

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code
 Page 1 of Pages 24

2. Amendment/Modification No. 0021	3. Effective Date Mar 4, 2009	4. Requisition/Purchase Req. No. NAAN8400-9-08318	5. Project No. (if applicable)
6. Issued By DOC/NOAA/AGO STAFF OFFICE & EXTERNAL CLIENTS, AD 1305 EAST WEST HIGHWAY, RM 7601 SILVER SPRING, MD 20910 PAUL REED 206-526-6034		7. Administered By (if other than Item 6) SEE BLOCK 6	

8. Name and Address of Contractor (No., Street, County, and Zip Code) VT HALTER MARINE, INC P.O. BOX 1328 PASCAGOULA MS 395681328	Vendor ID: 00001215 DUNS: 118359939 CAGE: 3BJ86	<input checked="" type="checkbox"/> 9A. Amendment of Solicitation No.
		<input type="checkbox"/> 9B. Date (See Item 11)
		<input checked="" type="checkbox"/> 10A. Modification of Contract/Order No. DG133E-04-CN-0036
		<input checked="" type="checkbox"/> 10B. Date (See Item 13) Oct 20, 2005
Code	Facility Code	

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:
 (a) By completing items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting and Appropriation Data (if required)
 14.09.E2PF ISW.PVT.0084.060801022.0808000400000000.31140000.000000 \$ 15,464.00

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACT/ORDERS.
 IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.**

<input checked="" type="checkbox"/>	A. This change order is issued pursuant to: (Specify authority) The changes set forth in item 14 are made in the Contract Order No. in item 10A.
<input type="checkbox"/>	B. The above numbered Contract/Order is modified to reflect the administrative changes (such as changes in paying office, appropriation date, etc.) Set fourth item 14. pursuant to the authority of FAR 43.103 (b)
<input checked="" type="checkbox"/>	C. This supplemental agreement is entered into pursuant to authority of: Section I.1 - 52.243-1 Changes - Fixed Price
<input type="checkbox"/>	D. Other (Specify type of modification and authority)

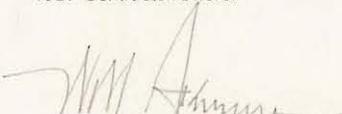
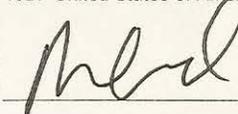
E. **IMPORTANT:** Contractor is not, is required to sign this document and return 3 copies to the issuing office.

14. Description of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Modification 0021 to Contract Number DG133E-04-CN-0036 is hereby issued to accomplish the following:

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name and Title of Signer (Type or Print) BILL SKINNER CHIEF OPERATING OFFICER (COO)	16A. Name and title of Contracting Officer (Type or Print) PAUL REED CONTRACTING OFFICER PAUL.J.REED@NOAA.GOV 206-526-6034
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15B. Contractor/Offeror  (Signature of person authorized to sign)	15C. Date Signed 3/10/09	16B. United States of America  (Signature of Contracting Officer)	16C. Date Signed 3/10/09
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Purpose of Modification

- A. Establish fixed price for Engineering Change Proposals 011 & 016 and Implement Engineering Change Proposal 015 under CLIN 0004
- B. Implement Government Furnished Material Installation and Additional Support
- C. Incorporate Faced Insulation, Navigation System Upgrade and S-Band MTR Location
- D. Incorporate Revised Delivery Date
- E. Incorporate Revised Contract Language Consideration Elements
- F. Incorporate Requests for Waivers
- G. Incorporate Revised SOR Language Reflecting Capability Concessions
- H. Incorporate Vessel Improvement SOR Changes
- I. Invoke SOR Revision F
- J. Release of Claims

A ESTABLISH FIXED PRICE FOR ENGINEERING CHANGE PROPOSALS 011 & 016 AND IMPLEMENT ENGINEERING CHANGE PROPOSAL 015

- A.1 In accordance with the clause of the subject contract entitled "CHANGES-FIXED PRICE", firm fixed prices are hereby established for Engineering Change Proposals 011 and 016 for SWATH under CLIN 0004 as follows:
- A.1.1 The price for ECP 011, Electrical Equipment Racks and Chart Lab Arrangement, is hereby increased from \$74,692.00 by \$3,075.00 to \$77,767.00. The firm fixed price for ECP 011 is hereby established at \$77,767.00.
 - A.1.2 The price for ECP 016, A-frame SWL change and add General Purpose Winch Requirement, is hereby increased from \$659,829.00 by \$12,389.00 To \$672,218.00. The firm fixed price for ECP 016 is hereby established at \$672,218.00.

Implementation of ECP 016 shall revert back to now include installation of the General Purpose Winch and cable lubrication system, as initially proposed on March 6, 2008.

- A.2 In accordance with the clause of the subject contract entitled "CHANGES-FIXED PRICE", this Modification No. 0021 implements Engineering Change Proposal 015 for SWATH under CLIN 004 as follows:

SOR Section 100h is hereby deleted in its entirety and replaced with the following:

If the multi-beam sonar transducers are mounted externally on the hull, a structural fairing to reduce flow noise to the sonar manufacturer's acceptable level shall be provided. The installation of transducers in the fairing shall be in accordance with the manufacturer's recommendation.

If the multi-beam sonar transducers are mounted recessed into the hull, a recess structure designed to reduce flow noise to the sonar manufacturer's acceptable level shall be provided. The installation of the transducers in the recess shall be in accordance with the manufacturer's recommendation.

In any case the multi-beam transducers shall be installed in such a manner as to meet the noise requirements outlined in section 073c.

The 400kHz mission multi-beam systems (Reson 7125) shall be installed such that the underwater system components (transmit and receive arrays) of each system are in a plane that is inclined to

Continuation

the ship's baseline in the athwart ships direction at an outboard angle. The angle shall be such as to maximize seafloor ensonification in the athwart ships direction while maintaining a minimum beam pattern overlap beneath the vessel of four (4) meters in water depth six (6) meters below the transducers. The transducers shall be aligned with the baseline of the ship in the along ships direction, though need not be installed on the centerline of each hull.

