



DEPARTMENT OF THE NAVY

NAVAL SEA SYSTEMS COMMAND
2531 JEFFERSON DAVIS HWY
ARLINGTON VA 22242-5160

IN REPLY REFER TO

Contract Nobs-3721

**Supplemental Agreement No. 3
and Novation**

The U.S.F. Constellation Foundation, Incorporated (the "Foundation"), a corporation duly organized and existing under the laws of Maryland with its principal office in Baltimore, Maryland; the City of Baltimore, Maryland (the "City"); and the Department of the Navy (the "Navy") enter into this Agreement this 28 day of June, 1999.

(A) THE PARTIES AGREE TO THE FOLLOWING FACTS:

(1) The Navy and the Foundation are parties to a contract dated 22 July 1955 and designated Nobs-3721 ("the Contract") for the donation of the ex-CONSTELLATION ("the Vessel"). Included in the term "the Contract" are all agreements and modifications made under the terms and conditions of the amended Contract between the Navy and the Foundation, on or after the effective date of this Agreement.

(2) As of the date of this Agreement, the City is in a position to fully perform all obligations that may exist under the Contract.

(3) It is consistent with the Government's interest to recognize the City as the successor party to the Contract.

(4) The City is a municipal corporation or political subdivision of the State of Maryland.

(5) The parties mutually agree to additional terms and conditions to reflect current Navy policy on donations.

(B) IN CONSIDERATION OF THESE FACTS, THE PARTIES AGREE THAT BY THIS AGREEMENT:

(1) The Foundation confirms transfer of the Contract to the City, and waives any claims and rights against the Navy that it now has or may have in the future in connection with the Contract.

(2) The City agrees to be bound by and to perform the Contract in accordance with the conditions contained in the Contract. The City also assumes all obligations and liabilities of, and all claims against, the Foundation under the Contract as if the City were the original party to the Contract.

(3) The City ratifies all previous actions taken by the Foundation with respect to the Contract, with the same force and effect as if the actions had been taken by the City.

(4) The Navy recognizes the City as the Foundation's successor in interest in and to the Contract. The City by this Agreement becomes entitled to all rights, title, and interests of the Foundation in and to the Contract as if the City were the original party to the Contract. Following the effective date of this Agreement, the term "Contractor" shall refer to the City.

(5) Except as expressly provided in this Agreement, nothing in it shall be construed as a waiver of any rights of the Government against the Foundation.

(6) The Foundation and the City agree that the Navy is not obligated to pay or reimburse either of them for, or otherwise give effect to, any costs, taxes, or other expenses, or any related increases, directly or indirectly arising out of or resulting from the transfer of this Agreement.

(7) The City guarantees payment of all liabilities and the performance of all obligations that the City (i) assumes under this Agreement or (ii) may undertake in the future should the Contract be modified. The Foundation waives notice of, and consents to, any such future modifications.

(C) THE FOLLOWING TERMS AND CONDITIONS ARE HEREBY ADDED TO THE CONTRACT:

(1) The City is referred to as the Donee. The Navy is referred to as the Donor.

(2) The Donee shall keep the Vessel at a safe, long-term mooring location and not permit the Vessel to be towed for any purpose other than maintenance, repair, or safety considerations without the express, written consent of the Secretary or his authorized representative.

(3) The Donee shall comply with all Federal, State and local laws and regulations in being or that may be enacted or issued in the future, with respect to the preservation, documentation and display of the Vessel and its equipment, including those relating to public safety, protection of the environment, and historic preservation. No construction, alteration, modification or other action shall be undertaken or permitted to be undertaken on the Vessel which would alter the character-defining historic features of the Vessel without the prior written permission of the Navy and compliance with historic preservation laws.

(4) The Donee acknowledges that it has executed and furnished to the Government representative under this Contract, the Navy Form "Assurance of Compliance" with Title VI of the Civil Rights Act of 1964, Section 606 of the Federal

Property and Administrative Services Act of 1949, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended.

(5) No expense shall result to the Government as a consequence of the terms and conditions of this amended Contract.

(6) The Contract shall remain in full force and effect, except as modified by this Agreement. Each party has executed this Agreement as of the day and year first above written.

UNITED STATE OF AMERICA
By Richard Danzig
Title Secretary of the Navy
Department of the Navy

THE U.S.F. CONSTELLATION
FOUNDATION, INC.
By [Signature]
Title Chairman

THE CITY OF BALTIMORE, MARYLAND
By [Signature]
Title _____

[Signature]
Mary Elizabeth Foster
Alternate Custodian of the City Seal

APPROVED FOR FORM AND
LEGAL SUFFICIENCY

[Signature]
JAY M. CAPLAN, SENIOR SOLICITOR

4/9/99
Date

APPROVED BY THE
BOARD OF ESTIMATES

[Signature]
CLERK

JUN 16 1999
Date