

Pacific Ship Repair & Fabrication, Inc.

SPECIAL TERMS AND CONDITIONS

for work under

Military Sealift Command Contract

N62387-15-D-7507

In the San Diego, CA and Bremerton, WA Areas

Special Terms and Conditions applicable to work performed under MSC Contract N62387-15-D-7507 in the San Diego, CA and/or Bremerton, WA areas.

The following terms are requirements of Pacific Ship Repair & Fabrication, Inc. (Pacship) Prime Contract with Government, as modified by Buyer. In addition to any General Purchase Order Terms and Conditions, they shall be incorporated into any agreement between Buyer and Seller when referenced on the Purchase Order.

Section B - Supplies or Services and Prices

No Flow-downs

Section C - Descriptions and Specifications

DESCRIPTION/SPECS

DESCRIPTION AND SPECIFICATIONS

GENERAL

- 1.1. This is a contract for ship repair. MSC vessels will be berthed at Government or commercial provided piers (contractor not required to have pier space). Contractor is required to have access to a marine repair facility for necessary shop repairs and testing. All work will be done in accordance with applicable United States Coast Guard (USCG) and American Bureau of Shipping (ABS) Regulations and Rules.
2. MILITARY SEALIFT COMMAND VESSELS
 - 2.1. The following is a nonexclusive list of the Military Sealift Command vessels that may be repaired under this contract. This listing is subject to change (increase or decrease) as Military Sealift Command adds or removes vessels from its inventory. MSC is entitled to have work performed on any of its vessels.
 - Dry Cargo/Ammunition Ships (T-AKE)
 - Fast Combat Support Ships (T-AOE)
 - Fleet Replenishment Oilers (T-AO)
 - Cable Laying/Repair Ship (T-ARC)
 - Fleet Ocean Tugs (T-ATF)
 - Hospital Ships (T-AH)
 - Rescue and Salvage Ships (T-ARS)
 - Joint High-Speed Vessels (JHSV)
3. LOCATION
 - 3.1. Contractor is required to perform the work onboard Military Sealift Command vessels as ordered.
 - 3.2. The work will generally be performed while the vessel is berthed at a Government or commercial provided pier (contractor not required to have pier space) in the San Diego, CA (e.g., North Island Naval Air Station or NAVBASE 32nd Street) and Bremerton, WA (e.g., NAVMAG Indian Island or NAVBASE Kitsap).
 - 3.3. Access to the vessel shall be coordinated in advance with the Pacship Facility Security Officer.
 - 3.4. Note "REPAIR FACILITY" location requirements in paragraph 12.1 below apply to Subcontractors only to the extent necessary for the work they will accomplish.
4. SERVICES
 - 4.1. This contract covers general ship repair work, which includes, but is not limited to, pipefitting; welding; machining; electrical work; boiler making and repairing; diesel engine work; compressor, boiler, pipe, valve, pump, motor, and insulation repairs; lagging renewal; painting; non-skid renewal; cleaning and gas freeing; ventilation system cleaning, and galley system repairs.
 - 4.2. The following examples are illustrative of the general scope, nature, complexity and purpose of the type and range of ship repair work to be performed under this contract:

- 4.2.1. Compressor - top end overhaul or major overhaul of ship's service or high pressure compressors.
- 4.2.2. Boiler - inspections, refractory repairs, tube renewals.
- 4.2.3. Pipe - pipe renewals, including carbon steel or CuNi, for various systems.
- 4.2.4. Valve - repairs to gate, globe, check, and butterfly valves.
- 4.2.5. Pump - overhauls including replacements of bearings, wear rings, shafts, and impellers.
- 4.2.6. Motor - reconditioning or rewinding of electric motors.
- 4.2.7. Insulation Repairs – insulation renewal.
- 4.2.8. Lagging Renewal - bulkhead and overhead insulation renewal.
- 4.2.9. Vessel maintenance painting - prepare and coat various surfaces including freeboard, house, kingposts, masts, and superstructure.
- 4.2.10. Non-skid renewal.
- 4.2.11. Cleaning and gas freeing of tanks, voids, and spaces. Provide required gas free chemist services.
- 4.2.12. Cleaning of ventilation systems.
- 4.2.13. Inspections and repairs to galley systems, including griddles, ovens, deep fat fryers, and refrigerators.