Should the means of inclining the transducers to meet this requirement involve the projection of transducers, fairing, or any other structure below the baseline of the vessel, the maximum draft of the vessel as elsewhere defined in this document shall not be exceeded.

Regardless of the means of meeting inclination requirements, in no case shall any structure of the hull, seachest, fairing, or any other portion of the vessel interfere with the propagation of signals to or from the transducers across the full swath angle of the transducers as identified by the manufacturer.

In no case may any element of the mission multi-beam systems extend below the ship's baseline

As a result of the above changes, CLIN 0004 is increased as follows:
 From: \$17,633,313.00 By: \$15,464.00 To: \$17,648,777.00

B IMPLEMENT GOVERNMENT FURNISHED MATERIAL INSTALLATION AND ADDITIONAL SUPPORT UNDER CLINS 0010 AND 0011

B.1 In accordance with the clause of the subject contract entitled "CHANGES-FIXED PRICE", this Modification No. 0021 implements Government Furnished Material (GFM) installations under CLINS 0010 and 0011 as follows:

The following items will be implemented in accordance with Special Study 011 dated July 25, 2008:

1. GPS Aided INS (POS/MV)
2. Sound Velocity Systems
3. Multi Beam System 7111
4. Multi Beam System 7125
5. Sea Surface Temperature System
6. Mission Depth Sounder
7. Mission DGPS
8. Sidescan Winch w/ Slip Ring & Metered Sheave

Implementation of these items shall also include all related engineering support, builder's risk and dry docking costs. In order to minimize storage time/costs, a list of GFM need dates for each item referenced above is required within 45 days following execution of this Modification No. 0021. See Attachment 1 and 2 for additional detail.

B.2 In accordance with the clause of the subject contract entitled "CHANGES-FIXED PRICE", this Modification No. 0021 implements additional support for Government Furnished Material (GFM) installations under CLINS 0010 and 0011 as follows:

SOR Section 591c is hereby modified as follows:

From:

Continuation

Mission Winches - The Contractor shall provide space, weight, foundations, power cables, signal cables, through deck penetrations, demountable stuffing tubes, distributed services, and local controls and remote controls from ACS and Charting Laboratory for Government mission handling equipment. Cables installed by the Contractor terminating in the Charting Laboratory shall have 8 m of spare length. Cables installed by the Contractor shall be terminated into watertight junction boxes at the hull, sensor interface with 1 m of spare length. Remote controls shall be provided in accordance with Section 070f.

The Contractor shall determine and provide all installation details and interface control documentation (ICD) to support a fully functional installation (in conformance with the missions noted in Section 070) for the mission handling equipment listed in Attachment J-7, Government Furnished Information.

Government mission handling equipment includes:

- a. Side Scan Sonar winch with slip rings
- b. CTD winch with slip rings
- c. CTD cable (0.820 cm Electro-mechanical wire (0.322 inch))
- d. Side Scan cable (Klein Electro-mechanical wire 0.40 inch)
- e. Spare reels with cable

A general purpose winch shall be provided to support the 1,815 kg Safe Working Load. The general purpose winch shall be located so that the wire can be blocked through the A-frame. The general purpose winch system shall be provided with 300m of 11mm (7/16 inch) torque balanced wire rope. The winch drum shall be fitted with a Lebus shell and have the capacity to hold 1,000m of the 11mm (7/16 inch) wire rope.

A variable speed controlled level winding system shall be provided and shall be field adjustable for different variable diameters (3/8 inch spectra rope, 3/8 inch wire, 7/16 inch wire, and 5/8 inch chain).

The winch shall have a minimum pull capability of 1,815 kgf (4,000 pounds) at full spool (1000m of wire on the spool). The winch shall have variable speed and shall be capable of a line speed of 15 meters per minute at minimum spool diameter and up to 30 meters per minute with a full drum (1,000m of wire on the spool).

Winch controls shall be provided on the winch and remotely in the Aft Control Station.

An automatic cable washing and lubrication system shall be provided for the general purpose winch. Lubricant for the system shall be Grignare Co. PreLube 19 or equal.

A sheave shall be provided on the A-frame that is capable of 3/8 inch spectra rope, 3/8 inch wire, 7/16 inch wire, and 5/8 inch chain.

To:

Mission Winches - The Contractor shall provide space, weight, foundations, power cables, signal cables, through deck penetrations, demountable stuffing tubes, distributed services, and local controls and remote controls from ACS and Charting Laboratory for Government mission handling equipment. Cables installed by the Contractor terminating in the Charting Laboratory shall have 8 m of spare length. Cables installed by the Contractor shall be terminated into

Continuation

watertight junction boxes at the hull, sensor interface with 1 m of spare length. Remote controls shall be provided in accordance with Section 070f.

The Contractor shall install the following Government Furnished equipment:

- a. Sidescan Winch with slip ring
- b. Sidescan metered sheave

The Contractor shall install, tension, and spool the Government Furnished sidescan tow cable (Klein Electro-mechanical wire 0.40 inch) onto the provided sidescan winch drum in accordance with all manufacturer guidance and specifications.

The Contractor shall determine and provide all installation details and interface control documentation (ICD) to support a fully functional installation (in conformance with the missions noted in Section 070) for the mission handling equipment listed in Attachment J-7, Government Furnished Information.

Government mission handling equipment includes:

- a. CTD winch with slip rings
- b. CTD cable (0.820 cm Electro-mechanical wire (0.322 inch))
- c. Spare reels with cable

A general purpose winch, A-Frame, and sheave shall be provided to support the 1,815 kg Safe Working Load. The general purpose winch shall be located so that the wire can be blocked through the A-frame. The general purpose winch system shall be provided with 300m of 11mm (7/16 inch) wire rope and shall be tensioned and spooled onto the drum in accordance with all manufacturer guidance and specifications. The winch drum shall be fitted with a Lebus shell and have the capacity to hold 1,000m of the 11mm (7/16 inch) wire rope.

A variable speed controlled level winding system shall be provided and shall be field adjustable for different variable diameters (3/8 inch spectra rope, 3/8 inch wire, 7/16 inch wire, and 5/8 inch chain).

