



McALLISTER TOWING OF NEW YORK LLC

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Schedule of Rates, Terms, and Conditions Port of New York and New Jersey Effective Date: August 1, 2023

Date

It is hereby agreed between Messrs: _____ (hereinafter, called "Owner") and McALLISTER TOWING OF NEW YORK, LLC (and its successors) (hereinafter called "McAllister") (collectively referred to as the "Parties") that McAllister will furnish Tugs for and attend to all the towage requirements at the Port of New York and New Jersey and other agreed locations of Vessels owned, managed or controlled by Owner, and Owner agrees to place all of its towage requirements in the Port of New York and New Jersey and other agreed locations with McAllister in accordance with the then current "Schedule of Rates, Terms and Conditions", as may be amended from time to time (referred to throughout as the "Contract", the "Tariff", or the "Schedule of Rates, Terms and Conditions").

By signing this Contract, any person or company who orders Tug Services represents and warrants that they are authorized to do so on behalf of the Owner of the Vessel to be assisted. Such person and/or company further agrees to indemnify and hold McAllister harmless from any and all damages and expenses that may be sustained or incurred by McAllister in the event and in consequence of such person or company not having such authority.

Owner agrees that during the term of this Contract, McAllister may issue written notice of an adjustment to this Schedule of Rates, Terms and Conditions applicable to Tug Services provided hereunder. It is understood and agreed that said notice of adjustment shall be an agreed amendment to this Contract, without need for additional signatures, unless McAllister receives written notice of rejection of said adjustment at least thirty (30) days before said adjustment is to become effective.

This Contract shall remain in effect from. and shall continue thereafter from year to year until cancelled by either party giving thirty (30) days' notice in writing prior to the annual expiration date.

McALLISTER TOWING OF NEW YORK, LLC

AUGUST 1, 2023

By

ACCEPTED

.....
Signature of Owners, Charterers or Agents

UNLESS A VESSEL IS SUBJECT TO A TOWAGE AGREEMENT WITH McALLISTER, ALL TUG SERVICES REQUESTED BY OR ON BEHALF OF A VESSEL ARE PERFORMED BY McALLISTER SUBJECT TO ALL THE RATES, TERMS AND CONDITIONS SET FORTH IN THE "SCHEDULE OF RATES, TERMS AND CONDITIONS" IN EFFECT ON THE DATE AND PORT FROM WHICH THE TUG SERVICES ARE PROVIDED (WHICH SCHEDULE INCLUDES LIMITATIONS AND DISCLAIMERS WITH RESPECT TO PERFORMANCE OF SAID TUG SERVICES AND OBLIGATIONS AND OPTIONS FOR OWNER). McALLISTER REJECTS INCORPORATION BY REFERENCE OF OTHER PARTIES' ONLINE TERMS AND CONDITIONS. IF A VESSEL IS SUBJECT TO A TOWAGE AGREEMENT WITH McALLISTER, THE SCHEDULE OF RATES, TERMS AND CONDITIONS SHALL APPLY WHERE THE AGREEMENT IS SILENT UNLESS OTHERWISE STATED IN THE AGREEMENT. EXCEPT AS PROVIDED HEREIN, NO TERM OR CONDITION OF THE SCHEDULE MAY BE DELETED OR AMENDED UNLESS AGREED TO IN A WRITING SIGNED BY AN OFFICER OF McALLISTER AND BY OWNER. THE SCHEDULE OF RATES, TERMS AND CONDITIONS CURRENTLY IN EFFECT FOR EACH PORT SERVICED BY McALLISTER IS PUBLISHED ON McALLISTER'S WEBSITE AT WWW.MCALLISTERTOWING.COM AND IS ALSO AVAILABLE UPON REQUEST.

DEFINITIONS: As used herein, the following terms shall mean:

“Docking/Undocking”: Tug Services rendered to assist a Vessel using its own propelling power from the stream to a dock or from a dock to the stream.

“Anchoring”: When Tug Services rendered to assist a Vessel commences or terminates with Tugs assisting alongside at a designated anchorage.

“Escort/Tethered Tugs”: Tug Services in which a Tug is requested or required to attend upon a Vessel during transit and provide services beyond those traditionally associated with Docking/Undocking of Vessels in the port. Tethering shall mean a Tug’s line is attached to the Vessel during these Tug Services

“Holidays”: New Year’s Day, Martin Luther King Jr. Day, President’s Day, Easter Sunday, Memorial Day, Juneteenth, Independence Day, Labor Day, Columbus Day, Veteran’s Day, Thanksgiving, Day after Thanksgiving, Christmas Day and any national holiday hereafter designated by the federal government. In the event any of the above days fall on a Saturday or Sunday, the following Monday will be observed as such holiday.

“McAllister”: McAllister Towing of New York, LLC and its successors.

“Owner”: Collectively, the owner, charterer, operator and manager of the Vessel receiving Tug Services from McAllister.

“Peak Hours”: The period between the hours of 0300-0800 and 1500-2000 local time.

