. Past Performance Questionnaires
- L. Small Arms Training and Qualifications