SECTION IV-A Time Charter

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TIME CHARTER AGREEMENT

PART II "BALTIME 1939"

Uniform Time-Charter

[Modified Specifically for Charter of Research Vessel by Raytheon Technical Services, LLC] to be used Pursuant to Terms of Contract with the National Science Foundation]

A. Definitions:

In this Agreement, except where otherwise specifically provided, the following terms shall mean, refer to and include:

- i. "Agency Representative" shall refer to those representing the ship to assist in port business affairs.
- ii. "Owners" shall refer to successful bidder
- iii. "Charterers" shall refer to Raytheon Technical Services Company LLC d/b/a Raytheon Polar Services, 7400 S. Tucson Way, Centennial, CO 80112.
- iv. "Government" shall refer to the United States of America.
- v. "Foundation" shall refer to the National Science Foundation and to its delegated representatives.
- vi. "Charterers' Technical Representative" (CTR) shall refer to the person designated by the Charterers in writing to represent the Charterers in the scientific and technical monitoring of all work performed under this Time Charter.
- vii. "Charterers' Procurement Officer" (CPO) shall refer to the individual designated in writing to effect changes and issue amendments to this Time Charter by Charterers.
- viii. "Vessel" as used in this agreement shall refer to the vessel identified in this RFP or the substitute vessel provided in accordance with this RFP.
 - ix. "Specifications" shall refer to the Vessel Specifications furnished by Owners and approved by Charterers and shall include all applicable drawings, designs and blueprints.
 - x. "Fixed Charter Rate" shall refer to the compensation paid to Owners for the use of the Vessel, including all the equipment and the full crew complement, as set forth in the Pricing Schedule, annexed hereto as Schedule 1.
- xi. "The Program" or "USAP" shall refer to the United States Antarctic Program which Charterers are required to support as Specified in the Prime Contract between Charterers and the Foundation.

- xii. "Master" shall refer to the captain of the vessel.
- B. Term of Charter / Port of Delivery / Time of Delivery

The Charter shall commence on the day of delivery of the Vessel by the Owners to the Charterers at Punta Arenas, Chile. Such delivery shall occur on a date to be agreed upon with successful bidder after the signing of the contract and the approval thereof by the Foundation; provided, however, that the Owners shall not deliver the Vessel prior to the date so specified by Charterers. Unless sooner terminated in accordance with the Clause of this Contract entitled "Early Termination of Charter", the Charter shall end on or about midnight on a date to be agreed upon with successful bidder.

C. Trade / Employment

- i. The Vessel shall be employed in lawful activity as a research vessel wherein Charterers are performing a Prime Contract with the National Science Foundation for certain support services in Antarctica. The Vessel will be employed in the support of multidiscipline scientific research and the carriage of scientific equipment and personnel, resupply of Antarctic stations and camps, and such other duties as may be practical and may be required by Charterers in support of the United States Antarctic Program objectives in the waters in and around Antarctica, including south of the 60° South Latitude, South America and Southern Ocean. The Vessel will be required to operate routinely in uncharted waters and in ice within the capability of the ice classification for which she was constructed and classed as indicated in the technical specifications. The vessel can also be expected to return occasionally to the United States at the Charterers' discretion.
- ii. The operations are to be carried out in locations selected by Charterers, subject to the Master's approval, said approval not to be unreasonably withheld. Charterers shall act with prudence in their orders to the Vessel as if the Vessel were its own property, having regard to her capabilities and the nature of her employment. However, Charterers do not warrant the safety of any port, berth, or place of operation, and the safety of the Vessel shall always be the responsibility of the Master. The Master shall at all times be the sole judge of the safety or propriety of navigation, or of weather, or of other conditions for the performance of any directive given by Charterers. The Master shall be under the absolute duty at all times to exercise and to act upon his/her own direction as to the safe operation and navigation of the Vessel and no direction given by Charterers shall be deemed to mitigate or to lessen or to relieve the Master of this responsibility or to modify this Charter. The Master's acceptance of, or action upon, any direction of Charterers shall, as between Owners and Charterers, be deemed conclusive proof of the propriety of the particular directive.

iii. Permission from responsible authorities for the Vessel and its crew to work in the area(s) of anticipated operation, if required, shall be the responsibility of Charterers, and Owners shall assist as required by Charterers in every way possible to secure such permission.

D. Owners' Obligations

- i. Owners shall provide and pay for all provisions and, for all insurance for the Vessel, for all deck, engine-room, cabin and other necessary stores and supplies, including consumables; other than fuel and lubricants.
- ii. Owners shall provide all suitable accommodation for Charterers' personnel and also provide them with suitable provisions including food of first quality and unrationed in quantity; fresh meat, milk, juices, fruit, and vegetables to be provided when available. Owners shall further ensure an adequate galley for food preparation, equipment sanitation, mess facilities, cooks, and catering staff.
- iii. It shall be the Charterers' responsibility to inform the Owners' Master of all cargo operations required on behalf of the USAP program. This shall include a list of the following: item, weight, cubic measurement, hazardous materials, and placement upon the vessel. The Owners shall provide the necessary ship's personnel as determined by the Charterers' representative and shall assist Charterers' personnel to carefully load, stow, trim, secure, and discharge all Charterers' cargo. This effort shall be carried out under the supervision and responsibility of the Master. Any assistance given by Charterers to cargo operations shall not in any way lessen or relieve the Owners from this responsibility.
- iv. Owners shall furnish and be fully responsible for sufficient and experienced, competent and properly licensed Master, Officers, and Crew for the duration of this Time Charter. Owners shall further be responsible for arranging and paying for all matters related to Owners' personnel including transportation and maintenance and cure expenses. The Master, Officers, Crew, and any of Owners' supervisory or other persons in addition to the crew who shall function to support this Charter shall be able to speak and understand English.
- v. Owners shall comply with USAP medical and dental screening requirements and shall be responsible for furnishing Charterers, in a timely manner, the records and information required for the processing of Government medical and dental approvals for Antarctica for all Owners' personnel who are to be present south of 60° South Latitude. All costs associated with this requirement are the responsibility of Owners.
- vi. Whenever practicable, Owners shall be required to practice fuel conservation and economy measures within the existing capability of the Vessel.