The winch shall have a minimum pull capability of 1,815 kgf (4,000 pounds) at full spool (1000m of wire on the spool). The winch shall have variable speed and shall be capable of a line speed of 15 meters per minute at minimum spool diameter and up to 30 meters per minute with a full drum (1,000m of wire on the spool).

Winch controls shall be provided on the winch and remotely in the Aft Control Station.

An automatic cable washing and lubrication system shall be provided for the general purpose winch. Lubricant for the system shall be Grignare Co. PreLube 19 or equal.

A sheave shall be provided on the A-frame that is capable of 3/8 inch spectra rope, 3/8 inch wire, 7/16 inch wire, and 5/8 inch chain.

The language provided for the additional support for GFM installations also includes acceptance and incorporation of RFW 013 - Torque Balanced Wire Rope. See Attachment 16 for additional information.

As a result of the above changes, CLINs 0010 and 0011 remain unchanged.

C INCORPORATE FACED INSULATION, NAVIGATION SYSTEM UPGRADE AND S-BAND MTR LOCATION

- C.1 In accordance with the clause of the subject contract entitled "CHANGES-FIXED PRICE", this Modification No. 0021 implements faced insulation for SWATH under CLIN 004 as follows:

Faced thermal insulation shall be provided in the haunch void(s), including compartments 2-2-0 and 2-4-0.

- C.2 In accordance with the clause of the subject contract entitled "CHANGES-FIXED PRICE", this Modification No. 0021 implements the navigation system upgrade for SWATH under CLIN 004 as follows:

SOR Section 438 paragraph 3 is changed as follows:

From:

The IBS shall have the capability to overlay radar and ARPA target data over the chart display. The IBS shall comply with the specification for chart content and display for Electronic Chart Display and Information System (ECDIS), IHO S-52, scheduled to be in effect at ship delivery.

To:

The NIBS shall have the capability to display, at any of the main console workstations, information from central alarm management, navigation modules, both radars (ARPA and ECDIS) or chart radar display, as well as to overlay radar and ARPA target data over the chart display. The main console consists of the two radar displays, ECDIS display and conning display located on the forward console. This system shall have features equal to or more capable than a Sperry VisionMaster FT system with each main console nodes/displays configured as a TotalWatch multi-function workstation. There shall be sufficient independent nodes (workstations/displays) available to simultaneously display two radar/ARPA displays (X-band and S-band), one ECDIS display (with radar overlay capability), and a Conning Information Display (CID). Each main console node shall be configurable to display any of the required displays as determined necessary by the watchstander. The NIBS shall comply with all applicable regulatory requirements, including the specification for chart content and display for Electronic Chart Display and Information System (ECDIS) display standards, IHO S-52, scheduled to be in effect at ship delivery.

- C.3 In accordance with the clause of the subject contract entitled "CHANGES-FIXED PRICE", this Modification No. 0021 implements the change in location of the S-Band Radar MTR for SWATH under CLIN 004 as follows:

The Modulator Transmitter Receiver (MTR) for the S-Band radar shall be configured up; meaning it is on the mast with the radar antenna. This is similar to the current X-Band radar MTR configuration.

As a result of the above changes, CLIN 0004 remains unchanged.

D INCORPORATE REVISED CONTRACT DELIVERY DATE

Continuation

D.1 The required vessel delivery date is hereby extended 282 days from March 11, 2009 to December 18, 2009.

E SWATH CONTRACT LANGUAGE CONSIDERATION ELEMENTS FOR CONCESSIONS TO SOR REQUIREMENTS AND SCHEDULE EXTENSION

E.1 Revised Warranty Clause

The terms of Warranty are hereby changed as follows.

E.1.1 Contract Section I.10 is hereby deleted in its entirety and replaced with the following:

I.10 WARRANTY OF SYSTEMS AND EQUIPMENT UNDER PERFORMANCE SPECIFICATIONS OR DESIGN CRITERIA (May 2001); Alt. III

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

"Defect" means any condition or characteristic in any supplies or services furnished by the Contractor under the contract that is not in compliance with the requirements of the contract.

"Supplies" means the end items furnished by the Contractor and related services required under this contract. Except when this contract includes the clause entitled Warranty of Data, supplies also mean "data."

(b) Contractor's obligations.

(1) The Contractor's warranties under this clause shall apply only to those defects discovered by either the Government or the Contractor within nine (9) months from the date of preliminary acceptance (See Contract Section E-1).

(2) If the Contractor becomes aware at any time before preliminary acceptance by the Government that a defect exists in any supplies or services, the Contractor shall-

(i) Promptly correct the defect; or

(ii) Promptly notify the Contracting Officer, in writing, of the defect, using the same procedures prescribed in paragraph (b)(3) of this clause.

(3) If the Contracting Officer determines that a defect exists in any of the supplies or services accepted by the Government under this contract, the Contractor shall be notified of the defect, in writing, within nine (9) months from the date of preliminary acceptance of the vessel. Upon timely notification of the existence of a defect, or if the Contractor independently discovers a defect in accepted supplies or services, the Contractor shall submit to the Government, in writing, within ten (10) days a recommendation for corrective actions, together with supporting information in sufficient detail for the Contracting Officer to determine what corrective action, if any, shall be undertaken.

(4) The Contractor shall promptly comply with any timely written direction from the Contracting Officer to correct or partially correct a defect at the location of the vessel, at no increase in the contract price.

(5) The Contractor shall also prepare and furnish to the Contracting Officer data and reports applicable to any correction required under this clause (including revision and updating of all other affected data called for under this contract) at no increase in the contract price.

(6) In the event of timely notice of a decision not to correct or only to partially correct, the Contractor shall submit a technical and cost proposal within ten (10) days to amend the

Continuation

contract to permit acceptance of the affected supplies or services in accordance with the revised requirement, and an equitable reduction in the contract price shall promptly be negotiated by the parties and be reflected in a supplemental agreement to this contract.

(7) Any supplies or parts thereof corrected or furnished in replacement and any services re-performed shall also be subject to the conditions of this clause to the same extent as supplies or services initially accepted. The warranty, with respect to these supplies, parts, or services, shall be equal in duration to that set forth in paragraph (b)(1) of this clause, and shall run from the date of delivery of the corrected or replaced supplies.