5. PIER ENTRY, SECURITY AND PERMITS

- 5.1. Contractor must arrange for access to the vessel for all work.
- 5.2. Permits for hot-work, heavy equipment, or permits for any other purpose must be obtained by the Contractor.
 - 5.2.1. Note: Naval Region Southwest (NRSW) requires collection of data related to coating work (painting) done on vessels in the San Diego area. In the event painting is performed during the performance of this contract, contractors will provide the responsible Port Engineer with the information required to comply with this reporting requirement (e.g., name of vessel, location, scope of work)
- 5.3. Base Security clearance, including EPIC and individual base access, for all contract personnel is the responsibility of the contractor.

6. WORK HOURS

- 6.1. The contractor shall be available via telephone, 24-hours a day, 7 days a week for emergencies. In emergency situations, the contractor may start work immediately by verbal authorization from the Pacship Contract Administrator or Program Manager.
- 6.2. Ordinarily, work will commence in accordance with the delivery order. Any exceptions and changes shall be authorized by Pacship Contract Administrator only.
- 6.3. Work is to be planned and organized as efficiently as possible.
- 6.4. Once a job has commenced, any contractor caused delays which cause work stoppage shall be at the expense of the contractor.
- 6.5. Contractor personnel are required to work a basic, continuous eight (8) hour day straight-time. No overtime will be allowed except as authorized by the Contracting officer under a delivery order.
- 6.6. Definitions
 - 6.6.1. Standard/Straight Time: Normal work of eight (8) hours per day, five (5) days per week, Monday through Friday.
 - 6.6.2. Overtime: Any work in excess of eight (8) hours per day or in excess of 40 hours per week, or work performed on Saturdays.
 - 6.6.3. Premium Time: Work performed on holidays or on Sundays.

7. TRAVEL

7.1. In no instance will travel be reimbursed in performance of this contract. Any travel costs associated with a delivery order will be negotiated at a firm-fixed price before issuance of the delivery order.

8. HAZARDOUS MATERIALS

8.1. ALL NEW MATERIAL SHALL BE ASBESTOS-FREE. If material which contains asbestos is inadvertently specified on a Contract Guidance Drawing or other document, it shall be the Contractor's responsibility to substitute an otherwise equivalent non-asbestos product, as approved by the MSC Port Engineer.

8.2. SAFETY CONTROLS ON ASBESTOS MATERIAL. Certain work items may require the contractor to remove, for example, insulation or lagging bulkhead materials, which may contain asbestos. Asbestos materials should be handled and disposed of, in accordance with H-3 and all applicable Federal, U. S. Navy, State and local regulations.

9. WORK ORDER CANCELLATION

9.1. Work orders may be canceled in accordance with the clauses incorporated in the contract.

10. REPORTS

10.1. A completion report shall be submitted within 3 days of completion of a Purchase Order. The report must identify Government Furnished material that was consumed or redelivered to the Government during the performance of each order and must include, as applicable, "As found" and "as released" readings. The completion report, in MS Word format unless otherwise specified, must be provided to the Pacship Program Manager via email.

10.2. Reserved

11. SUPERVISION

11.1. Project planning, scoping, supervision, quality assurance, and other administrative requirements are to be included in the man-hour rate.

12. REPAIR FACILITY

12.1. The contractor shall have access to a marine repair facility located within 50 miles of San Diego, CA and/or Bremerton, WA areas to perform general piping repairs, diesel engine repairs, boiler repairs, electrical repairs, mechanical repairs, insulation/lagging, and vessel maintenance painting. (not applicable to OEM's and Technical Representatives identified in the Statement of Work)

13. REQUIRED STANDARD OF WORKMANSHIP

13.1. The quality of all services rendered hereunder shall conform to the highest standards in the relevant profession, trade or field of endeavor. Qualified personnel shall perform all services.

13.2. All work shall be performed in accordance with applicable USCG and ABS Regulations and to the satisfaction of the Pacship Quality Assurance Department and the Government Port Engineer/COR.