vii. Owners specifically agree to comply with all United States Coast Guard and Governmental regulations concerning drug testing and screening and further assume all responsibility for failure to do so. Owners certify that they currently have in force a drug testing program that complies with U.S. Government regulations and agree to submit certified proof of compliance when requested.

viii. BIMCO ISPS/MTSA Clause for Time Charter Parties

- a. Owners shall comply with the requirements of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS Code) relating to the Vessel and "the Company" (as defined by the ISPS Code). Owners shall also comply with the requirements of the U. S. Maritime Transportation Security Act 2002 (MTSA) and relevant U. S. Coast Guard regulations relating to the Vessel and the "Owner" (as defined by the MTSA).
- b. Upon request, Owners shall provide a copy of the relevant International Ship Security Certificate (or the Interim International Ship Security Certificate) to Charterers. Owners shall provide Charterers with the full style contact details of the Company Security Officer (CS).
- c. Except as otherwise provided in this Time Charter, loss, damages, expense or delay caused by failure on the part of Owners to comply with the requirements of the ISPS Code/MTSA of this Clause shall be for Owners' account.

E. Charterers' Obligations

- i. Charterers shall be responsible for the payment of the Fixed Charter Rates, as set forth in Schedule I of this Charter.
- ii. Charterers shall provide and pay for all fuel and lubricants except as provided in the clause entitled "Suspension of Hire."
- iii. The Vessel shall be delivered with bunkers and lubricants as on board and re-delivered with not less than sufficient bunkers and lubricants to reach the next bunkering stage enroute to the Vessel's next Port of Call. Charterers shall accept and pay for all bunkers and lubricants on board at the time of delivery, and Owners shall on redelivery (whether it occurs at the end of the Time Charter period or on the earlier termination of this Time Charter) accept and pay for all bunkers and lubricants remaining on board, at the then-current market prices at the port of delivery or redelivery, as the case may be, or if such prices are not available payment shall be at the then-current market prices at the nearest port at which such prices are available; provided that if delivery or redelivery does not take

- place in a port payment shall be at the price paid at the Vessel's last port of bunkering before delivery or redelivery, as the case may be. Owners shall give Charters the use and benefit of any fuel contracts they may have in force from time to time, if so required by Charterers, provided suppliers agree.
- Charterers shall provide and pay for all Agency Representatives other than iv. in matters related to Vessel repair and maintenance and the Vessel's crew. Charterers shall be responsible for all port charges, pilotage, harbor and wharfage due, light dues, tug assistance, consular charges (except those pertaining to the Master, Officers and Crew) removal of discarded materials generated by handling of scientific equipment, communications for Charterers' account, one-half (1/2) of the Vessel's medical supplies to be maintained in accordance with the recommended inventory of the Charterers' medical advisory service, agencies and commissions incurred on the Charterers' business and any other dues and charges other than those of the nation of the Vessel's registry (including but not limited to any foreign state or municipal or port taxes levied on Owners in the performance of Charterers' orders under this Time Charter), expenses for fumigation (including deratisation and extermination of vermin) and of quarantine (if occasioned by the nature of the cargo carried or the ports visited while employed under this Time Charter but not otherwise).
- v. Charterers shall provide and pay for the shoreside support for loading and discharge of cargo, and for all dunnage, and shoring equipment for securing cargo, and cordage (excluding such as is required for ordinary Vessel's purposes).
- vi. Charterers shall give Owners at least ninety (90) days notice of the Vessel's expected date of redelivery at the end of the Term of the Charter.
- vii. Charterers shall pay for the accommodation and food provided by Owners for personnel other than Owners, to whom accommodation and food shall be provided by Owners at the U. S. Dollars rate per person per day as indicated in the Pricing Schedule.
- viii. If Owners pay for any of the items listed under Charterers' Obligations, or any other items for which payment is the Charterers' responsibility, Charterers shall reimburse Owners for such costs, as well as other similar directed charges at actual (vendor) costs. Owners shall submit invoices and copies of supporting documentation in quadruplicate, for approval of Charterers' representative on board the Vessel.
 - ix. The Charterers shall pay for the disposal of used or dirty lubricant oils generated during the routine operations of the vessel in support of this charter. The Owners shall be responsible for all costs associated with the

disposal of oily or otherwise contaminated water such as bilge water and that generated during the routine cleaning of tanks and distribution piping.

F. Fuel, Oil and Lubricants

Charterers own all fuel, oil, and other lubricants in the Vessel's tanks at commencement of this Time Charter and Owners shall pay Charterers for all fuel, oil and other lubricants remaining in the Vessel's tanks at the termination of this Time Charter.

G. Hire

- i. Charterers shall pay for use and hire of the Vessel, including all tackle, apparel, furniture, stores and equipment and the full crew complement specified herein, the Fixed Charter Rates, attached as Schedule 1 to this Time Charter for each year of the Charter, payable each month in advance, commencing on a date to be agreed upon with successful bidder and continuing until the hour of the day of redelivery or termination.
- ii. In default of payment Owners shall have the right of withdrawing the Vessel from the service of Charterers, without noting any protest and without interference by any court or any other formality whatsoever and without prejudice to any claim Owners may otherwise have on Charterers under the Time Charter.
- iii. Standby Rate: Charterers shall have the option of laying up the Vessel for all or a portion of the period of this Time Charter, in which case the applicable Fixed Charter Rate shall be reduced by the U.S. Dollars per day as indicated in the Pricing Schedule for each day that the vessel is laid up. Charterers shall give thirty (30) days prior written notice to Owners of its intention to place Vessel on Standby, or take Vessel off of Standby. Standby periods are to be not less than sixty (60) consecutive days. For Standby periods of less than sixty (60) consecutive days, the full Fixed Charter Rate shall apply, rather than the reduced Fixed Charter Rate. Charterers reserve the right to have a representative on board during any standby periods.