(8) The Contractor shall not be responsible under this clause for the correction of defects in Government-furnished property, except for defects in installation, unless the Contractor performs, or is obligated to perform, any modifications or other work on such property. In that event, the Contractor shall be responsible for correction of defects that result from the modifications or other work.

(9) If the Government returns supplies to the Contractor for correction or replacement under this clause, the Contractor shall be liable for transportation charges up to an amount equal to the cost of transportation by the usual commercial method of shipment from the location of the ship (irrespective of the f.o.b. point or the point of acceptance) to the Contractor's plant and return to the location of the ship. The Contractor shall also bear the responsibility for the supplies while in transit.

(10) All implied warranties of merchantability and "fitness for a particular purpose" are excluded from any obligation under this contract.

(c) Remedies available to the Government.

(1) The rights and remedies of the Government provided in this clause-

(i) Shall not be affected in any way by any terms or conditions of this contract concerning the conclusiveness of inspection and acceptance; and

(ii) Are in addition to, and do not limit, any rights afforded to the Government by any other clause of this contract.

(2) Within ten (10) days after receipt of the Contractor's recommendations for corrective action and adequate supporting information, the Contracting Officer, using sole discretion, shall give the Contractor written notice not to correct any defect, or to correct or partially correct any defect within a reasonable time at the location of the vessel for no increase in contract price.

(3) In no event shall the Government be responsible for any extension or delays in the scheduled deliveries or periods of performance under this contract as a result of the Contractor's obligations to correct defects, nor shall there be any adjustment of the delivery schedule or period of performance as a result of the correction of defects unless provided by a supplemental agreement with adequate consideration.

(4) This clause shall not be construed as obligating the Government to increase the contract price.

(5) (i) The Contracting Officer shall give the Contractor a written notice specifying any failure or refusal of the Contractor to-

Continuation

- (A) Present a detailed recommendation for corrective action as required by paragraph (b)(3) of this clause;
 - (B) Correct defects as directed under paragraph (b)(4) of this clause; or
 - (C) Prepare and furnish data and reports as required by paragraph (b)(5) of this clause.
- (ii) The notice shall specify a period of time following receipt of the notice by the Contractor in which the Contractor must remedy the failure or refusal specified in the notice.
- (6) If the Contractor does not comply with the Contracting Officer's written notice in paragraph (c)(5)(i) of this clause, the Contracting Officer may by contract or otherwise-
- (i) Obtain detailed recommendations for corrective action and either-
 - (A) Correct the supplies or services and reduce the contract price accordingly; or
 - (B) Replace the supplies or services, and if the Contractor fails to furnish timely disposition instructions, the Contracting Officer may dispose of the nonconforming supplies for the Contractor's account in a reasonable manner, in which case the Government is entitled to reimbursement from the Contractor, or from the proceeds, for the reasonable expenses of care and disposition, as well as for excess costs incurred or to be incurred;
 - (ii) Obtain applicable data and reports; and
 - (iii) Charge the Contractor for the costs incurred by the Government.
- (7) The Contractor shall be liable for the reasonable costs of disassembly and/or reassembly of larger items when it is necessary to remove the supplies to be inspected and/or returned for correction or replacement.
- (d) The liability of the Contractor for the correction of defects, as determined pursuant to this clause, discovered during the warranty period (other than defects resulting from latent defect, fraud or such gross mistakes as amount to fraud) shall be limited to \$600,000.
- (e) The Government shall be entitled to rely upon any warranty secured by the Contractor or any sub-contractor covering work performed which exceeds the nine (9) month period from the date of preliminary acceptance of the vessel until the expiration of the relevant warranty agreement. The Government shall be entitled to rely upon any warranty secured by the Contractor for major and minor equipment which exceeds the nine (9) month period from the date of preliminary acceptance of the vessel until the expiration of the relevant warranty agreement.

E.1.2 Add SOR, Section 042i Technical Documentation, to add the following (include as last item in section):

Warranty Costs Supporting Documentation. - The Contractor shall provide to the Government as soon as practicable, but no more than forty five (45) days after an effort of repair is performed pursuant to this clause, a record of all costs incurred including supporting documentation as a result of the repair performed. If Subcontracted costs are not received to support the forty five (45) day deadline, the Contractor shall identify each of the missing cost elements,

Continuation

include a burdened cost estimate for the missing elements and provide an estimated date for the documentation submission.

E.1.3 In conjunction with the updated Warranty Clause and documentation requirements, the Attachment J-2 Data Requirements List is hereby revised as follows.

Add C077 to Exhibit C

Document Number	Reference	Document Title	Date Due	Approval Required	Review Period	Notes
C077	SOR Section 042i	Warranty Costs Supporting Documentation	45 days after warranty efforts performed			CD, HC

E.2 Revised Liquidated Damages Clause

The terms of Liquidated Damages are hereby changed as follows.

E.2.1 Contract Section F.1.9 is hereby deleted in its entirety and replaced with the following:

F.1.9 LIQUIDATED DAMAGES--SUPPLIES, SERVICES, OR RESEARCH AND DEVELOPMENT (SEPT 2000)

(a) If the Contractor fails to deliver the supplies or perform the services within the time specified in this contract, the Contractor shall, in place of actual damages, pay to the Government liquidated damages of \$ 2,717.94 per calendar day of delay beyond the required contract delivery date. A ten (10) calendar day grace period from the required contract delivery date shall be honored prior to the enforcement of the stated liquidated damages.

(b) If the Government terminates this contract in whole or in part under the Default-Fixed-Price Supply and Service clause, the Contractor is liable for liquidated damages accruing until the Government reasonably obtains delivery or performance of similar supplies or services. These liquidated damages are in addition to excess costs of repurchase under the Termination clause.

(c) The Contractor will not be charged with liquidated damages when the delay in delivery or performance is beyond the control and without the fault or negligence of the Contractor as defined in the Default-Fixed-Price Supply and Service clause in this contract.

(d) The Maximum Penalty that can be imposed on the Contractor due to late delivery of the Vessel is Seven Hundred and Fifty Thousand US Dollars (\$750,000).