14. PRIOR WRITTEN PERMISSION REQUIRED FOR SUBCONTRACTS

14.1. **None** of the work required by this contract shall be subcontracted to or performed by persons other than the contractor without the prior written consent of the Contracting Officer and the Pacship Contract Administrator.

15. CONTRACTOR FURNISHED MATERIALS

15.1. Prices shall be negotiated prior to issuance of purchase order/modification.

15.2. Costs for consumable materials such as office supplies, paper, rags, vehicles, equipment fuel costs, and materials consumed or used in the process of repair (e.g. welding rods, paint buckets, paint brushes, protective clothing, and common fasteners) shall be included in the contractor's overhead cost and not separately priced.

16. SHIP REPAIR LABOR RATE (FULLY BURDENED)

16.1. The Contractor's fully loaded man-hour rate will be used for negotiating work to be performed under each Purchase order, and includes Purchase order modifications. The contractor agrees that the number of man hours included in its price proposal for such purchase orders shall include only direct production man hours. For these purposes, direct production man-hours are for skilled labor at the journeyman level expended in direct production as exemplified by the following functions:

| | |
|---------------------------------|--------------------------------------|
| Abrasive cleaning/blasting | Fire |
| Watch Burning | Brazing |
| Carpentry | Electrical Work |
| Lagging | Ship-fitting |
| Boiler-making | Painting |
| Sheet-metal Work | Pipefitting |
| Machinists (inside and outside) | General |
| Labor Staging/scaffolding | Diesel |
| Mechanics | |
| Rigging | Welding (including aluminum welding) |

16.2. Direct production man hours will include those functions (whether charged directly or indirectly by the Offeror's accounting system) which are herein defined as support for production functions. Necessary support functions shall be considered to be included in the Offeror's fully loaded rate for direct production man hours. Examples of support functions include:

| | |
|----------------|---------------------------------|
| Testing | Quality Assurance |
| Planning | Cleaning (except tank |
| Cleaning) | Material handling & Warehousing |
| Security | |
| Surveying | Administration |
| Transportation | Purchasing staff |
| Lofting | Other indirect support |
| Supervision | QA |

16.3. Material costs, other than consumables, will not be included in the direct production man hour rate.

17. Reserved

Section - D

No flow-downs

Section E - Inspection and Acceptance

CLAUSES INCORPORATED BY REFERENCE

| | | |
|--------------|------------------------------------------|----------|
| 52.246-2 | Inspection Of Supplies--Fixed Price | AUG 1996 |
| 52.246-16 | Responsibility For Supplies | APR 1984 |
| 252.217-7005 | Inspection and Manner of Doing Work | JUL 2009 |
| 252.217-7006 | Title | DEC 1991 |
| 252.217-7013 | Guarantees | DEC 1991 |
| 252.246-7000 | Material Inspection And Receiving Report | MAR 2008 |

Section F - Deliveries or Performance

PLACES OF PERFORMANCE

Work will be performed aboard MSC vessels at Government or commercial provided piers (contractor not required to have pier space) in the San Diego, CA and Bremerton, WA areas as specified on each individual RFQ and Purchase Order.

PLACES OF DELIVERY: DESTINATION

All items and data furnished hereunder shall be delivered with all transportation charges paid by the contractor to the final destination. (F.O.B. Destination)

CLAUSES INCORPORATED BY REFERENCE

| | | |
|--------------|--------------------------|----------|
| 52.242-15 | Stop-Work Order | AUG 1989 |
| 52.242-17 | Government Delay Of Work | APR 1984 |
| 52.247-34 | F.O.B. Destination | NOV 1991 |
| 252.217-7009 | Default | DEC 1991 |

CLAUSES INCORPORATED BY FULL TEXT

52.211-11 LIQUIDATED DAMAGES--SUPPLIES, SERVICES, OR RESEARCH AND DEVELOPMENT (SEP 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 Pacship, as assessed by the Government, liquidated damages for each day of delay of the vessel the dollar value noted in the individual task/Purchase order; provided, however, that liquidated damages shall not exceed ten percent (10%) of the initial job.

