

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE	Page 1 of 12
2. AMENDMENT/MODIFICATION NO. 0019	3. EFFECTIVE DATE 08/29/2008	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)		
6. ISSUED BY DOT/Maritime Administration, MAR-380 1200 New Jersey Ave., SE MAR380, W28-201 Washington, DC 20590		CODE 00091	7. ADMINISTERED BY (If other than Item 6) DOT/Maritime Administration, MAR-380 1200 New Jersey Ave., SE MAR380, W28-201 Washington, DC 20590		CODE 00091
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and Zip Code) ABLE UK LTD Able House,,Billingham Reach Industrial Estate Billingham, TS23 - 1PX				9A. AMENDMENT OF SOLICITATION NO.	
				9B. DATED (SEE ITEM 11)	
				(X)	10A. MODIFICATION OF CONTRACT/ORDER NO. DTMA1C03010
				(X)	10B. DATED (SEE ITEM 13)
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)

- 70 - X4303 - 000 - 20 - 0399 - 9 - 22SCP00 - 0V32000 - 00 - 025433 - - 6100 - 6600 - - - \$14,998.76

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

CHECK ONE	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"/>	
<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 FORTH IN 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: Federal Acquisition Regulation 43.103(a)
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

- a. Pursuant to Federal Acquisition Regulation 43.103(a) the parties agree to insert a new subpara (3) to para (b) into contract clause entitled "PERFORMANCE AND PAYMENT BONDS - OTHER THAN CONSTRUCTION" [Clause H.8 in the original contract, H.5 in mod 0017 and H.1 in this mod]. This new subpara implements para 6 and 7 of the 22 Mar 2007 Confirmation of Agreement in Principle that was incorporated into the Contract by mod 0017.
- b. This mod also revises the Confirmation of Agreement in Principle dated 22 Mar 07 that was incorporated into mod 0017 to this Contract by extending the period of contract performance and incorporating provision for progress payment of remaining monies due under the Contract in exchange for irrevocable letters of credit. Specifically, this mod replaces para 4, 6 & 10 and subpara 7.c & 7.d in their entirety.
- c. This mod also administratively updates the contracting officer, contracting officer's technical representative (COTR), and invoice addresses in Section G and individual contract line item numbers.
- d. Contract price is increased from US\$14,855,588.40 by US\$14,998.76 to a revised total of US\$14,870,587.16.
- e. In the event of a conflict between the Contract as modified through mod 0018, the 22 Mar 07 Confirmation of Agreement in Principle incorporated in mod 0017, and this mod 0019, this mod shall take precedence.
- f. This block 14 summary shall not be used to construe the changes to the Confirmation of Agreement in Principle or other contract terms and conditions. See Section A for the full text of changes.

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)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Frank Bajowski	
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED	16B. United States of America BY _____ (Signature of Contracting Officer)	16C. DATE SIGNED 08/29/2008

Line Item Summary	Document Number DTMA1C03010/0019	Title Able UK Contract	Page 2 of 12
--------------------------	--	----------------------------------	------------------------

Total Funding: \$14,870,587.16

FYs	Fund	Budget Org	Sub	Object Class	Sub	Program	Cost Org	Sub	Proj/Job No.	Sub	Reporting Category
Division		Closed FYs		Cancelled Fund							

Line Item Number	Description	Delivery Date (Start date to End date)	Quantity	Unit of Issue	Unit Price	Total Cost
------------------	-------------	---	----------	---------------	------------	------------

0001	REMOVAL AND DISPOSAL OF 13 OBSOLETE NDRF VESSELS FROM JRRF	02/24/2007 (07/25/2003 to 02/24/2007)	103.69	Tons	\$0.00	\$14,998.76
------	--	--	--------	------	--------	-------------

Change in Quantity

The Contractor will tow, dismantle, recycle and dispose of 13 NDRF Vessels in accordance with this Contract and the requirements set forth in Attachment A.