H. Re-delivery

- i. The Vessel shall be re-delivered on the expiration of the Charter in the same good order as when delivered to Charterers (fair wear and tear excepted) at Punta Arenas, Chile, between 9 a.m. and 6 p.m. on a weekday, or between 9 a.m. and 2 p.m. on Saturday, but the day of redelivery shall not be a Sunday or legal Holiday in the port of delivery.
- ii. Charterers shall give Owners at least ninety (90) days notice on about which day the Vessel will be re-delivered. Should the Vessel be ordered on a voyage by which the Charter period will be exceeded Charterers shall have the use of the Vessel to enable them to complete the voyage, provided

it could be reasonably calculated that the voyage would allow redelivery about the time fixed for the termination of the Charter, but for any time exceeding the termination date Charterers shall pay the market rate, if higher than the rate stipulated herein.

I. Cargo Space

The whole reach and burden and decks of the Vessel shall be at Charterers' disposal, reserving proper and sufficient space for the Vessel's Master, officers, crew, tackle, apparel, furniture, provisions, and stores.

J. Master

- i. The Master shall be in sole command of the Vessel and shall be responsible for the welfare of all personnel onboard. He shall be responsible for maintaining strict discipline and good order among the Owners' employees and subcontractors. He shall be the final authority in matters relating to the safety, proper navigation, stability, and sea-worthiness of the Vessel.
- ii. The Master shall carry out his duties promptly and the Vessel shall render all reasonable services within her capabilities by day and by night and at such times and on such schedules as the Charterers may reasonably require without any obligation of Charterers to pay to Owners or the Master, officers, or the crew of the Vessel any excess or overtime payments.
- iii. The Master shall be under the orders of Charterers as regards employment, agency and other arrangements, and Charterers shall furnish the Master with all instructions and sailing orders.
- iv. The Master and Chief Engineer shall keep full and correct logs and records accessible to Charterers.
- v. Charterers shall have the right of prior review and approval of the Master and all proposed substitutions of the Master. If Charterers express dissatisfaction with the Master or any crew member, Owners shall promptly make changes in appointments of the Master or crew member.

K. The Crew

Owners' personnel will cooperate fully in carrying out the support of research and logistics operations. The crew shall be at the disposal of Charterer both onboard and at remote sites as required. In addition to the operation and maintenance of the Vessel, this includes:

- i. Carefully loading, discharging, and stowing of cargo and scientific equipment as required.
- ii. The deployment, operation, and maintenance of small boats and motors including assisting diligently in field party support ashore diligently as required.

- iii. The careful operation and maintenance of the equipment, machinery, and facilities provided for scientific support as required.
- iv. Assistance in the deployment and recovery of sampling collecting and observing devices, as required.
- v. Assistance in deployment of field camps, etc., ashore and on sea ice as required.

L. Suspension of Hire, etc.

- i. In the event of any loss of time due to non-compliance with any applicable Certificate of Inspection, deficiency of crew or stores, breakdown of machinery, repairs, grounding, stranding, dry docking, fire, hull or other damage or cause preventing the full working of the Vessel, howsoever, or to any other cause whatsoever preventing the full working of the Vessel and carrying out of a Vessel's operations under this Time Charter, including loss of normal operating speed and including any seizure, attachment or restraint of the Vessel by order of any government or court as a result of the actions, inactions, fault, neglect or failure on the part of Owners to prohibit, vacate or discharge by bond or otherwise secure against all liens, attachments or claims, charter hire shall cease until the Vessel is again in a fully crewed and efficient state to resume her service. Additionally, if during any period of active expedition, normal operating speed is reduced by defect or breakdown or damage to any part of the Vessel's hull, machinery or equipment, and results in lost time under this Charter, the time so lost and the cost of any extra fuel consumed in consequence thereof and all extra expenses shall be deducted from the hire. All such loss of time shall be at Owners' risk and expense, unless caused solely by the negligence of Charterers or Charterers' invitees aboard the Vessel. Not withstanding the above, Owners shall be allowed twelve (12) hours per month, for loss of time and/or reduction of speed as a result of the reasons set forth above before hire shall cease. There shall be no carry over of any accumulated time from month to month and time shall be lost if not used within the calendar month. There shall be no carryover of accumulated time beyond the Charter period. Any unused accumulated time will not be paid and will be canceled at the termination of this Charter.
- ii. If the Vessel is ordered in to port or anchorage by Charterers or time is lost solely due to perils of the sea or to faulty scientific equipment which is the property of Charterers or the Government, and which has been maintained by Owners' crew in accordance with the terms of this Time Charter or by other Contract, or to Owners' personnel joining the Vessel, having satisfied the medical clearance requirements of the Program and/or USAP medical clearance requirements per special agreements made between Charterers and Owners, such loss of time shall be for the account of the Charterers.

- iii. Fuel/lubricant used by the Vessel while off hire to be agreed to as to quantity consumed, and the cost of replacing same, to be reimbursed by Owners.
- iv. If the ship goes into suspension of hire the Charterers reserve the right to have a representative on board.

