MTL CHARLESTON OFFICE STANDING ORDERS

ALL WORK AWARDED IN THE PURCHASE ORDERS ISSUED BY MTL SHALL BE ACCOMPLISHED AS PER THE FOLLOWING MTL CHARLESTON OFFICE STANDING ORDERS:

Bid Practices:

- All price quotes, bids and condition reports are to include all fees and taxes and be on your Company letterhead.
- In addition to bid price, Contractor shall include their hourly normal and overtime man-hour rates for purposes of additional work that may be required. Contractor costs and profit ordered under supplemental growth will require negotiation on a case by case basis in order to accurately compensate effort and risk on an individual subcontract basis. Direct material costs, and profit, to the extent they are clearly excluded from the hourly rate or the individual costs, applied to the subcontract and direct material costs, will not exceed allocated costs in accordance with their usual accounting procedures consistent with FAR Part 31.
- On contracts where contactors travel costs are reimbursable these costs cannot be marked up and cannot exceed the government allowable rate which are listed on the GSA website: http://www.gsa.gov/
- Contractors bid pricing shall include credits for recycling of scrap wastes and residual use credits for removed materials under the specification that may be used or resold by the Contractor. Contractor shall recycle and reuse all reusable material if possible and shall make a full report to MTI
- 5. Contractor is to provide an estimated time of completion for the work. All work must be completed by that time. Costs associated with work continuing after the specified date must be specifically approved by the Port Engineer (P/E) or may not be reimbursed under this contract.
- 6. Contractors shall provide and maintain insurance as required in the terms and conditions as required by the Federal government and Marine Transport Lines, including higher Hot Work limits.

Work Practices:

- Contractor must demonstrate an active safety policy with an emphasis on the skills needed for the
 tasks assigned. Failure to demonstrate adequate workplace safety and adherence to Contractor
 and vessel safety policies will result in work stoppage, delays or cancellation of award. Contractor
 must operate in accordance with all MTL/Crowley Maritime Corporation Safety Policies. A copy of
 these policies is available on the web at: http://www.marinetransportlines.com/ or upon request.
- All work shall be properly coordinated with the vessel's Chief Engineer (C/E) and P/E so that vessel
 operations will not be adversely affected by this work.
- 3. Prior to commencement of work each day, Contractor will conduct a Job Safety Analysis (JSA) and supply the vessel's C/E with a list of any/all personnel working aboard the vessel each day (including any subcontractors). List to include names and where/what job they will be working. It shall be the Contractors responsibility to keep the vessel's C/E informed on a daily basis as to the progress of each job and related personnel.
- 4. Smoking on the vessel is not allowed by any of the contractor's personnel or subcontractors.
- Contractor to supply and ensure their personnel and subcontractors wear OSHA required safety gear at all times.
- 6. Any ship's force assistance is to be approved and scheduled with the C/E at least 24 hours in advance.
- All work is to be scheduled during the ship's normal working hours, 0700-1600, Monday through Friday, excluding Federal holidays. Work outside of these hours will be only with permission of the MTL Port Engineer.
- 8. Contractor shall adhere to MTL Lock-out, Tag-out or Stop Work procedures at all times.
- Vessel's electrical power is 220/440 volt 3 phase. If the Contractor requires specific power loads or interface assistance to be available as part of their bid submittal this shall clearly indicated in the supplied bid package.
- 10. If first approved by the C/E on a day by day basis, contractor may use ships service air, provided the demand is not excessive and affecting the operation of the vessel. However, Contractor shall

