

DEPARTMENT OF THE NAVY
BUREAU OF SHIPS
WASHINGTON 25, D. C.

TRANSFER OF THE USS OLYMPIA

THIS CONTRACT, designated Contract NObs-3947, is entered into as of 11 September 1957 by and between the UNITED STATES OF AMERICA, hereinafter called the Government, and the CRUISER OLYMPIA ASSOCIATION, INCORPORATED, and the KEYSTONE DRYDOCK AND SHIP REPAIR COMPANY, both of Philadelphia, Pennsylvania, hereinafter sometimes called the Association and Company respectively.

WHEREAS, the Act of August 10, 1956 (Public Law 1028, 84th Congress) 10 U.S.C. 7308 authorizes the Secretary of the Navy to transfer by gift any obsolete vessel of the Navy to any association whose charter or articles of agreement denies it the right to operate for profit; and

WHEREAS, the Cruiser Olympia Association has applied for donation of the USS OLYMPIA and indicated its intention to establish the vessel as a public memorial at Philadelphia, Pennsylvania, as evidenced by the Association's letter of 22 March 1957 to the Honorable Thomas S. Gates, Jr., Secretary of the Navy; and

WHEREAS, it has been determined that the Association is a non-profit organization as evidenced by its articles of incorporation; and

WHEREAS, the Keystone Drydock and Ship Repair Company agrees to make the hereinafter listed repairs to the USS OLYMPIA to make the ship safe and presentable for public inspection at no expense to the Government; and

WHEREAS, the Company has submitted evidence of its financial ability to complete this repair work subject to later reimbursement by the Association; and

WHEREAS, notice of the proposed transfer has been sent to Congress; sixty calendar days of continuous session have expired since then; and no resolution regarding the USS OLYMPIA has been passed by Congress.

NOW, THEREFORE, the Government agrees to transfer the USS OLYMPIA to the Association upon the terms and conditions hereinafter stated and the Association agrees to accept the USS OLYMPIA upon the following terms and conditions:

I. The Government agrees to:

1. Deliver the USS OLYMPIA at the Philadelphia Naval Shipyard to the Association.
2. Notify the President of the Association of the delivery date of the USS OLYMPIA in advance of such delivery date.

II. The Association, at its expense, agrees to:

1. Accept the ship upon delivery by the Department of the Navy.
2. Promptly transfer custody of the ship to the Company for repairs.
3. Upon completion of repairs, regain custody of the ship.
4. Within one year after original acceptance of delivery of the ship, present to the Secretary of the Navy, or his duly authorized representative, for his approval a plan providing for the restoration and use of the ship (in addition to repairs).
5. Maintain the USS OLYMPIA in a condition satisfactory to the Department of the Navy, and in such a manner as will not cast discredit upon the Navy or upon the proud traditions of this historic ship; use the ship only as a public memorial; and not allow it to become a menace to navigation, public health or safety; and implement the above-mentioned plan as approved by the Secretary of the Navy.
6. Procure and maintain, at the Association's expense, marine hull insurance while the USS OLYMPIA is waterborne, and fire and extended coverage insurance thereafter, including risks of vandalism and malicious mischief, in the amount of \$25,000 for any one claim and third party liability insurance in the total amount of \$300,000 for all claims and \$100,000 for any one claim, said insurance to be maintained from and after the delivery of the USS OLYMPIA as specified herein. Such insurance shall, as to form and the insurers, be subject to approval by the Insurance Branch, Office of Naval Material, Department of the Navy, Washington, D. C.
7. Assume the responsibility for making any repairs or replacements required by any damage to the vessel that may occur after the vessel has been delivered to the Association and prior to any subsequent authorized transfer of the vessel.

III. The Company, at its expense, agrees to:

1. Accept custody of the ship from the Association.
2. Repair the ship in such a manner as to make her safe and presentable for public inspection, including, but not limited to, the repairs outlined in the letter of 30 March 1956 (IX-40(111) Ser 110-913) from Rear Admiral B. E. Manseau, USN, Deputy and Assistant Chief of the Bureau of Ships to the Cruiser Olympia Association, Inc., as may be modified by mutual agreement of the Department and the Association.
3. Make all repairs subject to reimbursement by the Association. In no event will the Government be liable for the cost of repairs.
4. Upon completion of repairs promptly return the ship to the custody of the Association. The Company hereby waives any liens which it might otherwise acquire on the ship.
5. Whenever the vessel is in its custody, in order to insure the performance of its obligations under paragraph (3) of Clause IV, procure and thereafter maintain such ship repairer's legal liability insurance as may be necessary to insure the Contractor against its liability as ship repairer in the amount of \$300,000 with respect to the vessel. Further, the Contractor shall procure and maintain in force Workmen's Compensation Insurance (or its equivalent) covering its employees engaged on the work and shall insure the procurement and maintenance of such insurance by all subcontractors engaged on the work. The Company shall provide such evidence of such insurance as may be, from time to time, required by the Government.