(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.
(End of clause)

Section G - Contract Administration Data

CONTRACT ADMIN

G-1 POINT OF CONTACT

For information regarding this document please contact:
Pacship Contract Administrator listed on the Purchase Order (TBD), or
Gary Thomas, Director of Contracts, 619.232.3200 x 121

G-2 PURCHASE ORDER POINT OF CONTACT

Contractor shall provide a single point of contact (POC) and alternate for all Purchase orders issued under the contract. The contractor shall provide the name, mailing address, telephone number, facsimile number and e-mail address for the POC and POC alternate. The POC shall be available to the Pacship Contract Administrator or his/her designated representative on a 24-hour emergency basis.

Section H - Special Contract Requirements

H-2 - HOLIDAYS

The holidays applicable to this contract are:

| | |
|------------------------|-----------------------------|
| New Years Day | 1 January |
| Martin Luther King Day | Third Monday in January |
| President's Day | Third Monday in February |
| Memorial Day | Last Monday in May |
| Independence Day | 4 July |
| Labor Day | First Monday in September |
| Columbus Day | Second Monday in October |
| Veteran's Day | 11 November |
| Thanksgiving Day | Fourth Thursday in November |
| Christmas Day | 25 December |

H-3 - PREVENTION OF THE DISCHARGE OF OIL AND HAZARDOUS SUBSTANCES

(a) Policy. In compliance with Executive Order Number 11752 (38 F.R. 34793), the policy of the Department of the Navy is to conform to the provisions of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq), and the Oil Pollution Act of 1990, as amended (33 U.S.C. 2701 et seq), insofar as these Acts prohibit the discharge of oil, oily mixtures, and hazardous substances, and regardless of whether or not these Acts pertain specifically to the Naval vessel and shore activities. The provisions of this clause are intended to implement that policy with respect to the vessel(s) being constructed or undergoing repair and overhaul under this contract.

(b) Definitions. For the purpose of this clause, the terms "oil," "oily mixtures," "hazardous substance," and "discharge" shall have the meanings as defined in the Acts referred to in Paragraph (a) of this clause and other environmental statutes.

(c) Trials. Prior to commencement of any dock or sea trials hereunder, the Contractor shall assure the Pacship and the COR by demonstrations, completed test memoranda, or other means reasonably acceptable to the COR that all equipment, the function of which is to prevent the accidental discharge of oil, oily mixtures, or hazardous substances from the vessel, that the Contractor is required by the specifications to install, are fully operable.

(d) Reports. The contractor shall, as soon as he has knowledge of any discharge of oil, oily substance, or hazardous substance from the vessel, immediately notify the MSCREP thereof, and Pacship, and shall immediately take all reasonable steps to prevent further discharge. Within 24 hours thereafter, the Contractor shall file with the Pacship and COR the "Oil or Hazardous Substance Discharge Report" using a format that is acceptable to the COR and Pacship

(e) Liability. The Contractor shall not be liable for the costs incurred by the Government for the removal of such oil, oily mixture, or hazardous substance, except that the Contractor shall be liable to the Government for all such costs of removal where such discharge was the result of willful negligence or willful misconduct within the privity and knowledge of the Contractor.

H-4 PAPERLESS CONTRACT ADMINISTRATION

Prior to start of the Performance Period, the Contractor shall coordinate with the Pacship Contract Administrator an electronic mail procedure for transmission of all contractual documents and correspondence. Contractors shall receive all contractual documents and correspondence via this method, and shall submit all correspondence and proposal information in the same manner. Scanners may be used for documents requiring signatures. MSC utilizes the MS Office suite of applications (i.e. Word, Excel) and Adobe Acrobat to conduct its contracting administration.

Contractors wishing to do business with Pacship, for MSC shall utilize same programs.