- supply all hoses, fittings and accessories to run all pneumatic equipment. Ship supplied air is not to be used for ventilation equipment. If the Contractor requires specific air flow to be available as part of their bid submittal this shall clearly indicated in the supplied bid package
- 11. If approved by the C/E, contractor vehicles are permitted on the vessel only to off-load and/or on-load equipment/supplies not able to be hand carried or fork lifted to vessel "B" deck. Contractor to provide 24 hour notice to the C/E & MTL P/E if vehicle access is required. All other times, unless specifically authorized by the vessel's C/E or P/E, Contractors shall use the dockside parking areas that are designated for parking.
- 12. Contractor is responsible for obtaining Certified Marine Chemist Certifications and maintaining same as required for the duration of this work. This is to include all hot work or confined space work. The specific tanks and spaces, including air vents, sounding pipes, and filling and suction lines shall be pumped down by the contractor using contractor furnished pumps. All remaining fuel oil, water and sludge shall be removed and disposed of by the Contractor in accordance with all Federal, State and Local regulations. Contractor to thoroughly clean and remove all remaining oil, sludge, water and dirt and ventilate the areas as required to made areas being worked gas free and "Safe for Men" and "Safe for Hot Work." The operation shall include removal of all tank manhole covers and all necessary washing down, mucking and wiping to accomplish the desired results. The Contractor shall be solely responsible for the removal from the ship of all oil, water and/or chemicals existing and used in the cleaning process. Under NO condition shall shipboard pumps, piping, ventilation and vessel's systems be employed. The Contractor shall dispose of all chemicals; additives and water used in cleaning of tanks shall be in strict compliance with current Federal, State, and Local regulations. Once spaces have been cleaned and gas freed, any change in conditions resulting from Contractor action/inaction which necessitates re-cleaning and gas freeing shall be at the Contractor's expense.
- Contractors shall post all Marine Chemist Certifications and any applicable updates immediately adjacent to the affected work area and at the vessel's gangway/entrance in a location specified for same.
- 14. Any Hot Work required shall only be performed during the hours of 0700-1600 Monday through Friday excluding any Federal holidays. Under no circumstances shall Hot Work be performed outside of these hours unless specifically authorized by the MTL P/E.
- 15. All hoses used for burning and cutting shall be pulled out of any confined space or disconnected from their source at the completion of each shift or at the cessation of work for more than ten minutes. At no time shall unattended hoses, welding leads or burning equipment be left in a space once work has ceased in that space for the day.
- 16. Contractors shall note that flanges are typically metric aboard the vessel and unless otherwise specified, flanges shall be renewed with Metric unless first approved by the MTL P/E. Existing metric flanges may be reused if approved by the C/E, but their faces shall be skim-cut prior to installation.
- 17. All affected piping shall be broken with care and in the presence of the crew to ensure that any skin/isolation valves are holding. All affected lines shall be securely blanked with steel blanks immediately after removal of affected pipes during repairs.
- 18. All removed gaskets shall be renewed with contractor furnished new Garlock or equivalent if approved by the C/E or MTL P/E.
- 19. All fasteners shall be renewed with contractor furnished metric stainless steel fasteners and thoroughly coated with anti-seize. Some situations utilize high strength steel fasteners. These are to be replaced as original rather than using stainless steel.
- 20. All affected missing/damaged pipe hangers, supports and U-bolts shall be renewed as original and shall be properly cushioned with 3" wide Teflon sheets upon reinstallation at the pipe hangers.
- 21. Piping configurations shall remain as existing except where noted and/or approved by the C/E/P/E prior to fit-up.
- All piping shall be hydro-tested after all welding is completed in contractors shop. After contractor has first hydro-tested piping satisfactorily the pipe is to be retested and witnessed by the C/E or P/E. Contractor to provide MTL P/E and C/E 24 hr notice prior to witnessing hydro-testing. All hydro-testing to be accomplished prior to painting and final installation.
- 23. All welding is to be carried out using approved welders and AWS or ASME approved weld procedures unless otherwise specified in the work scope.
- 24. All exterior weld joints shall have minimally one (1) root pass and one (1) cover pass. Interior flange joints shall be welded and provide smooth taper to eliminate any sharp edges.
- 25. All new steel is to be ABS grade A and be shot blasted to remove mill scale and primed with weldable primer prior to being used.
- 26. All affected areas shall be cleaned, primed and touched-up to match existing vessel's color scheme upon completion of work. All paint will be provided by the vessel unless specifically detailed in the work specification.

- 27. Upon completion of all work and inspections in the tanks or confined areas, the MTL P/E and the C/E shall inspect the tanks for cleanliness. This will be the final inspection, and, upon satisfactory completion of that inspection, the Contractor shall immediately close up the tanks in good order on new gaskets. The Contractor shall renew any missing or defective fasteners. This closing shall be done in the presence of the MTL P/E and/or the C/E of the vessel.
- 28. All measurements are approximate and it shall be the responsibility of the Contractor to verify and ensure accurate dimensions for bidding purposes during bidder's inspection.
- 29. All work and material must be in compliance with the applicable ABS, USCG, OSHA, STATE and FEDERAL regulations and MTL Terms and Conditions which are available at: http://www.marinetransportlines.com/ or in hard copy at the MTL office in North Charleston, SC.
- 30. Contractor to supply all tools, (with the exception of OEM special tools) lifting apparatus and measuring instruments for main engine work.
- 31. Upon completion of work, all affected areas shall be left clean and free of debris. The ship shall be left as clean and neat as it was found at the start of work. The work site is to be cleaned by contractor at the end of each shift (as a minimum broom clean).
- 32. MARAD vessels often contain hazardous substances, hazardous materials, petroleum and petroleum products, the handling, removal, storage, transportation and disposal of which is required in the performance of work. All of the handling, removal, storage, transportation and disposal work shall be done in strict compliance with all applicable Federal, State and local statutes, regulations, standards, and codes. Safe, proper and lawful handling of hazardous substances, hazardous materials and petroleum products is the Contractor's responsibility whether or not it is identified as such in this contract or any attachment herein. Contractor to treat all areas/insulation as Asbestos/Lead until determined not to be. Contractor to test and report on any suspect insulation or toxic substances. If so, **Stop Work** immediately and advise the C/E or P/E accordingly.

Time is of the essence and as this work is in support of a Government contract, all work must be scheduled as to not interfere with the vessel's four (4) day Readiness Status. This requires any work started by the Contractor to be completed within three (3) days of vessel Activation. The intent of this item is for work to be bid on a straight-time basis. It is understood that should Activation notice occur, the Contractor would be fairly compensated toward overtime efforts expended to meet this option, should it be required.

Deliverables:

- Contractor shall provide material documentation, welder's qualifications and weld procedure approvals pertaining to this job to the MTL P/E for distribution and submittal to ABS if required before starting work.
- Contractor to provide "SAFE FOR HOT WORK" permits to vessel C/E prior to any hot work commencing on the vessel. Marine Chemist certificates, when issued, shall be presented to the C/E prior to generation of a hot work permit. Daily Shipyard Competent Persons Logs, when issued, shall be presented to the C/E prior to commencement of daily work.
- Contractor to provide one (1) copy of all software and three (3) copies of all technical manuals for any equipment installed onboard the vessel.
- One (1) each copy of the Contractors' Job Safety Analysis report form shall be provided to the MTL P/E and vessel C/E for reference prior to the start of any work onboard the vessel. JSA forms are available from the MTL P/E.

Where the specification conflicts with these standing orders the specification will prevail.

Remember, our core value is **SAFETY** - Zero harm to people, property and the environment.