M. Early Termination of Charter

- In the event Charterers find it necessary to terminate this Time Charter prematurely after the Vessel has been delivered to Charterers, Charterers may do so by giving Owners not less than ninety (90) days notice in writing of their intention to so terminate. If the Charterers prematurely terminate this Time Charter, Charterers shall pay to Owners upon such termination the daily fixed charter rate as an Early Termination Charge until such time as vessel is rechartered. Hire shall cease and the Early Termination Charge will begin upon the Vessel's re-delivery to Owners at Punta Arenas, Chile (or other agreed port). Upon re-charter of the Vessel, if the re-charter rate for that charter (or those charters) is less than the original Fixed Charter Rate, then Charterers shall pay Owners the difference between the original Fixed Charter Rate and the re-charter rate(s), such amount not to exceed the Early Termination Charge. In case the re-charter rate(s) is higher than the applicable Fixed Charter Rate, no Early Termination Charge of any kind shall be due or owing to Owners during that period of the re-charter when the re-charter rate(s) is higher than the applicable daily Fixed Charter Rate.
- ii. The Early Termination Charge stipulated herein shall be the exclusive liability of Charterers to Owners for the early termination of the Time Charter. After receipt of the notice of early termination, Owners shall make every effort to re-charter the Vessel as soon as possible and to minimize the liability of Charterers for Early Termination Charge. Charterers have the right to recommend a charter to Owners and Owners shall not unreasonably refuse to accept such charter or to subcharter the Vessel itself.
- iii. Owners' reasonable cost and expenses in re-chartering the Vessel, including brokerage fees and refurbishment costs, will be negotiated with Charterers. These negotiated costs will be allocated in equal parts to the downward adjusted daily Early Termination Charge rate, inclusive of these negotiated costs, exceed the then applicable daily Early Termination Charge rate set forth in the Pricing Schedule. In no event, however, shall the adjusted daily Early Termination Charge rate, inclusive of these negotiated costs, exceed the then applicable daily Early Termination Charge rate set forth in the Pricing Schedule.

N. Maintenance and Repair

- i. Owners undertake that throughout the period under this Time Charter they will, wherever the passage of time, wear and tear or any event may require, take prompt and reasonable steps to maintain the Vessel in an efficient state in hull, machinery, and equipment or to restore the Vessel to such state. Owners shall provide and pay for the expenses of maintaining the hull, machinery, and equipment in said sufficient state and in Class, and all costs associated therewith during the employment of the Vessel. Owners to carry sufficient spare parts on board to maintain shipboard systems.
- ii. Charterers agree to release the Vessel and shall grant Owners a maximum of twenty-four (24) hours in hire which shall be cumulative per month, or pro-rata for part of a month, during the term of this Charter for regulatory inspections, maintaining and repairs including drydocking connected with Owners' duties under the foregoing. If during any calendar month, all or a portion of the allowance of twenty-four (24) cumulative hours is not used, the portion which is not used shall be carried over into the next month; provided however that the total accumulated allowance shall never exceed two-hundred-eighty-eight (288) hours and that no portion shall carry over into the next charter year.
- iii. Owners shall advise Charterers in advance of its intent to utilize accrued maintenance days for routine purposes. To the greatest degree possible, such routine maintenance shall be coordinated to avoid interference with Charterers schedule.
- iv. Owners have the right and obligation to drydock the vessel at regular intervals as required by the vessel's Certificate of Inspection. On each occasion Owners shall propose to Charterers a date on which they wish to drydock the vessel, as early as possible but not less than 18 months before such date, and Charterers shall offer a port for such periodical drydocking and shall take all reasonable steps to make the vessel available as near to such date as practicable. Owners shall put the vessel in drydock at their expense as soon as practicable after Charterers place the vessel at Owners' disposal clear of cargo.
- v. If a periodical drydocking is carried out in the port offered by Charterers (which must have suitable accommodation for the purpose), the vessel shall be off-hire from the time she arrives at such port until drydocking is completed and she is in every way ready to resume Charterers' service and is at the position at which she went off-hire or a position no less favorable to Charterers, whichever she first attains.
- vi. If Owners require the vessel, instead of proceeding to the offered port, to carry out periodical drydocking at a special port selected by them, the vessel shall be off-hire from the time when she is released to proceed to the special port until she next presents for loading in accordance with Charterers' instructions, provided, however, that Charterers shall credit

Owners with the time which would have been taken on passage at the service speed had the vessel not proceeded to drydock. All fuel consumed shall be paid for by Owners but Charterers shall credit Owners with the value of the fuel which would have been used on such notional passage calculated at the guaranteed daily consumption for the service speed, and shall further credit Owners with any benefit they may gain in purchasing bunkers at the special port.

vii. During Maintenance and Repair periods, Charterers personnel shall be allowed free access to the vessel for the purpose of maintaining and/or upgrading government furnished equipment. The extent to which charterers require ship's services shall be negotiated prior to the start of any maintenance periods and this may include berthing, food services, and the assistance of ship's personnel. The time period Charterers are engaged in these efforts shall not be deducted from the 24 cumulative hours that the Owners are granted on hire each month.

O. Structural Alterations and Additional Equipment

Charterers shall have the option at their expense, of making structural alterations to the Vessel or installing additional equipment with the written consent of Owners which consent shall not be unreasonably withheld, but unless otherwise agreed the Vessel is to be redelivered reinstated at Charterers' expense to her original condition. The Vessel is to remain on hire during any period of alteration or reinstatement. Charterers, unless otherwise agreed, shall be responsible for repair and maintenance of any such alteration or additional equipment.

P. Loss of Vessel

In the event that the Vessel is lost or missing or becomes a constructive total loss, hire shall cease on the day of her loss or constructive total loss, or the date of being last heard from or if not heard from seven (7) days from the date of sailing from her last port; and any hire paid in advance and not earned shall be reimbursed to Charterers.