Section I - Contract Clauses

CLAUSES INCORPORATED BY REFERENCE

| | | |
|-----------|--------------------------------------------------------------------------------------------------------------------------|----------|
| 52.202-1 | Definitions | NOV 2013 |
| 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 | MAY 2014 |
| 52.203-8 | Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity | MAY 2014 |
| 52.203-10 | Price or Fee Adjustment for Illegal or Improper Activity | MAY 2014 |
| 52.203-12 | Limitation on Payments to Influence Certain Federal Transactions | OCT 2010 |
| 52.203-13 | Contractor Code of Business Ethics and Conduct | APR 2010 |
| 52.204-4 | Printed or Copied Double-Sided on Postconsumer Fiber Content Paper | MAY 2011 |
| 52.209-6 | Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment | AUG 2013 |
| 52.210-1 | Market Research | APR 2011 |
| 52.211-5 | Material Requirements | AUG 2000 |
| 52.211-15 | Defense Priority and Allocation Requirements | APR 2008 |
| 52.215-2 | Audit and Records--Negotiation | OCT 2010 |
| 52.215-8 | Order of Precedence--Uniform Contract Format | OCT 1997 |
| 52.215-14 | Integrity of Unit Prices | OCT 2010 |
| 52.219-6 | Notice of Total Small Business Set-Aside | NOV 2011 |
| 52.219-8 | Utilization of Small Business Concerns | MAY 2014 |
| 52.219-14 | Limitations on Subcontracting | NOV 2011 |
| 52.219-16 | Liquidated Damages-Subcontracting Plan | JAN 1999 |
| 52.219-28 | Post-Award Small Business Program Representation | JUL 2013 |
| 52.222-1 | Notice to the Government of Labor Disputes | FEB 1997 |
| 52.222-20 | Contracts for Materials, Supplies, Articles, and Equipment Exceeding \$15,000 | MAY 2014 |
| 52.222-26 | Equal Opportunity | MAR 2007 |
| 52.222-35 | Equal Opportunity for Veterans | SEP 2010 |
| 52.222-36 | Affirmative Action for Workers with Disabilities | OCT 2010 |
| 52.222-37 | Employment Reports on Veterans | SEP 2010 |
| 52.222-40 | Notification of Employee Rights under the National Labor Relations Act | DEC 2010 |
| 52.222-50 | Combating Trafficking in Persons | FEB 2009 |
| 52.223-3 | Hazardous Material Identification and Material Safety Data | JAN 1997 |
| 52.223-5 | Pollution Prevention and Right-to-Know Information | MAY 2011 |
| 52.223-6 | Drug-Free Workplace | MAY 2001 |
| 52.223-12 | Refrigeration Equipment and Air Conditioners | MAY 1995 |
| 52.223-18 | Encouraging Contractor Policies to Ban Text Messaging While Driving | AUG 2011 |
| 52.225-8 | Duty-Free Entry | OCT 2010 |
| 52.225-13 | Restrictions on Certain Foreign Purchases | JUN 2008 |
| 52.226-1 | Utilization of Indian Organizations and Indian-Owned Economic Enterprises | JUN 2000 |