Previous Total: \$14,855,588.40
Modification Total: \$14,998.76
Grand Total: \$14,870,587.16
(Includes Discounts)

Distribution:
MAR-380 - Official File
MAR-600
MAR-600.5 (Truffer)
MAR-610.3

**Contract Level
Funding Summary**

Document Number
DTMA1C03010/0019

Title
Able UK Contract

Page
3 of 12

Funding Strip Code

- 70 - X4303 - 000 - 20 - 0399 - 9 - 22SCP00 - 0V32000 - 00 - 025433 - - 6100 - 6600 - - -

Change in Funded Amount

\$14,998.76

Address Detail

Title
Able UK Contract

Document Number
DTMA1C03010/0019

Page
4 of 12

Shipping Addresses

Code	Detail	Code	Detail
0001	<p>Org: DOT/Maritime Administration, MAR-610 Addr: 400 Seventh Street, SW., Room 2122</p> <p>Washington DC 20590 Attn: Curt Michanczyk, Program Manager Phone: (202) 366-6467 ext. Fax: () - ext.</p>	0002	<p>Org: DOT/Maritime Administration, MAR-610 Addr: 400 Seventh Street, SW., Room 2122</p> <p>Washington DC 20590 Attn: Shaun Ireland, Program Analyst Phone: (202) 366-5787 ext. Fax: (202) 366-3954 ext.</p>

Code	Detail
0003	<p>Org: DOT/Maritime Administration, MAR-610 Addr: 1200 New Jersey Ave., SE MAR610, W25-209/212</p> <p>Washington DC 20590 Attn: Curt Michanczyk, Program Manager Phone: (202) 366-6467 ext. Fax: () - ext.</p>

Invoice Addresses

Code	Detail
0001	<p>Org: DOT/ Enterprise Services Center (ESC) OFO/FAA, Addr: MARAD A/P Branch, AMZ-150 PO Box 25710</p> <p>Oklahoma City OK 73125 Attn: Tammy Curnett, Lead Accounting Technician Phone: (405) 954-2063 ext. Fax: (405) 954-9573 ext.</p>

Award/Contract Modification	Document No. DTMA1C03010/0019	Document Title Able UK Contract	Page 5 of 12
--	---	---	--------------

TABLE OF CONTENTS

SECTION A -- Solicitation/Contract Form	6
A.1 Summary of Changes	6
A.2 Continuation of Block 14 to SF-30	6
SECTION G -- Contract Administration Data	8
G.1 Contract Administration	8
SECTION H -- Special Contract Requirements	11
H.1 Performance and Payment Bonds - Other Than Construction	11

Award/Contract Modification	Document No. DTMA1C03010/0019	Document Title Able UK Contract	Page 6 of 12
------------------------------------	---	---	--------------

SECTION A -- SOLICITATION/CONTRACT FORM

A.1 SUMMARY OF CHANGES

The free form item 'Continuation of Block 14 to SF-30 has been added.

The free form item 'Contract Administration has been edited.

The free form item 'Performance and Payment Bonds - Other Than Construction has been edited.

A.2 CONTINUATION OF BLOCK 14 TO SF-30

The changes described in A.1 through A.5 below pertain to the 22 Mar 07 Confirmation of Agreement in Principle that was incorporated into modification 0017.

A.2.1 Replace paragraph 4, Phase I Completion, with the following:

"4. Phase I Completion. The period of performance is extended from February 24, 2007, to July 31, 2009, as further conditioned by the following terms."

A.2.2 Replace paragraph 6 as follows:

"Performance Bond and Notice to Proceed. The Contractor furnished an irrevocable letter of credit (ILC SO0702555) in the amount of \$3,000,000.00 but that ILC contained a final expiration date of 31 December 2010. Since under the terms of the Confirmation of Agreement in Principle, remediation and recycling in the UK could extend beyond 31 Dec 2010, the ILC presented by the Contractor was insufficient to fully satisfy the bonding requirements of the original Confirmation of Agreement in Principle. MARAD agreed to accept the ILC provided the Contractor agreed to furnish another bond, or irrevocable letter of credit, not later than 60 days before ILC S00702555 final expiration date, for any vessels remaining in the UK on October 31, 2010. The ILC requirement shall upon confirmation by the COTR be reduced by \$525,000 each time Able UK issues a Certificate of Remediation as defined by Attachment 1 and \$225,000 each time Able UK issues a Certificate of Destruction for each of the four Phase I vessels. This ILC SO0702555 or its remainder will remain in force until the later date of the presentation of the fourth and final Certificate of Destruction of the Phase I vessels or the completion or redelivery of the Phase I vessels to the United States at which time therefore Able UK's duty to keep the ILC in force for the security and benefit of MARAD will expire. MARAD may make demand upon the ILC for Default hereunder including but not limited to Able UK's refusal or failure to return vessels to the United States.