O. Alcohol and Firearms

No alcohol or controlled substances shall be consumed or used aboard the Vessel, nor shall firearms of any kind be admitted aboard throughout the term of this Time Charter except as specifically authorized by Charterers.

R. Compliance with Laws and Treaties

Owners and the Vessel's Master, Officers, and Crew shall uphold all provisions and obligations of the Antarctic Conservation Act of 1978 (U.S. Public Law 95-541), The Agreed Measures for The Conservation of Antarctic Fauna and Flora, and all Annexes thereto, and The Antarctic Treaty which are made a part hereof, all other maritime laws and conventions pertinent to the Vessel's operation and support of this Charter, and the Master shall be responsible to enforce such

compliance on behalf of Owners. In the event any legal action is brought or a fine is levied against Charterers as a consequence of the violation of the aforesaid laws by Owners on the Vessel's Master, officers or crew. Owners hereby undertake to indemnify and hold harmless Charterers for any and all such loss.

S. Deviation to Assist and Salvage

The Vessel shall be entitled at all times to assist vessels and other property in distress and to deviate for the purpose of saving life or property where necessary. All salvage and assistance to other vessels shall be for Owners' and Charterers' equal benefit after deducting the share allocated by law to the Master, officers and crew, legal expenses, hire paid under this Time Charter for time lost in salvage, repairs or damage to the Vessel which was incurred in the salvage operations, and oil consumed, and any other loss or expense sustained as a result of the salvage operation. For purposes of salvage, the Charterers' employees shall be considered part of the Crew and entitled to share equally with the Crew in the salvage award. However, if the property saved or assisted is the property of the Government, or the property of one of the nations signatory to the Antarctic Treaty or one of such nations' authorized agencies, then Owners agree not to claim salvage unless Charterers agree and then only to the extent permitted by Charterers. Should Charterers permit Owners to claim salvage for the salvage of property owned by the U. S. Government or the property of one of the nation's signatory to the Antarctic Treaty or one of that nation's authorized agencies, then Owners shall indemnify and hold harmless Charterers for any salvage payments made to the Master, officers or crew.

T. Shipboard Systems

- i. The following listed shipboard systems are considered mission critical to the continued support of the Vessel's scheduled scientific and logistic cruises:
 - a. Oceanographic Winches
 - b. Cranes and A-Frames
 - c. Uncontaminated Sea Water Systems
 - d. UPS Power Supplies
 - e. Radars
 - f. Navigation Systems (radars, gyrocompass, bridge GPS System, Navigation Shallow Water Fathometer)
 - g. INMARSAT Fleet 77 System
 - Forward-looking or sector-scanning sonar

- ii. As such, the Shipboard Systems are subject to the following special provisions, which govern in the event they are in conflict with any other provision included in this Charter.
 - a. Owners shall exercise due diligence to carry out proper maintenance and to make repairs to the Shipboard Systems when required. If either party has knowledge that any of the Shipboard Systems are not operational for any reason, it shall give prompt notice to the other party of the nature of the problem. Repairs to the Shipboard Systems shall be carried out promptly and with due diligence. These repairs shall be carried out during the scheduled Scientific or Logistics Cruise in which the Vessel is engaged at the time the maintenance and repairs become necessary unless it is impossible for these repairs to be made due to no fault on the part of Owners. If parts not carried aboard the Vessel are required to carry out the repair, then the repairs will be done at the Vessel's next port of call where parts are available or can reasonably be made available by Owners and the repairs are to be completed during the Vessel's stay at that port of call.
 - b. Owners shall promptly provide Charterers with a plan for the repair of the Shipboard System and Owners and Charterers will mutually agree to a date by which the repair will be completed and the Shipboard System returned to full operation. In considering any plan, Charterers shall allow for reasonable availability of parts and repair facilities or force majeure condition affecting Owners' ability to repair the system.
 - If the Shipboard System is not repaired and fully operational by the date agreed to by the Owners and Charterers, then the Charterers at their option, may notify the Owners that it will deduct \$2,500.00 per day from the Fixed Charter Daily Rate(s) hire for each day after the date the parties agreed that the repair would be completed. This deduction by the Charterers is not in any way to be considered a breach of this Charter. If the next scheduled cruise of the Vessel is delayed as a result of the failure to repair the Shipboard System by the agreed date, Charterers may elect to continue the penalty until such Shipboard System is repaired and made fully operational or exercise any of the rights it might have under Clause L to place the Vessel offhire until the Shipboard Systems are repaired and fully operational. The first item on the list of Shipboard Systems is Government furnished Equipment (GFE) and the Charterers are responsible to supply spare or replacement parts. The Owners maintains the GFE and will promptly notify the Charterers if repairs are necessary and the necessary parts are not onboard. The Charterers may not deduct Charter hire and/or exercise its rights under Clause L to put the Vessel off-hire, if it has not provided these parts in time for the Owners to meet the agreed dates for repair. Owners shall maintain a 2-year

supply of manufacturers' recommended spare parts for mission-critical systems.