(End of clause)

E.2.2 Contract Section F.1.10, Section 52.211-11 LIQUIDATED DAMAGES--SUPPLIES, SERVICES, OR RESEARCH AND DEVELOPMENT (SEPT 2000), is hereby deleted and replaced with the following:

52.211-11 LIQUIDATED DAMAGES--SUPPLIES, SERVICES, OR RESEARCH AND DEVELOPMENT (SEPT 2000)

Continuation

Insert in paragraph (a): "\$7,717.94 per calendar day"

E.2.3 Milestone Payment Schedule

Contract Clause H.8 is hereby deleted in its entirety and replaced with the following:

H.6 MILESTONE PAYMENT SCHEDULE

The Contractor shall perform the efforts required by the Contract and its attachments. The Contractor will be paid for each payable event accomplished, along with its associated documentation, upon Government acceptance in accordance with the Schedule of Payments and Payable Events set forth below.

Milestone Number	Milestone Event	Percentage of Contract Value Payment
1	Execution of Contract Modification Establishing Progress Payment Milestones	5.6310%
2	Land Emergency Generator Set	2.0000%
3	Complete Erection and Structural Integration	3.6795%
4	Complete Air Tests of Tanks	1.1650%
5	Launch	1.6011%
6	Inclining Experiment	1.5000%
7	Complete Dock Trials	3.0925%
8	Complete Dry Docking	1.5919%
9	Complete Builder's Trials	1.5000%
10	Complete Acceptance Trials	3.0914%
11	Complete Mission Trials	3.0914%
12	Furnish Class Certifications	3.0914%
13	Preliminary Acceptance	Balance due less required Warranty Retention.

All Milestone Progress Payments will be subject to a Retainage Value Equal to 13.75% of the Total Contract Value Earned by the Contractor as of the date the associated invoice. For purposes of these billings the Total Contract Value is considered to be the Sum Total Value associated with Contract CLIN0003 through CLIN0021 Obligated to the Contract. The established payment schedule is based on the contract price and amount of payments remaining as of the date of this contract modification. The amounts withheld under the provisions of this Section, plus any other amounts payable to the Contractor under the terms of this Contract shall be paid in accordance with the payment schedule established above (except amounts withheld for liquidated damages and any offset required by law) as follows:

- (i) All except 2 ½ percent of the Contract price shall be payable promptly after the preliminary acceptance of the vessel.
- (ii) The balance of the Contract price shall be paid within 30 days of the end of the Guaranty period, provided all contractual obligations have been satisfied.

No payments on account of the Contract price shall be made except on submitted bills, vouchers, or invoices which shall be in such number and form and shall be executed, certified, and attested to in accordance with the clause in Section I of this contract entitled PROMPT PAYMENT (JUN 1997).

The Contractor shall maintain a file of all purchase orders issued and subcontracts entered into by the Contractor in the performance of the Contract work and shall furnish copies of such priced purchase orders and subcontracts to the Contracting Officer as may be required. This shall include all relevant requirements documentation including terms and conditions of the subcontract agreements.

Any payment may be reduced for overpayment, or increased for underpayment on preceding certified invoices.

A. DEFINITIONS OF MILESTONE EVENTS

1. Execution of Contract Modification Establishing Progress Payment Milestones: This milestone will be considered to be fulfilled when both the Contracting Officer and the Contractor's Representative endorse a mutually agreeable Contract Modification adopting a Progress Payment Milestone Methodology.
2. Land Emergency Generator Set: This Event will be considered to be fulfilled when the Emergency Generator Set has been placed aboard the vessel at the location determined by the Production Drawings and the Piping and Electrical Departments have integrated this piece of equipment into the supporting systems.
3. Complete Erection and Structural Integration: All primary and secondary structure as identified on the VTHM Planning Assembly Breakdown drawing number PAB-1, revision 2 dated 2-11-06 (or the latest revision, as applicable) shall be completely welded out and tested as required in SOR Section 100. VTHM Quality Assurance documentation of completion and Regulatory Body concurrence shall have been submitted.
4. Complete Air Test of Tanks: Air testing of all tanks shall be completed by VTHM and approved by the Regulatory Body. The testing shall be in accordance with SOR Section 092a, the VTHM Ship Acceptance program, and the appropriate SNAME T & R Bulletins. Documentation by VTHM Quality Assurance shall have been submitted to NOAA.
5. Vessel Launch:
 - i. At launch, all hull penetration and all secondary protection will have been permanently installed.
 - ii. Ballast, firemain and seawater systems below the Main deck will have been completed and initially tested to allow for fire protection and cooling water needs.
 - iii. Eighty percent of all cables (by length) below the Main deck shall have been pulled to the point of connection/termination or properly sealed.
6. Inclining Experiment: The Inclining Experiment shall be performed in accordance with SOR Section 097 and the completed report of results has been submitted to NOAA.

Continuation

7. Completion of Builder's Dock Trials: The Contractor's agenda (SOR Section 094g) and the other requirements of SOR 094 determine what is tested at dockside and what tests need to be accomplished at sea. All testing required shall have been successfully completed and a complete Trial Report (SOR 094a) shall have been submitted to NOAA.
8. Completion of Dry Docking: The ship shall be dry docked; and all preservation, cathodic protection, mission/navigation associated efforts, and other requirements scheduled to be accomplished during this evolution shall be completed to the satisfaction of NOAA, the Regulatory Bodies, and the relevant vendors and subcontractors.
9. Completion of Builder's Sea Trials: Builder's Sea Trials will have demonstrated to the satisfaction of NOAA/Regulatory Bodies that the ship is seaworthy and that all machinery, equipment, and systems are ready for Acceptance Trials. A complete Trial Report (SOR 094a) shall have been submitted to NOAA.
10. Completion of Acceptance Trials: The Contractor's agenda (SOR Section 094g) and other requirements of SOR 094 determine what shall be included in Acceptance Trials. Specifically, the vendors identified in SOR Section 094e shall be on board for these Trials. Successful completion of AT to the satisfaction of NOAA/Regulatory Bodies is a prerequisite to Preliminary Acceptance of the ship by the Government. Correction of any defects or deficiencies shall be accomplished and the equipment involved will be retested. A complete Trial Report shall have been submitted to NOAA.
11. Completion of Mission Trials: The Contractor's agenda (SOR Section 094g) and other requirements of SOR 094 determine what shall be included in Mission Trials. At a minimum, the trials identified in SOR Section 094d shall be successfully performed.
12. Furnish Class Certifications: The Contractor shall provide required ABS Interim Class, US Tonnage, International Load Line and SOLAS Certificates indicated in SOR Section 070b.
13. Preliminary Acceptance: All certificates described in SOR 070b shall have been provided to NOAA, Acceptance Trials shall be successfully completed in their entirety, and the authorized Government Representative shall have accepted delivery by signing the DD-250 Form.