A.2.3 Replace subparagraphs 7.c. and 7.d. as follows:

"c. Payments for the Phase I Vessels.

i. Upon completion of remediation of each Phase I vessel, receipt of a Certificate of Remediation by MARAD, and confirmation by the COTR which will not be unreasonably withheld, the ILC shall be reduced by the sum of \$1,530,821 per vessel.

ii. Upon completion of dismantlement of each Phase I vessel and receipt of a Certificate of Destruction by MARAD, and confirmation by the COTR which will not be unreasonably withheld, the ILC shall be reduced by the sum of \$656,066 per vessel.

Award/Contract Modification	Document No. DTMA1C03010/0019	Document Title Able UK Contract	Page 7 of 12
------------------------------------	---	---	--------------

iii. No payment shall be made by MARAD except via reductions in the \$8,747,550 Irrevocable Letter of Credit as set forth in paragraph 7.d.iii. below.

iv. No reduction in the Irrevocable Letter of Credit shall occur for Certificates of Remediation or Destruction unless the work was completed on or before July 31, 2009.

i. As permitted by modification 0017 to this Contract and the 22 Mar 2007 Confirmation of Agreement in Principle that was incorporated therein, Able UK has requested a \$4,000,000 Contract financing payment following Able UK's receipt of licenses necessary to begin and complete work;

ii. As requested by ABLE UK the parties have agreed that MARAD will make payment of \$4,747,550;

iii. MARAD agrees to make the payments requested under paragraphs 7.d i. and 7.d ii. after receipt of an additional, automatically renewing, Irrevocable Letter of Credit, in a form acceptable to MARAD and approved by MARAD in the sum of \$8,747,550, the total of both payments. The Irrevocable Letter of Credit will be reduced by the below amounts upon the written authorization of the Contracting Officer after receipt of the respective Certificates from Able UK and the invoice required by paragraph 7.c, above and confirmation of the accuracy thereof by the Contracting Officer:

(1) by \$1,530,821 for each Certificate of Remediation and;

(2) \$656,067 for each Certificate of Destruction."

A.2.4 Paragraph 10. Delete old paragraph 10, and substitute the following:

"10. The following provisions pertain to work begun but not completed by July 31, 2009:

a. All invoicing for cash payment must be completed by August 31, 2008.

b. After August 31, 2008, the parties shall only be liable to each other as specified herein, all other rights, remedies, or recourse being explicitly waived.

c. Established as an outer limit on the time for certification of destruction of all four Phase I vessels, MARAD's obligation to transfer title to the Unfinished Vessels shall be extinguished pertaining to any and all Certificates of Destruction of Phase I vessels presented after September 30, 2010.

d. On October 1, 2010, as to any Phase I vessel on which remediation has not begun or has begun, but such vessel is capable of certification for transoceanic towing, Able UK agrees, at MARAD's option, by December 1, 2010, to deliver the vessel or vessels to a location of MARAD's choice at Able UK's expense, including costs associated with Drydocking, Repairs, Insurance and Towage, but MARAD shall be responsible for all costs of the tow in excess of the cost of the tow to a location on the East Coast of the United States from Jacksonville, Florida to Philadelphia, Pennsylvania."

Award/Contract Modification	Document No. DTMA1C03010/0019	Document Title Able UK Contract	Page 8 of 12
------------------------------------	----------------------------------	------------------------------------	--------------

SECTION G -- CONTRACT ADMINISTRATION DATA

G.1 CONTRACT ADMINISTRATION

G.1 GENERAL

Contract administration shall be as set forth below and in accordance with the special contract requirement(s) of this Contract.