U. War

- i. Unless the consent of Owners be first obtained, the Vessel is not to be ordered nor continue to any place or on any voyage nor be used on any service which will bring her within a zone which is dangerous as the result of any actual or threatened act of war, war hostilities, warlike operations, acts of piracy or of hostility or malicious damage against this or any other vessel or its cargo by any person, body or State whatsoever, revolution, civil war, civil commotion or the operation of international law, nor be exposed in any way to any risks of seizure, capture, penalties or any other interference of any kind whatsoever by the imposition of Sanctions, nor carry any goods that may in any way expose her to any risks of seizure, capture, penalties or any other interference of any kind whatsoever by the belligerent or fighting powers or parties or by any Government or Ruler.
- ii. Should the Vessel approach or be brought or ordered within such zone or be exposed in any way to the said risks, the Owners, upon prior written notification to Charterers, shall be entitled from time to time to insure their interests in the Vessel and/or hire against any of the risks likely to be involved hereby on such terms as they shall think fit, Charterers to make a refund to Owners of the premium on demand. Charterers, the Foundation and the U. S. Government are to be named as additional assureds under any policies of insurance secured in accordance with the above and the underwriters are to waive subrogation against Charterers, the Foundation, and the U. S. Government.
- iii. The Vessel shall have liberty to comply with any orders or directions as to departure, arrival, routes, ports of call, stoppages, destination delivery or in any other wise whatsoever given by the Government, of the nation under whose flag the Vessel sails or any other Government or any person (or body) acting or purporting to act with the authority of such Government or by any committee or person having under the terms of the war risks insurance on the Vessel the right to give any such orders or directions.
- iv. In the event the nation under whose flag the Vessel sails becomes involved in war, hostilities, warlike operations, revolution, or civil commotion and if as a result thereof the Vessel is prevented from carrying out her duties under this Time Charter, either Owners or Charterers may cancel the Time Charter and, unless otherwise agreed, the Vessel shall be redelivered to Owners at a redelivery port selected by Charterers, or if prevented through the provisions of Paragraph 1 hereof from reaching or entering it, then at a near and safe port at Owners' option, after discharge of Charterers' property and personnel.

V. Lien

Owners shall discharge at once by bond or otherwise secure against all liens and attachments which are filed or incurred in connection with the Charter or during the course of the Charter and shall indemnify and save Charterers, Foundation and the U. S. Government and their respective assigns, affiliates, subsidiaries, employees, servants, agents and insurers harmless from and against any and all loss, damage, injury, liability and claims thereof resulting directly or indirectly from such liens and attachments.

W. Option to Buy

Charterers may at anytime of the Term of this Time Charter, exercise an Option to purchase the Vessel as then currently configured. The firm fixed price for such purchase, free from any and all claims, liens, or interests of third parties, shall be as indicated in the Pricing Schedule. Notice of exercise of the Option shall be given by Charterers to Owners in writing not less than one hundred and twenty (120) days before the end of the Charter Year and/or Term of this Charter.

X. Exceptions

Neither the Vessel, nor her Master or Owners, nor Charterers shall be liable for any loss or damage arising or resulting from an act of God, an act of war, riot or strike, perils of the sea or any other special circumstance beyond their control and without their fault or negligence. However, Charterers shall be entitled to the same Option to reduce the rate of hire to the applicable Standby Rate for Schedule 1 and in accordance with the terms of Paragraph 2 B of this Time Charter, except where there is a loss or constructive total loss of the Vessel, in which case hire shall stop immediately upon notice of such loss or constructive total loss or as of the date and time at which there was a last communication received from the Vessel.

Y. Liability Indemnification and Insurance

- i. For the purpose of this Time Charter, any indemnity given by Owners for the benefit of Charterers shall be deemed to be given by Owners for the benefit of Charterers, Foundation and the U. S. Government and their respective assigns, affiliates, subsidiaries, employees, servants, agents and insurers. For the purposes of this Charter, any indemnity given by Charterers shall be deemed to be given for the benefit of Owners, its affiliates subsidiaries, employees, servants, agents and insurers.
- ii. Notwithstanding anything elsewhere contained in this Time Charter, Owners hereby agree to fully defend, indemnify and hold Charterers, Foundation and U. S. Government and their respective assigns, affiliates, subsidiaries, employees, servants, agents and insurers harmless from and against any and all losses, claims, demands, costs, expenses and causes of action, including attorneys' fees, prejudgment interest, litigation expenses

and court costs for damages to persons and; or property (including but not limited to claims, demands or actions for bodily injury, illness disease, death, loss of service, loss of society, loss of love and affection, maintenance and cure, wages, or property damages), which may be brought by Owners, its employees, agents, the employees and agents of its subcontractor arising out of or in any way directly or indirectly connected with the use of the Vessel by Charterers, Foundation and U. S. Government and their respective assigns, affiliates, subsidiaries, employees, servants and agents, or the ownership, maintenance, management, operation, transportation of passengers, carrying of cargo, loading or unloading of cargo, loading or unloading of passengers or navigation of the Vessel or in any way arising out of or incident to or in connection with any and all operations performed under this Time Charter, howsoever arising, whether or not such losses, claims, demands, costs, expenses or causes of action are occasioned by or are the result of the negligence or fault, sole or contributory, of Charterers, Foundation and U. S. Government and their respective assigns, affiliates, subsidiaries, employees, servants and agents or by the unseaworthiness of any vessel or under any theory of strict liability or liability without fault.

- iii. Additionally, Owners shall defend, indemnify and hold Charterers, Foundation, and the U. S. Government and their respective assigns, affiliates, subsidiaries, employees, servants, agents and insurers harmless from and against any and all losses, claims, demands, costs, expenses and causes of action, including attorneys' fees, prejudgment interest, litigation expenses and court costs for death of or personal injury to third parties invited aboard the Vessel by Owners (other than Charterers', Foundation's, and U. S. Government's respective Officers, employees, servants and agents) and, to scientists who are not direct employees of Charterers, Foundation, or the U. S. Government and who are on the Vessel for purposes incidental to carrying out experiments or other scientific endeavors, pursuant to grants or otherwise, and for damage to or loss of property owned by such third parties or scientists. Owners' obligations hereunder arise when the losses, claims, demands, costs, expenses and causes of action are caused by the negligence of Owners, its employees or agents or the unseaworthiness of the Vessel and, arise out of or in any way connected with the operations performed under this Time Charter.
- iv. Owners shall exercise all reasonable diligence to conduct its operations in a manner that will prevent environmental pollution, and Owners shall comply with all applicable laws, ordinances, rules, regulations and charter provisions regarding pollution. Owners shall take reasonable measures to instruct its personnel in such matters and to prevent pollution and shall, at its own expense, within the limits placed upon it by applicable United States statutes, regulations and/or laws and/or the statutes, regulations

