

TOTE SERVICES STATEMENT

TOTE Services Announces Contract to Construct New Class Ships

Philly Shipyard selected to build National Security Multi-Mission Vessels

Jacksonville, Fla., April 8, 2020 – TOTE Services, LLC, (“TOTE Services”) an affiliate of TOTE, LLC (“TOTE”) and an industry leader in ship management, marine operations and vessel services, has awarded Philly Shipyard, Inc., (“Philly Shipyard”) the sole operating subsidiary of Philly Shipyard ASA, a contract to construct up to five new ships – the National Security Multi-Mission Vessel (NSMV) – to provide world-class maritime training for America’s future mariners and to support humanitarian assistance and disaster relief (HA/DR) in times of need.

This award will execute the Maritime Administration’s (MARAD) vision to recapitalize our nation’s maritime academies’ training fleet, which provide qualified officers to the domestic maritime industry. These training vessels will address a critical shortage of qualified officers needed to crew commercial and government-owned sealift ships during crises and will replace the current training ships at the state maritime academies in New York, Massachusetts, Maine, Texas and California.

TOTE Services was selected by MARAD in May 2019 to be the Vessel Construction Manager (VCM) for the NSMV program to ensure the utilization of best practices in commercial ship construction. Congress has appropriated funding for three ships and the President’s budget request includes funding for the fourth training ship.

TOTE Services has commissioned Philly Shipyard to construct the first two NSMV training ships with options for the remaining three. The ships will be owned and operated by MARAD. The new vessels will maximize the capabilities to educate future mariners by providing first-of-its kind training facilities, including dual engine rooms and pilot houses and the latest in maritime technologies with space to train up to 600 cadets at sea.

In addition to being a state-of-the-art training and educational platform, the NSMV is a highly-functional national asset designed to fulfill numerous roles. Each ship will feature modern hospital facilities, a helicopter pad and the ability to accommodate up to 1,000 people in times of humanitarian need. Adding to the NSMV’s capability, it will

provide needed roll-on/roll-off ramp and container storage capacity for use during disaster relief or delivery of preferenced cargoes.

TOTE Services has a long history of supporting maritime academy training programs and disaster relief missions in conjunction with MARAD. We are confident in our ability to work with Philly Shipyard to deliver on the NSMV and are excited to again work with MARAD on this important initiative.

Since 2015, TOTE Services has overseen the construction and management of the world's first LNG-powered container ships, activated U.S. training ships to support disaster relief following Hurricane Maria, and managed various MARAD vessels, including six fast sealift ships.

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The TOTE group of companies are leading transportation and logistics companies in the US. The TOTE Maritime companies (affiliates TOTE Maritime Alaska, LLC and TOTE Maritime Puerto Rico, LLC) bring unmatched reliability and service to their respective markets. TOTE Services offers crewing and technical services to meet the needs of commercial, privately owned and U.S. Government vessels. The TOTE group is part of the Saltchuk family of companies.