Payment shall only be made in accordance with the milestone payment schedule included in this clause after completion of the stated milestone as determined by the Contracting Officer's Technical Representative and submission of all required documentation and a proper invoice.

B. SUSPENSION OR REDUCTION OF MILESTONE PAYMENTS

The Government's authorization of milestone payments is subject to the contractor's satisfactory performance, and the Government may suspend or reduce milestone payments after finding evidence of the following:

1. The contractor fails to comply with any material requirement of this contract;
2. Performance of this contract is endangered by:
 - i. The contractor's failure to make progress; or
 - ii. The contractor's unsatisfactory financial condition

Continuation

3. The contractor is delinquent in payment of the costs of performing this contract in the ordinary course of business; or
4. The unliquidated milestone payments exceed the fair value of the work accomplished on the undelivered portion of this contract.

C. RESERVATION OF RIGHTS

1. No payment or vesting of title under this clause shall:
 - i. Excuse the contractor from performance of obligations under this contract; or
 - ii. Constitute a waiver of any of the rights or remedies of the parties under this contract.
2. The Government's rights and remedies under this clause:
 - i. Shall not be exclusive, but rather shall be in addition to, any other rights and remedies provided by law or this contract

D. FLOW DOWN

Terms substantially similar to the language of this clause and at least as favorable to the parties as the terms of this clause shall be incorporated in subcontracts under this contract when property is chargeable to milestone payments identified in this contract.

E. RIGHT TO DEFAULT

Notwithstanding any other provision of this modification, the Government reserves the right to terminate this contract for default, in accordance with FAR 52.249-8 set forth in Section I of the contract.

F. INCOPORATE REQUESTS FOR WAIVERS

The subsequent Requests for Waivers (RFWs) have been accepted and incorporated into the SOR as follows:

- F.1 RFW 001 - Soldering Station. See Attachment 4 for additional information.

SOR Section 665a

From:

A General Workshop shall be provided and shall include the equipment listed in Table 665-1.

A workbench with a purifier cleaning sink shall be provided near the purifiers. The sink shall drain to the oily water separator system. The sink shall be CRES, approximately 500 mm by 610 mm by 450 mm deep and shall be welded in the workbench. A vise shall be installed on the bench.

The location of equipment shall provide an efficient working arrangement. Workbenches, lockers, and other tall equipment shall be fastened securely to bulkheads or other structure or otherwise stiffened to provide lateral stability.

To:

A General Workshop shall be provided and shall include the equipment listed in Table 665-1.

Continuation

A workbench with a purifier cleaning sink shall be provided near the purifiers. The sink shall drain to the oily water separator system. The sink shall be CRES, approximately 500 mm by 610 mm by 450 mm deep and shall be welded in the workbench. A vise shall be installed on the bench.

The location of equipment shall provide an efficient working arrangement. Workbenches, lockers, and other tall equipment shall be fastened securely to bulkheads or other structure or otherwise stiffened to provide lateral stability.

The general workshop shall have a soldering station with vent to atmosphere and remote mounted power shut-off.

And SOR Section 665b

From:

The ET Shop shall be equipped in accordance with Table 665-2. The electrical workbench shall be faced with non-conductive material, shall have a soldering station with vent to atmosphere and remote mounted power shut-off.

To:

The ET Shop shall be equipped in accordance with Table 665-2. The electrical workbench shall be faced with non-conductive material.

- F.2 RFW 002 - Fuel Heaters. See Attachment 5 for additional information.

SOR Section 233a paragraph 8 (below) shall be deleted in its entirety.

Each engine shall be equipped with a thermostatically controlled fuel supply heater designed to heat the supply fuel from the service tank to a maximum of 32° C. Warm fuel, 21° C and above, shall automatically bypass the heater. Each engine shall be equipped with a thermostatically controlled fuel return cooler to limit the temperature of fuel returned from the engine to a maximum of 100 degrees Fahrenheit.

- F.3 RFW 003 - Fuel Coolers. See Attachment 6 for additional information.

Incorporated in SOR Section 233a changes above.

- F.4 RFW 004 - Reduction Gear Brake. See Attachment 7 for additional information.

SOR Section 243a paragraph 2

From:

Shaft brakes shall be provided for each shaft, operable from the local station only. The shaft brake controls shall be interlocked with the propulsion control system so that shaft speed is reduced to zero, at the maximum acceptable rate, when the shaft brake is activated. The shaft brake shall be capable of holding the shaft stationary in a three knot current.

To:

The main propulsion shafting system shall be capable of holding the shaft stationary in a three knot current.

Continuation

- F.5 RFW 005 - Main Engine Prelube Pump. See Attachment 8 for additional information.

SOR Section 233a paragraph 11 (below) shall be deleted in its entirety.

Each engine shall be equipped with a motor driven prelube oil pump which shall interlock with the engine starting system to prevent engine starting until main lube oil gallery pressure reaches a preset value as determine by the engine manufacturer. The system shall automatically shutdown upon a successful engine start. The system shall be equipped with a bypass feature to allow for engine starting under emergency conditions, or when the prelube system is down for repairs. A manual prelube pump shall also be provided.

- F.6 RFW 007 - Climber Safety Rail. See Attachment 10 for additional information.

SOR Section 623c

From:

Climber safety rails located in the weather shall be CRES.

To:

Climber safety rails Located in the weather shall be Aluminum.

- F.7 RFW 008 - Interior Shaft Bearing. See Attachment 11 for additional information.