“Schedule”: The Schedule of Rates, Terms and Conditions that is in effect on the date and Tug Station from which Tug Services are dispatched to a Vessel. A then current copy of the Schedule may be found on McAllister’s webpage at www.mcallistertowing.com and is also available in hardcopy upon request.

“Tug or Tugs”: The tugboats provided or arranged by McAllister to perform the requested Tug Services.

“Tug Interests”: McAllister, the Tugs providing services pursuant to this Contract, and each of their respective owners, officers, directors, employees, affiliates, operators, charterers, managers, underwriters, masters and crews.

“Tug Station”: The Tug’s customary berth at the McAllister facility or, if applicable, the berth or other place from which the Tug was dispatched to perform the Tug Services and/or to which it proceeded following the provision of such Tug Services.

“Tug Services”: Any activities or services which a Tug provides to the Vessel, including but not limited to, Docking, Undocking, Escorting, Tethered Escorting, hourly or standby services, line handling, anchoring or any of the other such actions a Tug may be requested to provide.

“Vessel”: Shall mean a Vessel that receives Tug Services.

RATES ARE IN U.S. DOLLARS, BASED ON THE HIGHEST DEADWEIGHT TONNAGE (“DWT”) OR NET REGISTERED TONNAGE (“NRT”) AS PUBLISHED IN THE THEN EDITION OF “LLOYD’S REGISTER OF SHIPPING” THAT IS CURRENT ON THE DATE THAT SERVICE IS RENDERED HEREUNDER. SHOULD THE VESSEL TYPE NOT HAVE AN ASSIGNED DWT OR NRT, RATES WILL BE PROVIDED UPON REQUEST.

DOCKING AND UNDOCKING CHARGES: The following schedule of rates sets forth the single charge for each Docking or each Undocking of a Vessel. This rate is obtained by referring to the Vessel’s appropriate tonnage column and extending out to the appropriate geographical zone where the work is performed. As an aid in determining the correct geographical zone, please refer to the zone description and the map shown on the back of this Contract. Rates for locations in the vicinity of the Port of New York and New Jersey, other than those set forth below, will be furnished upon request.

NOTIFICATION: Definite notice for all Tug Services shall be at least four (4) hours prior to the time the Tug is required.

TANK VESSELS (up to 2 Tugs);

FIGURES IN DEADWEIGHT TONNES*	ZONES						
	1	2	3	4	5	6	7
Up to 30000	7863	6103	7189	7976	7863	8137	-
30001 - 35000	8091	7218	8184	8772	8091	8367	-
35001 - 40000	8676	8337	9351	9610	8676	9643	-
40001 - 45000	9836	9449	10584	10478	9836	10932	-
45001 - 50000	11367	10557	11856	11500	11367	12219	-
50001 - 55000	12555	11674	13719	12730	12555	13509	-
55001 - 60000	13763	12782	15031	13943	13763	14790	-
60001 - 65000	14952	13891	16341	15151	14952	16079	-
65001 - 70000	15956	15005	17663	16374	15956	17369	-
70001 - 75000	17009	16116	18953	17581	17009	18656	-
FOR EACH 5000 Tonnes or Portion Thereof, ADD:	1203	1116	1315	1198	1203	1291	-

OTHER VESSELS

(Container, Bulker, General Cargo, Ro/Ro, and all other Vessels – up to 2 Tugs);

FIGURES IN NET REGISTERED TONNES*	Z O N E S						
	1	2	3	4	5	6	7
Up to 8000	11144	6721	6357	7503	6756	6839	7061
8001 - 9000	11390	7448	7199	7610	7646	7767	7862
9001 - 10000	11644	8174	7767	7767	8572	8685	8662
10001 - 11000	11894	8901	7976	7976	9453	9598	9460
11001 - 12000	12162	9628	8294	8294	10356	10511	10261
12001 - 13000	12661	10356	8572	8611	11260	11411	11062
13001 - 14000	13167	11083	8820	8880	12153	12337	11861
FOR EACH 1000 Tonnes or Portion Thereof, ADD:	913	728	728	801	801	913	800

* Tonnage is the highest measurement of a Vessel's tonnage as published in the current edition of Lloyd's Register of Shipping.

* Rates for locations not covered by the Zones above will be furnished upon request.

* Contract discounts (if any) only apply to Docking/Undocking rates. Tug Services provided to a Vessel on an hourly basis are not subject to a discount.

* Should a Vessel lose her ability to maneuver (power or steering) during the Docking or Undocking evolution, said Vessel will incur an additional minimum charge of two hours at the hourly rate of \$1,636.00 per hour per Tug.