G.1-1 INVOICE REQUIREMENTS

a. Invoices shall be submitted in an original and 1 (one) copy to:

*DOT/Enterprise Services Center (ESC)
Attn: Tammy Curnett/Lead Accountant
MARAD A/P Branch, AMZ-150
PO Box 25710
Oklahoma City OK 73125
Tel: 1 (405) 954-2063
Fax: 1 (405) 954-9573*

or via e-mail to: MARADInvoices@faa.gov

b. In accordance with the Clause at FAR 52.232-32, Performance-Based Payments, to constitute a proper invoice, the invoice must include the following information and/or attached documentation:

- (1) The name and address of the Contractor;
- (2) The date of the request for performance-based payment;
- (3) The Contract number and/or other identifier of the contract or order under which the request is made;
- (4) Such information and documentation as is required by the contract's description of the basis for payment;
- (5) A certification by a Contractor official authorized to bind the Contractor, as set forth in the Clause at FAR 52.232-32(7)(m);
- (6) Name (where practicable), title, phone number, and complete mailing address of responsible official to whom payment is to be sent; and
- (7) Other substantiating documentation or information as required by the contract.

G.1-2 ELECTRONIC FUNDS TRANSFER (EFT) PAYMENT REQUIREMENTS

FAR 52.232-33 PAYMENT BY ELECTRONIC FUNDS TRANSFER (CCR), is included in this solicitation/contract. All Contractor payments will be made by EFT unless excepted or otherwise determined by the paying office designated in the contract.

The Contractor must initiate enrollment in EFT by contacting the paying office designated in the contract and requesting form SF 3881, Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Plan. This form must be completed by the Contractor and their financial institution and returned to the paying office. The paying office will complete the process and notify the Contractor that EFT enrollment is complete. All payments under this contract will be held until the Contractor provides the required EFT enrollment information.

G.1-3 POINTS OF CONTACT

a. PROCURING CONTRACTING OFFICER: *F. K. Bajowski, Jr.*

Award/Contract Modification	Document No. DTMA1C03010/0019	Document Title Able UK Contract	Page 9 of 12
------------------------------------	----------------------------------	------------------------------------	--------------

(PCO)

**U.S. DEPARTMENT OF TRANSPORTATION
MARITIME ADMINISTRATION
OFFICE OF ACQUISITION, MAR-380
1200 New Jersey Avenue, SE, W26-416
WASHINGTON, DC 20590
E-Mail Address: Frank.Bajowski@dot.gov**

b. ADMINISTRATIVE CONTRACTING OFFICER (ACO)

RESERVED

All correspondence shall be directed to the Administrative Contracting Officer except as otherwise specified.

c. CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR):

**Primary: Mr Nathaniel "Morris" G. Williford
U.S. DEPARTMENT OF TRANSPORTATION
MARITIME ADMINISTRATION
OFFICE OF SHIP OPERATIONS
1200 New Jersey Avenue. SE, W23-498
Washington, DC 20590
Tel: 1 (202) 366-3653
E-Mail Address: nathaniel.williford@dot.gov**

**Alternate: Ms Zoe Goss
U.S. DEPARTMENT OF TRANSPORTATION
MARITIME ADMINISTRATION
OFFICE OF SHIP OPERATIONS
1200 New Jersey Avenue. SE, W23-498
Washington, DC 20590
Tel: 1 (202) 366-0270
E-Mail Address: Zoe.Goss@dot.gov**

The COTR is responsible for the technical aspects of the project and technical liaison with the Contractor. The COTR is also responsible for the final inspection and acceptance of all reports, and such other responsibilities as may be specified in the contract/task orders.

The COTR is not authorized to make any commitments or otherwise obligate the Government or authorize any changes that affect the contract price, terms or conditions. Any Contractor request for changes shall be referred to the Contracting Officer directly or through the COTR. No such changes shall be made without the expressed prior authorization of the Contracting Officer. The COTR may designate assistant COTR(s) to act for him by naming such assistant in writing and transmitting a copy of such designation through the Contracting Officer to the Contractor.

The COTR may be changed by the Government at any time, but notification of the change, including the name and address of the successor COTR, will be promptly provided to the Contractor by the Contracting Officer in writing.

The Contractor shall forward a copy of all invoices to the Contracting Officer's Technical Representative.

d. The Contractor's Primary Point of Contact shall be:

**Able UK Limited
Attn: Mr. Glyn Wheeler
Able House
Billingham Reach Industrial Estate**

Award/Contract Modification	Document No. DTMA1C03010/0019	Document Title Able UK Contract	Page 10 of 12
--	---	---	---------------

*Billingham TS23-1PX
England
Tel: 44 1642 806080
E-Mail: gwheeler@ableuk.com*

Award/Contract Modification	Document No. DTMA1C03010/0019	Document Title Able UK Contract	Page 11 of 12
------------------------------------	----------------------------------	------------------------------------	---------------

SECTION H -- SPECIAL CONTRACT REQUIREMENTS

H.1 PERFORMANCE AND PAYMENT BONDS - OTHER THAN CONSTRUCTION

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

"Original contract price" means the award price of the contract or, for requirements contracts, the price payable for the estimated quantity; or, for indefinite-quantity contracts, the price payable for the specified minimum quantity. Original contract price does not include the price of any options, except those options exercised at the time of contract award.