- and/or laws of any other nation which might be applicable, cleanup any pollution from the Vessel and/or from the operations of the Vessel and/or any other operations required of Owners under this Time Charter as is necessary and/or practical with regard to the circumstances or in any event that Owners is instructed by any governmental authority having jurisdiction to so instruct. Owners are required to report immediately discovery of any oil spill or other source of pollution, regardless of the source, to Charterers and to the appropriate governmental authorities.
- v. Owners, shall pay, defend, indemnify, and hold Charterers harmless from and against: (i) any and all taxes on income, profits or gain imposed by any governmental or taxing authority on Owners, or any of the Vessel's Master, Officers and crew or Charterers in respect of any payment made to or earned by Owners or any of the Vessel's Master, Officers and crew; and (ii) any and all sales, use, excise and similar taxes, and customs, import and other duties, imposed by any governmental authority, whether Federal or provincial, on Owners or any of the Vessel's Master, Officers and crew or Charterers in respect of the Vessel or any of her equipment or stores or the services performed by the Vessel. If required by the laws or any country having jurisdiction, Charterers shall have the right to withhold amounts, at the withholding rate specified by such laws, from payments due to Owners hereunder, and any amount so withheld shall be credited against any payment otherwise owing to Owners by virtue of the terms of this Charter.
- vi. Without prejudice to, or otherwise diminishing Owners' duties under the Indemnity Clause hereinabove stated, Owners at their own costs and expense shall procure and, throughout the term of this Time Charter, maintain in full force and effect on forms and with insurers approved by Charterers, the insurance policies described below:
 - a. Hull and machinery insurance (American Institute Hull clauses, June 1977, or equivalent), with geographic extensions of coverage to any area in which the Vessel may operate under this Time Charter, equal to or in excess of the full value of the Vessel and all equipment on board including: Government Furnished Equipment and deleting from the Inchmaree Clause the exception "provided such loss or damage is not resulted from the want of due diligence by the assured" in the coverage for negligence of Charterers, the Foundation and the U. S. Government and their respective assigns, affiliates, subsidiaries, employees, servants and agents;
 - b. Protection and Indemnity Insurance including but not limited to coverage for injuries to or death of masters, mates and members of the crew, transportation, wages, maintenance and cure with geographic limits covering all areas required under this Charter and in the amount of at least \$100 million per occurrence, with any deductible of said

- policy to be for the account of Owners, and with the phrase "as owner named herein" being deleted; providing in rem protection; and, if the Vessel is at any time engaged in towing deleting the exclusion of claims arising out of or having relation to towage of any other vessel or craft;
- Collision Liability Insurance, whether contained in the hull policy, P&I policy or elsewhere in the amount of at least \$100 million per occurrence, with the deductible in said policy for the account of Owners;
- d. Pollution Insurance, covering clean up obligations mandated by local and/or national laws, orders, rules and regulations and covering liability for damages to person or property, for clean up of, or for spills contamination, pollution, by or from any pollution substance, whether escaping from a vessel, resulting from, caused by or related to the management, operation, navigation or control of the Vessel in the amount of not less than \$100 million per occurrence, with the phrase "as owner named herein" and all other similar phrases purporting to limit the underwriters' liability to that of an owner being deleted. This coverage may be obtained by way of endorsement: to the appropriate insurances above or by separate insurance;
- e. Workers' Compensation and Employers' Liability
 - (1.) Insurance covering all liabilities owed for compensation and other benefits by the Workers' Compensation laws of any state or federal government, including, but not limited to, the Longshoremen's and Harbor Workers' Compensation Act, the Outer Continental Shelf Lands Act, the Workers' Compensation law of any state and Employers' Liability insurance as prescribed by applicable law; providing coverage for any liability asserted against Owners, Charterers, Foundation and U. S. Government and their respective assigns, affiliates, subsidiaries, employees, servants and agents.
 - (2.) B. Employers' Liability Insurance covering all liabilities arising as a result of bodily injury, accident, disease, illness or death, sustained by any employees of Owners arising out of or in the course of his employment, including but not limited to, any liabilities arising under §905 (b) or similar sections of the Longshoremen and Harbor Workers' Compensation Act, the Jones Act, the Outer Continental Shelf Lands Act, the common law, the Death on the High Seas Act, the General Maritime Law and/or any other law or laws' of any state or government, in the amount of at least \$100 million per occurrence with a deductible of said policy to be for the account of Owners, and with the