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| 52.227-1 | Authorization and Consent | DEC 2007 |
| 52.227-2 | Notice and Assistance Regarding Patent and Copyright Infringement | |
| 52.227-3 | Patent Indemnity | APR 1984 |
| 52.229-3 | Federal, State and Local Taxes | FEB 2013 |
| 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 | MAY 2014 |
| 52.232-18 | Availability of Funds | APR 1984 |
| 52.232-23 Alt I | Assignment of Claims (May 2014) - Alternate I | APR 1984 |
| 52.232-33 | Payment by Electronic Funds Transfer--System for Award Management | JUL 2013 |
| 52.233-1 Alt I | Disputes (May 2014) - Alternate I | DEC 1991 |
| 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 |
| 52.242-2 | Production Progress Reports | APR 1991 |
| 52.242-13 | Bankruptcy | JUL 1995 |
| 52.243-6 | Change Order Accounting | APR 1984 |
| 52.244-5 | Competition In Subcontracting | DEC 1996 |
| 52.245-1 | Government Property | APR 2012 |
| 52.246-20 | Warranty of Services | MAY 2001 |
| 52.247-63 | Preference for U.S. Flag Air Carriers | JUN 2003 |
| 52.249-2 | Termination for Convenience of the Government (Fixed-Price) | APR 2012 |
| 52.249-8 | Default (Fixed-Price Supply & Service) | APR 1984 |
| 252.201-7000 | Contracting Officer's Representative | DEC 1991 |
| 252.203-7001 | Prohibition On Persons Convicted of Fraud or Other Defense-Contract-Related Felonies | DEC 2008 |
| 252.203-7002 | Requirements to Inform Employees of Whistleblower Rights | SEP 2013 |
| 252.204-7003 | Control of Government Personnel Work Product | APR 1992 |
| 252.204-7004 Alt A | System for Award Management Alternate A | FEB 2014 |
| 252.204-7005 | Oral Attestation of Security Responsibilities | NOV 2001 |
| 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 | MAR 2014 |
| 252.215-7000 | Pricing Adjustments | DEC 2012 |
| 252.217-7003 | Changes | DEC 1991 |
| 252.217-7004 | Job Orders and Compensation | MAY 2006 |
| 252.217-7006 | Title | DEC 1991 |
| 252.217-7007 | Payments | DEC 1991 |
| 252.217-7008 | Bonds | DEC 1991 |
| 252.217-7009 | Default | DEC 1991 |
| 252.217-7010 | Performance | JUL 2009 |
| 252.217-7011 | Access to Vessel | DEC 1991 |
| 252.217-7012 | Liability and Insurance | AUG 2003 |
| 252.217-7013 | Guarantees | DEC 1991 |
| 252.217-7014 | Discharge of Liens | DEC 1991 |
| 252.217-7015 | Safety and Health | DEC 1991 |
| 252.217-7016 | Plant Protection | DEC 1991 |
| 252.219-7011 | Notification to Delay Performance | JUN 1998 |
| 252.223-7001 | Hazard Warning Labels | DEC 1991 |
| 252.223-7004 | Drug Free Work Force | SEP 1988 |
| 252.223-7006 | Prohibition on Storage and Disposal Of Toxic And Hazardous Materials | APR 2012 |
| 252.225-7001 | Buy American and Balance of Payments Program | DEC 2012 |

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|--------------|-----------------------------------------------------------------|----------|
| 252.225-7002 | Qualifying Country Sources As Subcontractors | DEC 2012 |
| 252.225-7012 | Preference For Certain Domestic Commodities | FEB 2013 |
| 252.225-7013 | Duty-Free Entry | OCT 2013 |
| 252.225-7016 | Restriction On Acquisition Of Ball and Roller Bearings | JUN 2011 |
| 252.225-7019 | Restriction on Acquisition of Anchor and Mooring Chain | DEC 2009 |
| 252.225-7036 | Buy American--Free Trade Agreement--Balance of Payments Program | DEC 2012 |
| 252.225-7038 | Restriction on Acquisition of Air Circuit Breakers | JUN 2005 |
| 252.227-7013 | Rights in Technical Data--Noncommercial Items | FEB 2014 |
| 252.227-7016 | Rights in Bid or Proposal Information | JAN 2011 |
| 252.227-7027 | Deferred Ordering Of Technical Data Or Computer Software | APR 1988 |
| 252.227-7030 | Technical Data--Withholding Of Payment | MAR 2000 |
| 252.227-7037 | Validation of Restrictive Markings on Technical Data | JUN 2013 |
| 252.232-7003 | Electronic Submission of Payment Requests and Receiving Reports | JUN 2012 |
| 252.232-7010 | Levies on Contract Payments | DEC 2006 |
| 252.243-7001 | Pricing Of Contract Modifications | DEC 1991 |
| 252.243-7002 | Requests for Equitable Adjustment | DEC 2012 |
| 252.244-7000 | Subcontracts for Commercial Items | JUN 2013 |
| 252.246-7001 | Warranty Of Data | MAR 2014 |
| 252.246-7003 | Notification of Potential Safety Issues | JUN 2013 |
| 252.247-7024 | Notification Of Transportation Of Supplies By Sea | MAR 2000 |

CLAUSES INCORPORATED BY FULL TEXT

52.223-11 OZONE-DEPLETING SUBSTANCES (MAY 2001)

(a) Definition. Ozone-depleting substance, as used in this clause, means any substance the Environmental Protection Agency designates in 40 CFR part 82 as--

- (1) Class I, including, but not limited to, chlorofluorocarbons, halons, carbon tetrachloride, and methyl chloroform; or
- (2) Class II, including, but not limited to, hydrochlorofluorocarbons.