IV. The Company and the Association agree:

1. To prohibit members of the general public from visiting aboard the USS OLYMPIA prior to accomplishment of work necessary to make the ship safe and presentable for public inspection, including the repairs listed in the Navy's letter referred to under III(2) above, excluding members of the Association and specially invited guests.
2. Not to transfer or otherwise dispose of this relic or any part thereof, or any interest therein, without prior written consent of the Secretary of the Navy or his duly authorized representative.
3. To indemnify and hold harmless the U. S. Government, its agents, or employees against all suits, actions, claims, costs, fees and

demands (including without limitation, suits, actions, claims, costs, fees and demands for death, personal injury and property damage) to which the Government, agencies or instrumentalities, its or their agents or employees may be subject or put by reason of damage or injury (including death) to the property or person of any one other than Government, arising or resulting, or alleged to have arisen or resulted, from the fault, negligence, wrongful act or omission of the Government, its agencies or instrumentalities, its or their agents or employees in the berthing, repair, restoration or other use of the USS OLYMPIA for causes originating subsequent to delivery of this ship to the Association.

- V. In the event that the USS OLYMPIA should be lost or destroyed, prior to the time of transfer, by fire, shipwreck, act of providence or of a foreign power or by any other means whatsoever, with or without negligence on the part of the Government, this Agreement shall become void and of no effect.
- VI. Upon delivery to and acceptance by the Association, title to the ship shall vest in the Association and title shall remain in the Association until transferred under Article IV(2) or Article IX of this contract.
- VII. The Government shall not be liable to the Association or Company in any manner whatsoever for damages or otherwise on account of delayed delivery or non-delivery of the USS OLYMPIA or for any other reason, and no expense shall result to the Government as a consequence of the transfer of this ship to the Association or Company or as a consequence of the terms and conditions prescribed hereunder.
- VIII. In the event of any dispute concerning questions of fact arising under this Agreement, such disputes shall be decided by the Chief of the Navy's Bureau of Ships, whose decision shall be final and conclusive.
- IX. In case the Association or the Company, or their assigns, shall fail to perform the obligations assumed under the Agreement, the Secretary of the Navy or his duly authorized representative may terminate this contract, provided that written notice to terminate, specifying the particulars wherein it is claimed that this Agreement has been violated, is transmitted, by registered mail, to the Association. The Association shall have ninety (90) days from receipt of the above-mentioned written notice to cure the violations or deficiencies set forth in said notice. If, at the end of such time, it appears to the Secretary of the Navy, or his duly authorized representative, that the causes for termination of this contract should be deemed complete, the Association shall forfeit to the Government any and all rights the Association may have in the USS OLYMPIA including any improvements made to the ship by the Association or the Company as the Secretary

of the Navy or his duly authorized representative may decide, and shall transfer title to the Government if the Secretary of the Navy or his duly authorized representative so directs.

- X. At the time of execution of this contract, the Association and Company shall submit a copy of the provisions of their charter or by-laws, the resolutions of their Boards of Directors, or other proceedings of their sessions, evidencing the authority of the officers signing the contract to execute such contract on behalf of the Association and Company. The Secretary, the Assistant Secretary, or other authorized officers of the Association and Company shall certify that such copy is a true and complete copy and that such provision, resolution or other proceeding of the Association and Company is in full force and effect.
- XI. It is stipulated that no expense to the Government will result from this transfer.

S/ Thomas S. Gates
FOR THE UNITED STATES OF AMERICA

Date 11 Sep 1957

FOR THE CRUISER OLYMPIA
ASSOCIATION, INC., OF PHILADELPHIA

By S/ Francis W. Pastorius

Date 11 Sep 1957

FOR THE KEYSTONE DRYDOCK AND SHIP
REPAIR CO., OF PHILADELPHIA

By S/ A. L. Brener

Date 11 Sep 1957

CERTIFICATES

I, Elizabeth Hersey Eberle, certify that I am the Secretary of the corporation named as the Association herein; that Francis W. Pastorius who signed said contract on behalf of the Association was then President of said corporation, and that said contract was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

(CORPORATE SEAL)

S/ Elizabeth Hersey Eberle

I, Thomas A. Winters, certify that I am the Secretary of the corporation named as the Company herein; that A. L. Brenner who signed said contract on behalf of the Company was then President of said corporation, and that said contract was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

(CORPORATE SEAL)

S/ Thomas A. Winters