(b)(1) RESERVED

(2) RESERVED

(3) Within 15 business days of the execution of Contract modification 0017, Able UK shall submit to MARAD a performance bond acceptable to MARAD. The performance bond shall be in the amount of \$3,000,000; the bonding requirement shall be reduced by \$525,000 each time Able UK issues a Certificate of Remediation as defined by Attachment 1 to the 22 Mar 07 Confirmation of Agreement in Principle (Confirmation) and \$225,000 each time Able UK issues a Certificate of Destruction for each of the four Phase I vessels. This bond or its remainder will remain in force until the later date of the presentation of the fourth and final Certificate of Destruction of the Phase I vessels or the completion or redelivery of the Phase I vessels to the United States at which time therefore Able UK's duty to keep the bond in force for the security and benefit of MARAD will expire. MARAD may make demand upon the bond for Defaults hereunder including but not limited to Able UK's refusal or failure to return the vessels to the United States.

(i) The Contractor furnished an irrevocable letter of credit (LOC SO0702555 from the Bank of New York), in the amount of \$3,000,000.00. However that LOC contained a final expiration date of 31 December 2010. Since under the terms of the Confirmation, remediation and recycling in the UK could extend beyond 31 Dec 2010, the letter of credit presented by the Contractor, with an expiration date of 31 Dec 2010, is insufficient to fully satisfy the bonding requirements set forth above and in the Confirmation.

(ii) To fully implement the bonding requirements in the Confirmation, not later than 1 Nov 2010, the Contractor shall deliver to the Contracting Officer another bond or LOC covering any vessels remaining in the UK on October 31, 2010. The amount of the bond shall be \$3,000,000.00 less the number of Certificates of Remediation and Destruction of the Phase I vessels already presented to MARAD. The bond or LOC shall be effective 31 Dec 2010 and the bond, or its remainder, shall be automatically renewed until the presentation of the fourth and final Certificate of Destruction of the Phase I vessels. Unless the issuer provides the beneficiary written notice of non-renewal at least 60 days in advance of the current expiration date, the LOC is automatically extended without amendment for one year from the expiration date, or any future date until the period of required coverage is completed and the contracting officer provides the financial institution with a written statement waiving the right to payment. Such a notice from the issuer cannot be given any earlier than 01 Nov 2010 and must be provided via overnight mail to the attention of the contracting officer.

(c) RESERVED

(d) The Contractor shall furnish all executed bonds, including any necessary reinsurance agreements, to the Contracting Officer, within ten (10) days, or by mutual assent. If the Contractor can not provide proper a performance bond in the required amount within the prescribed time frame, the Contractor shall immediately notify the Contracting Officer in writing of the delay, the reason for the delay, and the anticipated date the Contractor shall obtain the required bonds. It shall be the sole discretion of the Contracting Officer whether this delay shall be grounds for the Government to exercise the Termination for Default clause of this contract.

Award/Contract Modification	Document No. DTMA1C03010/0019	Document Title Able UK Contract	Page 12 of 12
--	---	---	---------------

(e) The Government may require additional performance bond protection if the contract price is increased. The Government may secure the additional protection by directing the Contractor to increase the penal amount of the existing bonds or to obtain additional bonds.

(f) The bond shall be in the form of firm commitment, supported by corporate sureties whose names appear on the list contained in Treasury Department Circular 570, individual sureties, or by other acceptable security such as postal money order, certified check, cashier's check, irrevocable letter of credit, or, in accordance with Treasury Department regulations, certain bonds or notes of the United States. Treasury Circular 570 is published in the Federal Register, or may be obtained from the:

U.S. Department of Treasury
Financial Management Service
Surety Bond Branch
401 14th Street, NW, 2nd Floor, West Wing
Washington, DC 20227