(b) The Contractor shall label products which contain or are manufactured with ozone-depleting substances in the manner and to the extent required by 42 U.S.C. 7671j (b), (c), and (d) and 40 CFR Part 82, Subpart E, as follows:

"WARNING: Contains (or manufactured with, if applicable), a substance(s) which harm(s) public health and environment by destroying ozone in the upper atmosphere."-----

The Contractor shall insert the name of the substance(s).

(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 Pacship) 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 or Pacship 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 and Pacship, the Contractor shall notify the Pacship Contract Administrator in writing, within 3 calendar days from the date that the Contractor identifies any Government or Pacship 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 or Pacship 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 and Pacship 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 or Pacship Contract Administrator, 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 Pacship Contract Administrator. The Contracting Officer shall countermand any action which exceeds the authority of the SAR and notify Pacship.

(d) Government response. The Contracting Officer shall promptly, within 5 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)

SHIP & BASE ACCESS (APR 2013)

Vendors are responsible for correctly submitting forms/applications. Vendors are encouraged to monitor email using "Request a Read Receipt" function and to confirm receipt of facsimile transmissions.

Due to enhanced security measures, ship and base access is required for pre-award ship visits (e.g. ship-check) and for contract performance. Specifically the following permissions are required:

1. El Paso Intelligence Center (EPIC) personnel screening requirement
2. Base/Repair Facility Access Request
3. Vehicle Access Request
4. Ship Access List (vendor-provided)

All forms are available for download on the MSC contracts webpage at <http://www.msc.navy.mil>. Click on "Contracts" in the upper right corner. Click on "Online Library of Common Documents" for all forms.

EPIC: Required for access to MSC vessels. Complete EPIC form strictly adhering to format requirements. For CONUS East and Gulf Coast repairs, forward request to the Pacship Facility Security Officer, and for CONUS West Coast and HI repairs, forward to the Pacship Facility Security Officer. EPIC personnel screening requests are desired seven calendar days prior to performance start date. Requests will be managed as expeditiously as circumstances permit. Vendor will be notified by Pacship of personnel who are denied access to the vessel.

Base/Repair Facility Access: Permit is required to access Navy facilities. Base/Repair Facility Access Request is desired seven days prior to ship check or performance start date. Submit forms per the document instruction and to the Pacship Facility Security Officer.

RAPIDGate® has been implemented for access to DoD facilities in CONUS, HI, Guam and Puerto Rico. Vendor is responsible to acquire RAPIDGate® status and destination base individual access badge(s) activation prior to

performance start date. Delays that may result from inadequate planning are contractor responsibility. Vendor instructions and program information is available at <http://www.RAPIDGate.com> or tel. 877.727.4342. RAPIDGate® access requires (in succession) (1) Individual Base Commander approval for vendor to access base, (2) Successful vendor RAPIDGate® company annual enrollment, (3) Company employee individual enrollment and possession of RAPIDGate® identification badge for single base or multiple base (enterprise) access. Vendor is responsible to confirm that each employee held annual RAPIDGate® badge is active for the specific facility and performance period in accordance with RAPIDGate® User Agreement (<http://www.RAPIDGate.com>).

Enclave Access request may be selected on the “Naval Base Point Loma (NBPL) Access Request Form.”

Vehicle Access: Required for vehicle access to Navy facilities. Follow supplemental instructions on Base Access forms or base-specific vehicle access forms.

Ship Access List (Vendor-Provided): On company letterhead attachment via email, the vendor is required to provide the Pacship Facility Security Officer with an accurate, current list of performing personnel prior to being admitted aboard the vessel. **Under no circumstances will a hand-delivered list be accepted.**

(End of Text)

MSC DUTY FREE ENTRY

In accordance with DFARS 252.225-7013, this material requires duty free entry into the US. Contractor is to initiate the entitlement request via Defense Contract Management Agency's (DCMA) Duty Free Entitlement (DFE) 1.5 website: <http://www.dcmamil/aboutetools.cfm>. If you require assistance, please contact the DCMA helpdesk at 1-888-576-DCMA (3262). This purchase order will not be modified to reimburse the contractor for any customs fees incurred for failure to request duty free entry via this program.