- phrase "as owner of the vessel named herein" and all similar phrases purporting to limit the underwriters' liability to that of a vessel owner being deleted.
- f. Comprehensive General Liability Insurance covering all liabilities arising as a result of bodily injury, death or damage to property, including without limitation, contractual liability coverage covering Owners' obligations under this Time Charter and including but not limited to, Owners' obligation under subparagraph (b) of this clause to Charterers, Foundation and U. S. Government and their respective assigns, affiliates, subsidiaries, employees, servants, and agents, with geographic extensions of coverage to any area in which the Vessel may operate under this Charter in the amount of at least \$100 million per occurrence any "watercraft exclusion" being deleted;
- g. Cargo Liability Insurance for loss of or damage to or in connection with cargo or other property carried onboard the Vessel.
- Any other insurance required by the laws of any location where Owners are operating the Vessel under this Charter. Duplication of coverages is not required. Therefore, the above described coverages may be obtained through one or more policies and/or underwriters provided the forms and insurers are approved in advance by Charterers. Owners hereby agree to furnish Certificates of Insurance signed by authorized representatives of Underwriters attesting to the coverage provided, and to make the actual policies available for Charterers' review upon Charterers' request. To the extent said policies are to provide coverage to Charterers as an additional insured, said insurance policies must contain clauses to the effect that any other policies covering Charterers, Foundation and U.S. Government or their respective officers, respective assigns, affiliates, subsidiaries, employees, servants and agents are to be non-contributory and the coverage required by Charterers and provided by Owners is to be primary. Owners' Liability under this Charter is in no way limited to, or by, the insurance set forth above, or by the monetary amounts of those insurances; Owners shall be and remain liable to the full extent as determined otherwise in this Charter or bylaw.
- i. Solely to the extent necessary to ensure Owners' obligation under Clause Y (vi) herein, the policies of insurance listed shall name Charterers, the Foundation and the U. S. Government, and their respective assigns, affiliates, subsidiaries, employees, servants and agents as additional insured. All policies of insurance listed above shall waive all rights of subrogation against Charterers, Foundation and U. S. Government: and their respective; assigns, affiliates, subsidiaries, employees, servant and agents and further stating the

- Charterers shall be entitled to payment of any loss or damage as its interest may appear.
- j. Any and all deductibles accepted by Owners on any and all of the above listed policies shall be for Owners' account and under no circumstances shall Charterers, Foundation or U. S. Government be required to contribute or pay all or part of any deductible required under the policies.
- vii. The costs of all insurances listed above as well as any and all other insurances carried by Owners and bonds, normally carried by Owners are included in the Fixed Charter Rate.
- viii. All insurance policies shall be endorsed to provide at least fourteen (14) days prior written notice of cancellation. If Owners fail or refuse to obtain any insurance required to be obtained by it under the provisions of this Clause or to provide Charterers with copies of certificates as and when required, Charterers shall have the right to procure such insurance at its expense in which event any sums so paid by it for this purpose shall immediately become due and payable to it by Owners and, Charterers have the right to deduct such sums paid by it from any money due or which may become due or from any charter hire in addition to any other remedy it may have under this Charter. Any deductions so made shall not be considered a breach of the Charter.
- ix. Each party shall afford the other all reasonable assistance which may be required for the preparation and negotiation of insurance claims.
- x. Owners agree that they will not claim General Average against Charterers, Foundation, or U. S. Government.

Z. Insurance / Notice of Claim or Damage

- i. Each party shall promptly notify the other of every suit or action filed and each claim made against it as to which the other party may be entitled to indemnification under this Charter. Copies of all papers received with respect to each suit, action, or claim, shall be furnished to other party and arrangements shall be made to interview privately any employees having knowledge of the facts giving rise to such claim or suit.
- ii. In the event of loss or damage to the vessel or any of the appurtenances, gear, or equipment thereof, Owners promptly shall notify the Charterers' Procurement Officer (CPO) of such loss or damages, and the CPO may without prejudice to any other right of Charterers, order Owners to proceed with replacement or repair in which event Owners shall effect such replacement or repair.

AA. Merger Clause

- i. The right of either party to require strict performance shall not be affected by any prior waiver or course of dealing.
- ii. The provisions of this Time Charter shall govern to the exclusion of any previous agreement between the parties, unless a subsequent written agreement, executed by both the Owners and the Charterers, indicates otherwise.

SCHEDULE 1: FIXED CHARTER RATES

| Firm Fixed Charter Daily Rate | US \$ |
|-------------------------------|-------|
| Year 1* | |
| Year 2 | |
| Year 3 | |
| Year 4 | |
| Year 5 | |
| Year 6 | |
| Year 7 | |
| Year 8 | |
| Year 9 | |
| Year 10 | |
| Option Period 1 | |
| Option Year 11 | |
| Option Year 12 | |
| Option Year 13 | |
| Option Year 14 | |
| Option Year 15 | |
| Option Period 2 | |
| Option Year 16 | |
| Option Year 17 | |
| Option Year 18 | |

| Firm Fixed Charter Daily Rate | US \$ |
|--|-------|
| Option Year 19 | |
| Option Year 20 | |
| Total charter for 20 years with options (365.25 days / year) | |

^{*} For purposes of this Pricing Schedule, the term "Year" shall mean a twelve-month period commencing (i) on delivery of the Vessel under the Charter for Year 1; and (ii) on the anniversary date of the delivery of the Vessel under the Charter for each successive Year.

| BB. Firm Fixed Daily Standby Rate (ex | pressed as a % of the Firm | |
|---------------------------------------|-------------------------------|------------------|
| Fixed Charter Daily Rate) | _ | % |
| CC. Firm Fixed Accommodation Food | Daily Rate** US\$_ | |
| **The pro rata charges of \$ f | or individual meals other tha | n three per day. |
| DD. Firm Fixed Hotel Daily Rate | | US\$ |
| EE.Firm Fixed Purchase Price Option | US \$ | |

SCHEDULE 2: GOVERNMENT-FURNISHED PROPERTY

To Be Maintained, Repaired, Protected, and Preserved by the Owners. See Exhibit "D"

| QUANTITY | DESCRIPTION | IDENTIFICATION |
|----------|---|----------------|
| 1 | Winch, Markey Hydraulic, 75 HP, AC w/75 HP 1,800 rpm Hydraulic Power Unit | DUSH 4 |
| 1 | Winch, Markey Hydraulic, 75 HP, AC w/75 HP 1,800 rpm Hydraulic Power Unit | DUSH 5 |
| 1 | Winch, Markey Hydraulic, 75 HP, AC w/75 HP 1,800 rpm Hydraulic Power Unit | DUSH 11 |