

SOLICITATION / CONTRACT / ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION NUMBER PR600100137		PAGE 1 OF 35	
2. CONTRACT NO.	3. AWARD/EFFECTIVE DATE 08/25/2010	4. ORDER NUMBER DTMA1P10049	5. SOLICITATION NUMBER
7. FOR SOLICITATION INFORMATION CALL: a. NAME		b. TELEPHONE NUMBER (No collect calls)	
8. OFFER DUE DATE/ LOCAL TIME			

9. ISSUED BY DOT/Maritime Administration, MAR-380 1200 New Jersey Ave SE, MAR380 W26-429 Washington, DC 20590 TEL: (202) 366-0514 ext. FAX: (202) 366-3237 ext.	CODE 00091	10. THIS ACQUISITION IS <input checked="" type="checkbox"/> UNRESTRICTED OR <input type="checkbox"/> SET ASIDE: 0.00% FOR: <input type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> EMERGING SMALL BUSINESS <input type="checkbox"/> HUBZONE SMALL BUSINESS <input type="checkbox"/> 8(A) <input type="checkbox"/> SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS NAICS: 562910 SIZE STANDARD: 251-500
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11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE	12. DISCOUNT TERMS	<input type="checkbox"/> 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)	13b. RATING
		14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input type="checkbox"/> RFP	

15. DELIVER TO DOT/Maritime Administration, MAR-610 1200 New Jersey Ave., SE, MAR610, W25-209/212 Washington, DC 20590 Attn: Shaun Ireland	CODE HQ610	16. ADMINISTERED BY DOT/Maritime Administration, MAR-380 1200 New Jersey Ave SE, MAR380 W26-429 Washington, DC 20590	CODE 00091
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17a. CONTRACTOR/OFFEROR Esco Marine, Inc. 16200 Joe Garza Sr Rd Brownsville, TX 78521-1920 TELEPHONE NO.(956) 831-4531 ext.	CODE m	FACILITY CODE	18a. PAYMENT WILL BE MADE BY DOT/ Enterprise Services Center (ESC) OFO/FAA, Oklahoma City MARAD A/P Headquarters Invoices Branch AMZ-150 PO Box 25710 Oklahoma City, OK 73125	CODE
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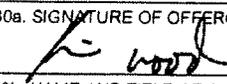
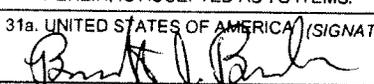
17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN <input type="checkbox"/> OFFER	18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM
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19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
(Use Reverse and/or Attach Additional Sheets as Necessary)					

25. ACCOUNTING AND APPROPRIATION DATA 2010 - 70 - X1768 - 000 1SD - SD - SCP0 - 0 - 0000 - 160000 - - - - 25433 - 6100 - 6600 -	26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$ 700,606.00
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<input type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED	<input checked="" type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA <input checked="" type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED
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28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 1 _____ COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.	29. AWARD OF CONTRACT: REF. _____ DTMA1Q09001 OFFER <input checked="" type="checkbox"/> DATED 11/06/2008 YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:
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30a. SIGNATURE OF OFFEROR/CONTRACTOR 	31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER) 
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30b. NAME AND TITLE OF SIGNER (Type or print) Kris Wood, Vice President	30c. DATE SIGNED 8/26/10	31b. NAME OF CONTRACTING OFFICER (Type or print) Benedict J. Burnowski	31c. DATE SIGNED 08/25/2010 11/0/10
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C1-3.3 Performance Schedule Milestones: The Contractor shall incorporate into the performance schedule the following major contract milestones and their required due dates as listed.

Milestones	Due Date
Deliver Sub-Contractor Listing	3 days after Contract Start Date.
Deliver Key Personnel Roster	3 days after Contract Start Date.
Deliver Certificates of Company Insurance (Required prior to issuance of NTP)	NLT 10 days after Contract Start Date.
Deliver Certificate of Asbestos Abatement Liability	5 days after Contract Start Date.
Deliver Performance Bond NLT (Required prior to issuance of NTP)	10 days after Contract Start Date.
Deliver Initial Performance Schedule	7 days after Contract Start Date.
Deliver Tug Safety Management Certificate	10 days after Contract Start Date.
Deliver Performance Schedule Activity Weighted Average Breakdown	7 days after Contract Start Date.
Deliver Surveyor's Trip in Tow Recommendation Report	5 days after NTP.
Deliver Liquid Load /Ballast Plan for towing	Not later than 7 days prior to tow.
Complete Inland Tow Preparations	Prior to fleet departure date Sep 30, 2010.
Deliver Vessel Afloat Monitoring Plan	10 days after Contract Start Date, but not later than 3 days prior to the vessel oceanic tow.
Deliver Oil Spill Contingency Plan Emergency Contact Notification List	10 days after Contract Start Date, but not later than 3 days prior to oceanic tow.
Deliver Towers Insurance tow.	NLT 3 days prior to vessel departure from oceanic tow.
Deliver Facilities Pollution Insurance	NLT 3 days prior to oceanic tow.
Deliver U.S.C.G. Load line Exemption /Order for Departure	Prior to the oceanic tow.
Vessel departs fleet and dry docked	September 30, 2010
Conduct joint underwater hull inspection during daylight hours, COTR to Schedule	4 hours after completion of underwater hull cleaning,
Vessel is undocked and shifted to the pier	October 6, 2010
Remove Vessel from BAE's Facility	NLT 3 to 5 days after undocking at BAE.
Deliver Pre-Arrival/Arrival Reports	4 days after vessel arrival.
Deliver Hazardous Materials/Wastes Inventory/Contractor Estimate.	10 days after vessel arrival.
Deliver Tank Content Verification Report	10 days after vessel arrival.
Deliver Validation of Contractor HM/HW estimates by sampling and analytical results	20 days after vessel arrival.
Complete PCB Abatement	TBD by contractors performance schedule.
Complete Asbestos Abatement	TBD by contractors performance schedule.
Complete all Hazmat Removal/Disposal	TBD by contractors performance schedule.
Move Vessel into Dismantling Slip	TBD by contractors performance schedule.
Begin Vessel Dismantling	TBD by contractors performance schedule.
Remove Last Structural Piece from Slip	TBD by contractors performance schedule.
Complete Vessel Dismantling	TBD by contractors performance schedule.
Complete Facility Cleaning and Restoration	30 days after removal of last structural piece from the slip.
Deliver Certificate of Destruction	30 days after removal of last structural piece from the slip.
Deliver Closeout-Report and Final Schedule	30 days after removal of last structural piece from the slip.