SOR Section 244a

From:

Line shafts and thrust bearings shall be of the self-aligning type. Line shaft and thrust bearings may be of the hydrodynamic or anti-friction type. If anti-friction type bearings are used, they may only be used as interior bearings. Anti-friction bearing may be tapered or spherical roller bearings. The maximum allowable static bearing load based on projected area may not exceed 515 kPa.

To:

Line shafts and thrust bearings shall be of the self-aligning type. Line shaft and thrust bearings may be of the hydrodynamic or anti-friction type. If anti-friction type bearings are used, they may only be used as interior bearings. Anti-friction bearing may be tapered, cylindrical, or spherical roller bearings. The maximum allowable static bearing load based on projected area may not exceed 515 kPa.

- F.8 RFW 009 - Line Shaft Bearing Lubrication. See Attachment 12 for additional information.

SOR Section 244c

From:

Lineshaft bearings shall be oil lubricated. If hydrodynamic sleeve bearings are used, they shall be disc lubricated. ASTM B23 grade 2 babbitt metal is required for sleeve type bearings.

The lower half of lineshaft bearings shall be watertight. Bearings shall have an oil vent assembly to prevent pressurization of the bearing cavity.

To:

Lineshaft bearings shall be lubricated per manufacturer's recommendations. If hydrodynamic sleeve bearings are used, they

Continuation

shall be disc lubricated. ASTM B23 grade 2 babbitt metal is required for sleeve type bearings.

The lower half of lineshaft bearings shall be watertight. Bearings shall have a vent assembly to prevent pressurization of the bearing cavity.

- F.9 RFW 010 - Stern Tube Seal. See Attachment 13 for additional information.

SOR Section 244e

From:

Forward stern tube seals shall be provided.

The seal assembly shall consist of a primary radial hard face mechanical seal that allows for relative axial, radial, and angular shaft motions.

Parts of the seal exposed to seawater shall be made of corrosion resistant material and shall be suitable for easy repair in service. Provision shall be made in the seal mounting ring for cooling and lubricating the seal in accordance with the manufacturer's recommendations.

The seal shall be split to allow for replacement of wearing elements and change of rubber components without shaft removal.

To:

Forward stern tube seals shall be provided.

The seal assembly shall consist of a lip seal that allows for relative axial, radial, and angular shaft motions.

Parts of the seal exposed to seawater shall be made of corrosion resistant material and shall be suitable for easy repair in service. Provision shall be made in the seal mounting ring for cooling and lubricating the seal in accordance with the manufacturer's recommendations.

The seal shall allow for replacement of wearing elements and change of rubber components without shaft removal.

- F.10 RFW 011 - Cable Tray. See Attachment 14 for additional information.

SOR Section 304b

From:

An open and accessible internal scientific cableway with bulkhead cable tubes shall be provided between the Charting Laboratory, Service Area, Bridge, ET Shop, and the forward and aft working decks. Scientific cableway shall not be used for Contractor installed cabling. Bulkhead cable tubes and weather deck cable tubes shall be a minimum 15 cm ID multi cable transit (MCT).

Within the Charting Laboratory, the cableway shall extend the forward and aft length of the compartment and align to the MCTs. Athwartship sections, as required, shall extend from the center cableway to run above the rack foundations and workstations. The cableway shall be open to provide through visibility and tiedown locations, but shall not allow cables to protrude. Edges shall be smooth and tray brackets shall be L-shaped. This cableway shall be at least 385 cm², with a minimum cross section width of 300 mm.

Continuation

To:

A "RT&D" Inverted T-Hanger system with bulkhead cable tubes shall be provided between the Charting Laboratory, Service Area, Bridge, ET Shop, and the forward and aft working decks. Scientific cableway shall not be used for Contractor installed cabling. Bulkhead cable tubes and weather deck cable tubes shall be a minimum 15 cm ID multi cable transit (MCT).

Within the Charting Laboratory, the cableway shall extend the forward and aft length of the compartment and align to the MCTs. Athwartship sections, as required, shall extend from the center cableway to run above the rack foundations and workstations. The cableway shall be open to provide through visibility and tiedown locations, but shall not allow cables to protrude. Edges shall be smooth and tray brackets shall be L-shaped. This cableway shall be at least 385 cm², with a minimum cross section width of 300 mm.

- F.11 RFW 012 - Window Wash. See Attachment 15 for additional information.

SOR Section 531b

From:

Fresh water shall be supplied to the window washing system via a compression tank, serving each window equipped with wipers at a minimum distribution rate of 5.0 l/min per m² of total window area serviced. The compression tank shall include a fill connection via air gap and capability for adding antifreeze or other agents as required. Washing spray for each window shall be controlled by pushbuttons adjacent to wiper controls.

To:

Fresh water shall be supplied to the window washing system via an expansion tank with a sight glass and furnished with a supply pump, serving each window equipped with wipers at a minimum distribution rate of 5.0 l/min per m² of total window area serviced. The expansion tank shall include a fill connection via air gap and capability for adding antifreeze or other agents as required. Washing spray for each window shall be controlled by pushbuttons adjacent to wiper controls.

G REVISED SOR LANGUAGE REFLECTING REDUCTION IN CAPABILITY

SOR Revision F includes various relaxations to the requirements that create weight savings measures. A general description of the reduction in capabilities and concessions include:

- Reduce endurance requirement by 500 NM.
- Change material restriction on anodes.
- Reduce lube oil and hydraulic fluid storage requirement.
- Remove restriction on permanent ballast.

The SOR, for each element above, has been updated as follows:

- G.1 Reduce endurance requirement by 500 NM

SOR Section 070a

From:

Operating profiles for major missions are defined in Table 070-1. The ship will be operating 240 days per year. An additional mission

Continuation

profile is that the ship shall have a transit range of 2,750 nautical miles at Transit Speed as a minimum.

To:

Operating profiles for major missions are defined in Table 070-1. The ship will be operating 240 days per year. An additional mission profile is that the ship shall have a transit range of 2,250 nautical miles at Transit Speed as a minimum.

SOR Section 070c

From:

Endurance Range - Range at transit speed: 3,500 nm.

To:

Endurance Range - Range at transit speed: 2,250 nm.

