

ORDER FOR SUPPLIES OR SERVICES

IMPORTANT: Mark all packages and papers with contract and/or order numbers.

1. DATE OF ORDER 09/30/2010		2. CONTRACT NO. (If any) GS-10F-0466N		6. SHIP TO: Russell I. Byington		
3. ORDER NO. DTMA1F10136		4. REQUISITION/REFERENCE NO.		a. NAME OF CONSIGNEE DOT/Maritime Administration, MAR-790		
5. ISSUING OFFICE (Address correspondence to) DOT/Maritime Administration, MAR-380 1200 New Jersey Ave SE, MAR380 W26-429 Washington DC 20590				b. STREET ADDRESS 1200 New Jersey Ave., SE MAR380, W28-201		
c. CITY Washington		d. STATE DC		e. ZIP CODE 20590		
7. TO: a. NAME OF CONTRACTOR Melanie Thomas Armstrong				f. SHIP VIA		
b. COMPANY NAME PRICEWATERHOUSECOOPERS LLP				8. TYPE OF ORDER		
c. STREET ADDRESS 1800 TYSON BLVD 9TH FL				<input type="checkbox"/> a. PURCHASE REFERENCE YOUR: _____ Please furnish the following on the terms and conditions specified on both sides of this order and on the attached sheet, if any, including delivery as indicated.		<input checked="" type="checkbox"/> b. DELIVERY - Except for billing instructions on the reverse, this delivery order is subject to instructions contained on this side only of this form and is issued subject to the terms and conditions of the above-numbered contract.
d. CITY MCLEAN		e. STATE VA	f. ZIP CODE 22102-4257		10. REQUISITIONING OFFICE	
9. ACCOUNTING AND APPROPRIATION DATA 2010 - - 7010 - 1750 - HQ - 2010 - 1 - OPEMOE - 2300000 - - 123000 - - 2530 - 5 610 - 0 - 6600 -				11. BUSINESS CLASSIFICATION (Check appropriate box(es))		
<input type="checkbox"/> a. SMALL <input checked="" type="checkbox"/> b. OTHER THAN SMALL <input type="checkbox"/> c. DISADVANTAGED <input type="checkbox"/> g. SERVICE-DISABLED VETERAN-OWNED <input type="checkbox"/> d. WOMEN-OWNED <input type="checkbox"/> e. HUBZone <input type="checkbox"/> f. EMERGING SMALL BUSINESS				12. F.O.B. POINT Destination		
13. PLACE OF		14. GOVERNMENT B/L NO.	15. DELIVER TO F.O.B. POINT ON OR BEFORE (Date)		16. DISCOUNT TERMS	
a. INSPECTION	b. ACCEPTANCE		See Line Item Detail for Delivery Dates			

17. SCHEDULE (See reverse for Rejections)

ITEM NO. (a)	SUPPLIES OR SERVICES (b)	QUANTITY ORDERED (c)	UNIT (d)	UNIT PRICE (e)	AMOUNT (f)	QUANTITY ACCEPTED (g)
	SEE LINE ITEM DETAIL					

SEE BILLING INSTRUCTIONS ON REVERSE	18. SHIPPING POINT	19. GROSS SHIPPING WEIGHT	20. INVOICE NO.		17(h) TOT. (Cont. pages)
	21. MAIL INVOICE TO: Tammy Curnett				
	a. NAME DOT/ Enterprise Services Center (ESC) OFO/FAA, Oklahoma City				
	b. STREET ADDRESS (or P.O. Box) MARAD A/P Branch, AMZ-150 PO Box 25710				
	c. CITY Oklahoma City	d. STATE OK	e. ZIP CODE 73125		17(i) GRAND TOTAL \$399,950.00

22. UNITED STATES OF AMERICA BY (Signature) 			23. NAME (Typed) Jill M. Kline TITLE: CONTRACTING/ORDERING OFFICER		
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**ORDER FOR SUPPLIES OR SERVICES
SCHEDULE - CONTINUATION**

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IMPORTANT: Mark all packages and papers with contract and/or order numbers.

DATE OF ORDER 09/30/2010	CONTRACT NO. GS-10F-0466N	ORDER NO. DTMA1F10136
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ITEM NO. (a)	SUPPLIES OR SERVICES (b)	QUANTITY ORDERED (c)	UNIT (d)	UNIT PRICE (e)	AMOUNT (f)	QUANTITY ACCEPTED (g)
	PR #200100046 Commitment #11N10487					
0001	Tasks 1 thru 3 In accordance with Performance Work Statement (PWS) - Section C.	1.00	JOB	399,950.000	399,950.00	
	PR #200100046 Commitment #11N10487					
	<i>Delivery Date</i> <i>Start Date</i> <i>End Date</i> 03/31/2011 10/01/2010 03/31/2015					
0002	Task 4 - Annual Update - FY13	1.00	JOB	151,643.000	151,643.00	
OPTION YEAR	<i>Delivery Date</i> <i>Start Date</i> <i>End Date</i> 10/01/2012 10/01/2012 03/31/2015					
0003	Task 4 - Annual Update - FY 15	1.00	JOB	159,320.000	159,320.00	
OPTION YEAR	<i>Delivery Date</i> <i>Start Date</i> <i>End Date</i> 10/01/2014 10/01/2014 03/31/2015					

TOTAL CARRIED FORWARD TO 1ST PAGE (ITEM 17i) ⇒ \$710,913.00

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SECTION C -- DESCRIPTIONS AND SPECIFICATIONS

C.1 STATEMENT OF WORK (SOW) / PERFORMANCE WORK STATEMENT (PWS)

Consultant Study of Carrier Cost - Maritime Administration Performance Work Statement

Purpose

The Maritime Administration (MARAD) is dedicated to achieving and maintaining a strong U.S.-flag fleet to meet our national security needs and support our economic interests. In order to ensure U.S. maritime policies are based, to the maximum extent possible, on the current state of international waterborne transportation markets, MARAD is collecting feedback from U.S. owners of U.S. and foreign-flag oceangoing vessels engaged in international trade. The study will focus on those factors and costs which influence a carrier's preference for flag of registry. The study will enable MARAD to adequately monitor the state of the industry at any given time. Additionally, the study will be completed on an initial basis, with annual updates pending the availability of funding.

Objectives

This study shall provide timely information needed to gain a better understanding of the factors that significantly impact the ability of U.S.-flag vessels to compete effectively in international transportation markets.

The results of the research shall include:

1. A general discussion, overview, and comparison of the current state of U.S. and foreign-flag fleets.
2. Identification and evaluation of the factors and costs influencing registry preference as seen from the perspective of U.S. owners of U.S. and foreign-flag oceangoing vessels engaged in global maritime transportation.
3. Identification and recommendation of improvements to U.S. policies and regulations, on a Federal level, that will increase participation in the U.S.-flag fleet.

Period of Performance

This Period of Performance shall be from October 1, 2010 to March 31, 2011. Options for bi-annual updates are subject to availability of funds. Anticipated updates in FY's 2013 and 2015. Contractor shall deliver within 120 days.

Contract Type

This PWS shall be a firm-fixed price contract. The contractor shall furnish the required services at the firm-fixed price.

Scope of Work

The project is to be completed in three phases:

1. Phase 1 of the report should include a comprehensive overview of the current state of U.S. and foreign-flag fleets. The results of this phase should include a discussion of both the current physical nature of the fleets, as well as the current regulatory environments that those fleets operate within, including but not limited to:
 - a. Compliance with maritime safety conventions;
 - b. Crewing and terms of employment;
 - c. Tax law; and
 - d. Naval protection
2. Using the sample frame provided by MARAD, create a survey instrument (for MARAD approval) to identify and evaluate the incentives and disincentives associated with placing a commercial vessel under U.S. registry.

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The survey instrument should be consistent across respondents and answers should be recorded in such a way that facilitates data processing. Additionally, the survey instrument should be designed in such a way that minimizes the burden upon the respondents (time, length, etc.). MARAD will vet the survey instrument with industry to identify deficiencies, assess length, and ensure clarity.

The survey should be administered by telephone and discussions with respondents should include, but is not limited to, the following factors, their economic impact and influence on registry preference:

- a. Labor costs (including overhead)
- b. Regulatory costs
- c. Taxation systems
 - i. Corporate
 - ii. Mariner
- d. Insurance costs
- e. Construction, maintenance, and repair costs

Other questions of the respondents should include a comprehensive discussion of the type of U.S. regime that would entice the carriers to increase the number of vessels under U.S. registry.

Tabulate and interpret results, highlighting key findings and conclusions.

3. Based on current U.S. policies and regulations, as well as results from the survey of U.S. vessel owners of U.S. and foreign-flag oceangoing vessels, develop:

- a. An overview and comparison of U.S. and foreign registries and the factors and costs that influence carrier registry preference.
- b. Comprehensive recommendations on how to, on a Federal level, increase participation in the U.S.-flag fleet.

4. Depending upon the results of the study, provide annual updates that will be funded with following year money.

Contract Deliverables

Each phase will be completed in sequence, with a report (in Microsoft Word and/or Excel formats) to be delivered to the Contracting Officer's Technical Representative (COTR) at the completion of each phase.

Deliverables include the following:

A. Proposed time line for completion of each Phase and sub-phase of this Solicitation (due 2 weeks after contract award).

B. Phase 1 - report

1. Draft report to MARAD (due 4 weeks after contract award)
2. Final report incorporating responses to MARAD comments (due 6 weeks after contract award)

C. Phase 2 - data collection

1. Development of a complete and vetted survey instrument (due 7 weeks after contract award)
2. Arrange and complete data collection from respondents (due 10 weeks after contract award)
3. Prepare summary transcripts of data collection meetings and submission of raw data from responses (due 11 weeks after contract award)

D. Phase 2 - report

1. Draft report to MARAD (due 13 weeks after contract award)
2. Final report incorporating responses to MARAD comments (due 15 weeks after contract award)

E. Phase 3 - report

1. Draft report to MARAD (due 17 weeks after contract award)
2. Final report incorporating responses to MARAD comments (due 19 weeks after contract award)

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F. Phase 4 - Executive summary and conclusions

1. Draft executive summary and conclusions to MARAD (due 21 weeks after contract award)
2. Final executive summary and conclusions incorporating responses to MARAD comments (due 26 weeks after contract award)

G. Monthly Progress Reports

Periodic Meetings to Discuss Phase Deliverables

Place of Performance

The Place of Performance shall be at the contractor's work site.

Inspection and Acceptance

Government inspection and acceptance of services, data reports and other required deliverables or outputs shall take place at the MARAD Headquarters in Washington, DC or at any other location that the COTR authorizes the services to be performed.

The Contracting Officer's Technical Representative (COTR), who is an authorized technical representative of the Contracting Officer, shall perform acceptance of services and deliverables within this contract. Final acceptance of all services under this contract shall be made in writing by the COTR.

Project Management

The contractor shall work very closely with MARAD staff on each phase of the performance of this PWS to ensure timely execution and delivery of each component throughout the entire project period.

Travel

On an as-needed basis, the contractor shall attend meetings at the MARAD Headquarters at 1200 New Jersey Avenue, SE Washington, DC 20590.

Invoices for travel expenses shall be in accordance with Federal Travel Regulations (FTR) and shall be submitted, inclusive of all receipts, and paid in accordance to such regulations.

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SECTION H -- SPECIAL CONTRACT REQUIREMENTS

H.1 SECTION H - SPECIAL CONTRACT REQUIREMENTS

Task 1

PwC will focus on researching the legal and regulatory impediments for U.S.- flag operators, including the history and purpose of such legislation/regulation. Regulations will include manning, tax, environmental. This secondary data collection will help with the design of the survey instrument.

We already have extensive fleet data from 3 reputable sources: Clarkson, Lloyds Register, ABS and COE. The differences between them can be explained by coverage and timing factors. MARAD is confident in the timelines of such data and will provide to PwC.

PwC will utilize the extensive fleet data provided by MARAD for conducting research in Task 1.

Task 2

PwC will include two focus groups to refine the survey instrument as well as the other requirements mentioned above.

2 reports:

Report 1 should be on U.S.-flag legal/regulatory impediments.

Report 2 should be on survey results – carrier views on regulatory impediments.

The sample frame should be U.S. owners of non-U.S.-flag vessels. Sample can be segmented by pure foreign-flag carriers and mixed U.S.-flag/foreign-flag carriers. MARAD has knowledge of 65 carriers.

MARAD will select up to nine carriers to be surveyed as part of the Study. After contract award, PwC will review the characteristics of the 65 carriers that MARAD has identified as the sample frame and based on this review, we may reevaluate this assumption. If a reevaluation results in PwC recommending more than nine carriers be surveyed, PwC will work with MARAD to minimize the impact of the Paperwork Reduction Act on the Study.

Task 3

The period of performance will be 26 weeks and MARAD will have 10 working days to provide comments on the final report deliverables.

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SECTION I -- CONTRACT CLAUSES

I.1 52.217-08 OPTION TO EXTEND SERVICES

NOVEMBER 1999

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within 60 days of contract expiration.

(End of clause)

I.2 52.232-19 AVAILABILITY OF FUNDS FOR THE NEXT FISCAL YEAR

APRIL 1984

Funds are not presently available for performance under this contract beyond 30 September 2011. The Government's obligation for performance of this contract beyond that date is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise for performance under this contract beyond 30 September 2011, until funds are made available to the Contracting Officer for performance and until the Contractor receives notice of availability, to be confirmed in writing by the Contracting Officer.