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(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.

F.2 PERIOD OF PERFORMANCE

PERIOD OF PERFORMANCE for Recycling Services of the Vessel AMERICAN RELIANCE PERIOD OF PERFORMANCE

(Including Contract Award Date and Notice to Proceed Date) This Contract Performance shall start no later than seven (7) days after the Award Date and will be coordinated with the dry-docking dates at BAE Systems San Francisco Ship Repair. The Contractor cannot begin work on any aspect of this contract, including incurring any costs for acquiring such items as bonding, insurance and vessel marine surveys until the Contracting Officer issues an official contract start date. The contract milestones will be calculated from the contract start date unless specifically instructed by the Contracting Officer. The Contractor will not be liable for the submittal of any contract deliverables until the Contracting Officer issues written notification of the contract start date. The contract start date will be the official commencement date at which time the contractor may incur costs in the performance of the contract and bear responsibility for compliance with the terms and conditions in the contract. The contract start date designated by the Contracting Officer, but will normally be no later than 7 days after the award date. The Contractor bears all responsibility and costs associated with preparing the vessel for tow and MARAD will not reimburse the Contractor for expenses incurred prior to issuance of a Notice to Proceed (NTP) except for the inspection by a Marine Surveyor for the purpose of developing the Trip in Tow survey that will be the only activity allowed aboard the Obsolete Vessels(s) prior to the issuance of the NTP. The NTP will only be issued after the Contractor has received acceptance by MARAD of all insurances and surety submittals. The Contractor is advised that MARAD fleet sites will not allow the Contractor access to the vessel to perform Marine Surveyor required tow preparations prior to the Contracting Officer's issuance of NTP. At no time prior to vessel departure from the fleet shall any materials, components or artifacts be removed from the vessel by the Contractor.

The period of performance for the dismantlement of the vessel shall be expressed in calendar days and shall cover the entire contract time frame from contract start date through final reporting. Workdays shall pertain to specific days and or durations within the performance period linked to the accomplishment of specific activities and or milestones. The period of performance from the undocking date for this contract is predicated on the Contractor's integrated ship schedule submitted with its price verification dated June 22, 2010. The period of performance from the day after undocking at the Shipyard through the delivery of the final report shall not exceed 287 calendar days. The baseline schedule shall be submitted in accordance with contract provisions and shall not exceed the total performance period duration. The contractor shall incorporate all existing work and the dismantlement schedule for the contracted vessel into a master schedule and clearly indicate any dependent relationships between projects. All milestones and deliverables required under this contract shall be due beginning with the issuance by the Contracting Officer of notification of the official Contract start date. If after acquiring tug service to move the vessel, or at any time during the transit of the vessel from the fleet to the contractors facility, the tug towing the vessel is taken out of service for more than three calendar days, the Contractor shall contract for additional towing services to continue to transit of the vessel to the Contractor's facility at no additional cost to the Government. The Contractor shall immediately notify the Government of the actions taken to minimize disruption of the transit of the vessel.

SECTION H -- SPECIAL CONTRACT REQUIREMENTS

H.1 H.1 DEMURRAGE

The Contractor is responsible for the payment of the first five (5) days of demurrage from the scheduled undocking date incurred by its subcontracted towing service while performing the Statement of Work. The Government is not responsible for any demurrage incurred prior to the un-docking of the vessel from BAE's dry-dock as referenced in Paragraph 4 of Section C1-1 SCOPE OF WORK. Should the un-docking be delayed beyond the scheduled undocking date and occur later than the required 3-5 day departure window (from the unscheduled un-docking date) the Contractor shall be entitled to collect demurrage from the Government in accordance with FAR 52.212-4(f) Excusable Delays clause as it states in the sub-paragraph of FAR 52.212-4 Contract Terms and Conditions-Commercial Items, March 2009 as follows: