

2133-001

FORM MA 742



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Contract MA

**OWNER'S
CONTRACT OF COMMITMENT**

THIS AGREEMENT, made as of _____, 19____, and by between the UNITED STATES OF AMERICA, acting by and through the DEPARTMENT OF TRANSPORTATION, MARITIME ADMINISTRATION or its successor (herein called the "United States") and _____ a corporation organized and existing under the laws of _____ (herein called the "Owner"), and having its principal place of business at _____

W I T N E S S E T H

WHEREAS, on _____, 19____, the Maritime Administrator, Department of Transportation (herein called the "Maritime Administrator") found and determined that the _____ (herein described as the "Vessel"), Official No. _____, documented under the laws of _____ of _____ Gross Tons, which was built _____, 19____, is eligible for interim war risk insurance under Title XII, Merchant Marine Act, 1936, as amended, 46 CFR Part 308.1(b) as revised: Provided, That the Vessel shall at all times be in compliance with requirements of 46 CFR Part 308 and that the Vessel shall be made available to the United States upon request in the event of a national emergency, as described in Article (1) hereinbelow, pursuant to this Contract of Commitment: And, Provided Further, That the Owner or the Master of the Vessel shall periodically notify the United States of the Vessel's position in accordance with Subsection 308.2(c) of this Part 308 and

WHEREAS, the parties hereto desire to enter into such a voluntary Contract of Commitment covering the Vessel:

NOW, THEREFORE, in consideration of the premises and other good and valuable considerations hereinafter set forth, the parties hereto mutually agree as follows:

(1) The Owner hereby commits itself to make the Vessel available to the United States during any period in which vessels may be requisitioned under Section 902 of the Merchant Marine Act, 1936, as amended, i.e., whenever the President of the United States of America shall proclaim that the security of the national defense makes it advisable or during any national emergency which may have been declared by proclamation of the President of the United States, and expressly agrees that any charter or other contract covering the use of the Vessel during the period covered by the interim war risk insurance binder and the period of any insurance attaching thereunder shall be subject to termination or suspension without notice in the event the United States requests the use of the Vessel under this voluntary Contract of Commitment.

(2) Upon the request of the United States, acting through the Department of Transportation, Maritime Administration, or its successor, or through the Department of the Navy, pursuant to authorization from the Department of Transportation, Maritime Administration, the Vessel shall be made available as directed by such Department, wherever the Vessel may then be, whether at sea or in port, at the option of such Department, for purchase or for use (under a time or bareboat form of charter) for such period or periods of time as required by the United States.

(3) In the event the Department of the Navy exercises the authority referred to in Article (2) above, it is understood that (a) if time permits, the Maritime Administrator, upon advice by the Chief of Naval Operations, will notify the Owner and also the Master of the Vessel to make the Vessel available to Naval authority, and will also direct the Master to report to the appropriate Naval Commander for operational control or (b) if time does not permit, and the Senior Naval Commander in or for the area or his/her authorized representative shall have found it necessary, he/she will take immediate operational control of the Vessel, after which the Maritime Administrator, upon receipt of advice of such action from the Chief of Naval Operations, will confirm such action to the Owner and also to the Master; with such confirmation to be retroactive to and effective as of the day and hour when control was assumed by the Naval authorities.

(4) As soon as practicable after the United States has assumed operational control of the Vessel as aforesaid, either through the Maritime Administration directly, or through the Department of the Navy, the Maritime Administration will tender to the Owner an agreement containing the same terms and conditions upon which a vessel of the United States could be requisitioned for purchase or charter in accordance with the applicable provisions of Section 902(a), Merchant Marine Act, 1936, as amended.

(5) This voluntary Contract of Commitment is not intended, nor shall it be deemed, to affect or modify in any respect the terms and obligations contained in any other agreement or contract of whatsoever nature under which the Vessel is or may hereafter become separately committed to the use of the United States during the period described in Article (1) hereof.

(6) Subject to the various warranties, agreements and representations of the Owner as contained in the Owner's application for interim war risk insurance, submitted with this Contract, the United States hereby undertakes and agrees to provide such war risk insurance on the Vessel pursuant to regulations published in the Federal Register (46 CFR Part 308), as amended from time to time.

(7) It is the intention and understanding of the parties hereto that the period of this Contract of Commitment shall be coextensive with the period of the interim war risk insurance binder and any insurance issued thereunder.

IN WITNESS WHEREOF, this voluntary Contract of Commitment has been executed in triplicate by the United States on the _____ day of _____, 19____, and by the Owner on the _____ day of _____, 19_____.

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
(MARITIME ADMINISTRATION)

ATTEST:

Secretary
Maritime Administration

Approved as to form:

Chief Counsel
Maritime Administration

Maritime Administrator

CORPORATE SEAL

Attest:

Owner

Secretary

BY: _____

_____, certify that I am the duly chosen, qualified, and acting Secretary of _____ a party to this Contract, and, as such, I am the custodian of its official records and the minute books of its governing body; that _____ who signed this Contract on behalf of said corporation, was then he/she duly qualified _____ of said corporation; that said officer affixed his/her manual signature to said Contract in his/her official capacity as said officer for and on behalf of said corporation by authority and direction of its governing body duly made and taken; that said Contract is within the scope of the corporate and lawful powers of this corporation.

Secretary

(CORPORATE SEAL)