SOR Table 070-1 Mission Operating Profiles
From:

**Table Error! No text of specified style in document.70-1. Mission
Operating Profiles**

Parameters	High Speed High Resolution Side Scan Sonar	Multibeam Bathymetry (SWMB)	Combination Operations (SWMB & HSHR)
Length of mission (minimum)	18 days	10 days	14 days
Time at design speed	15%	60%	30%
Time towing at 3 knots	5%	5%	5%
Time towing at 6 knots	5%	5%	5%
Time towing at 8 knots	60%	10%	45%
Time towing at design speed	5%	10%	5%
Time at anchor	5%	5%	5%
Time on station (less than 3 knots)	5%	5%	5%
Total	100%	100%	100%

To:

**Table Error! No text of specified style in document.70-1. Mission
Operating Profiles**

Parameters	High Speed High Resolution Side Scan Sonar	Multibeam Bathymetry (SWMB)	Combination Operations (SWMB & HSHR)
Length of mission (minimum)	16 days	9 days	13 days
Time at design speed	15%	60%	30%
Time towing at 3 knots	5%	5%	5%
Time towing at 6 knots	5%	5%	5%
Time towing at 8 knots	60%	10%	45%
Time towing at design speed	5%	10%	5%
Time at anchor	5%	5%	5%
Time on station (less than 3 knots)	5%	5%	5%
Total	100%	100%	100%

G.2 Change material restriction on anodes. See Attachment 9 for additional information.

SOR Section 633

From:

A zinc anode cathodic protection system shall be installed to protect the underwater hull, appendages, sea chests, and other external seawater exposed components. Selection and location of anodes shall be in accordance with the manufacturer's recommendations for a minimum service life of 30 months between drydockings.

To:

A zinc or aluminum anode cathodic protection system shall be installed to protect the underwater hull, appendages, sea chests, and other external seawater exposed components. Selection and location of anodes shall be in accordance with the manufacturer's

Continuation

recommendations for a minimum service life of 30 months between dry-dockings.

G.3 Reduce lube oil and hydraulic fluid storage requirement.

SOR Section 096a (table)

From:

Table 096-1 Variable Loads

ESWBS No.	Item	Weight (Full load)	Weight (Light Operating Load)
PROVISIONS AND STORES:			
F16	Lube Oil (Note 1)	Tank Filled	50 percent full
OTHER FLUIDS:			
F50	Hydraulic Fluid	Tank filled	50 percent full

To:

Table 096-1 Variable Loads

ESWBS No.	Item	Weight (Full load)	Weight (Light Operating Load)
PROVISIONS AND STORES:			
F46	Lube Oil (Note 1)	Tank shall contain no less than 180 gallons or no less than one complete change-out of all sumps plus make-up lubricant needs anticipated for maximum mission duration.	Empty
OTHER FLUIDS:			
F50	Hydraulic Fluid	Tank shall contain no less than 180 gallons or no less than regulatory requirements.	Empty

G.4 Remove restriction on permanent ballast.

SOR Section 070c

From:

Design Displacement. - The design displacement is the displacement corresponding to the Full Load at the end of Service Life Condition

Continuation

draft at level static trim. The Full Load at end of Service Life Condition includes the Light Ship weight, Full Load variable loads, all weight margins and the service life weight allowance. The use of permanent ballast to obtain design displacement, trim and heel is not permitted.

To:

Design Displacement. - The design displacement is the displacement corresponding to the Full Load at the end of Service Life Condition draft at level static trim. The Full Load at end of Service Life Condition includes the Light Ship weight, Full Load variable loads, all weight margins and the service life weight allowance. The use of permanent ballast to obtain design displacement, trim and heel shall be minimized.

H INCORPORATE VESSEL IMPROVEMENT SOR CHANGES

SOR Revision F includes various changes to the requirements that were agreed to in a document dated June 12, 2008. The specific vessel improvement SOR changes include:

- Aft Control Station
- ABS Integrated Bridge System
- Increased Crane Working Load
- Bow Thruster

See Attachment 17 for additional information.

I INVOKE SOR REVISION F

The SWATH Statement of Requirements (SOR) is hereby revised. See Attachment 3, SOR Revision F for additional information.

As a result of the above changes, the total contract value is increased by \$15,464.00 as follows:

From: \$19,884,396.00

By: \$15,464.00

To: \$19,899,860.00

J CONTRACTOR'S STATEMENT OF RELEASE

This agreement constitutes a full release and accord and satisfaction by the Contractor of any and all claims, demands, or causes of action, actual or perceived, known or unknown, including those for delay and disruption of performance, arising under or related to the terms and conditions of this contract modification. Specifically, the Contractor hereby provides a full release of any and all claims, demands, or causes of action, actual or perceived, known or unknown, preceding and following submission, arising under or related to any and all actions related to Contract Problem Identification Report 010 dated June 27, 2008 and its subsequent adjudication and changes thereto. The Contractor remises, releases and discharges the government, its officers, agents and employees of and from all civil liabilities, obligations, claims, appeals and demands, including those for delay and disruption of performance, which it now has or hereafter may have, whether known or unknown, administrative or judicial, legal or equitable, arising under or in any way related to Contract Problem Identification Report 010 described in this contract modification.

All other terms and conditions remain unchanged.

Attachments:

- 1) SWATH Contract, Attachment J-7
- 2) VTHM Quote - Special Study 011
- 3) SOR Revision F
- 4) RFW 001 - Soldering Station
- 5) RFW 002 - Fuel Heaters
- 6) RFW 003 - Fuel Coolers
- 7) RFW 004 - Reduction Gear Brake
- 8) RFW 005 - Main Engine Prelube Pump
- 9) RFW 006 - Anodes
- 10) RFW 007 - Climber Safety Rail
- 11) RFW 008 - Interior Shaft Bearing
- 12) RFW 009 - Line Shaft Bearing Lubrication
- 13) RFW 010 - Stern Tube Seal
- 14) RFW 011 - Cable Tray
- 15) RFW 012 - Window Wash
- 16) RFW 013 - Torque Balanced Wire Rope
- 17) SOR Changes - Vessel Improvements