Zone 1 = East River from Williamsburg Bridge to Hunts Point

Zone 2 = Brooklyn to Williamsburg Bridge

Zone 3 = Bayonne from Bayonne Bridge to Pier 7 Jersey City

Zone 4 = Bayonne Bridge to Goethals Bridge to NJ Turnpike Extension Bridge

Zone 5 = Goethals Bridge to Tufts Point

Zone 6 = Tufts Point to Ferry Point, Perth Amboy

Zone 7 = North River to Pier 90

Zone 8 = Lower New York Bay South of Perth Amboy and the Verrazano Bridge

Zone 9 = Staten Island Ferry Terminal to Verrazano Bridge

ADDITIONAL TUGS REQUIRED: When more than two (2) Tugs are requested or required to assist a Vessel in circumstances such as weather, tidal conditions, congestion, difficult berths, USCG mandated regulations, and/or requests for additional Tugs by the Vessel, Master, Pilot or Port Agent or any other factors required, and additional Tugs are available in the port, there will be an additional charge of fifty percent (50%) of the normal Docking or Undocking rate per additional Tug. If it is necessary to relocate one or more Tug(s) from another port to provide these Tug Services, an additional hourly charge of \$2,350.00 per Tug shall be applied for transit time to and from the Tug Station at the port of origin to the location where Tug Services is provided, prorated to the nearest one-half (1/2) hour.

BACKING: When it becomes necessary for vessels to be backed one-half mile or more due to specific berth requirements, the applicable rate for docking or sailing will be increased by fifty (50%) percent.

HOURLY RATES: The hourly rate of \$1,636.00 with a two (2) hour minimum will be charged for all Tug Services that are not defined as a Docking or Undocking as above and will be prorated to the nearest half (1/2) hour. Hourly rates shall be subject to a zone surcharge based on the hourly rate multiplied by zone running time to and from the location where Tug Services are provided, prorated to the nearest one-half (1/2) hour.

DETENTION: For detention of a Tug caused by the Vessel not being ready or other conditions beyond McAllister's control, the time of detention will be charged at the hourly rate described above per Tug. Detention shall also be charged for any delay after movement of a Vessel has commenced, in proceeding toward berth or in berthing, when such delay is caused by circumstances beyond the control of the Tugs.

LINE HANDLING: Should a Tug be requested to perform line handling Tug Services by the Master, Pilot, Agent, Vessel Owner/ Operator, or Terminal, an additional rate of \$1,636.00 per Tug shall be assessed for the first hour of such service with the hourly rates as described above for all additional time prorated to the nearest one-half (1/2) hour. In addition, McAllister shall not assume any liability and shall be held harmless by Owner for conducting such line handling operations.

ANCHORING: When Tugs are requested to take a Vessel from or to an anchorage, an anchoring surcharge of \$1,636.00 will be added to any other charges for Tug Services.

HOLIDAY SURCHARGE: Tug Services performed on a Holiday shall be charged the applicable rate plus a thirty-five (35%) Holiday surcharge.

PEAK HOUR SERVICE: Tug Services performed between the hours of 03:00-08:00 and 15:00-20:00 local time may be assessed a twenty five percent (25%) peak-hour surcharge.

SCHEDULE OF RUNNING TIME

Zone 12 Hours	Zone 51.5 Hours	Zone 9.....1 Hour
Zone 21.5 Hours	Zone 62 Hours	Zone 103 Hours
Zone 3.....1 Hour	Zone 72.5 Hours	
Zone 4.....1 Hour	Zone 82.5 Hours	

TRACTOR TUG: If a tractor Tug is specifically requested or required to provide Tug Services to a Vessel, a fifty (50%) percent surcharge per Tug over the applicable non-tractor Tug rate shall be charged.

ESCORTING: Should a Tug be requested or required to provide Escorting services to a Vessel, the hourly rate described above shall apply to that Tug with a minimum charge of two (2) hours per Tug, prorated to the nearest one-half (1/2) hour after the first two hours. The hourly rate shall be subject to a zone surcharge based on the hourly rate multiplied by the zone running time to and from the location where Tug Services are provided, prorated to the nearest one-half (1/2) hour.

TETHERED ESCORT: If a Vessel requests a Tethered Escort, or one is required, the applicable hourly rate will be \$2,750.00 per Tug with a minimum charge of two (2) hours per Tug, prorated to the nearest one-half (1/2) hour after the first two hours. The hourly rate shall be subject to a zone surcharge based on this hourly rate multiplied by the zone running time to and from the location where Tug Services are provided, prorated to the nearest one-half (1/2) hour.

ICE CHARGES: When a Tug is operating in ice conditions when providing Tug Services, there will be a fifty percent (50%) surcharge added to the applicable non-ice related rate for such Tug Services. When it is necessary for a Tug to break ice prior to Docking or Undocking a Vessel or to clear an ice bound slip for any reason, said service will be charged at an hourly rate of \$3,300.00 per Tug measured from Tug Station to Tug Station, with a two (2) hour minimum, prorated to the nearest one-half (1/2) hour after the first two hours. No running time will be charged if the Tug used to break ice is also used in the Docking or Undocking operation.

CANCELLED ORDERS: When a Tug is ordered and then cancelled, a charge of two-thirds (2/3) of the applicable rate will be made. When an order is cancelled after a Tug is dispatched to the location ordered, the charge will be three-quarters (3/4) of the applicable rate, plus any detention incurred. There will be no charge if the orders are cancelled at least four (4) hours prior to the ordered time. Cancellation rates are subject to zone surcharge based on the hourly rate multiplied by zone running time, Peak Hour Service, Overtime and Holiday rate, as applicable.

OTHER SERVICES: Prices for services rendered in connection with dead ship tow, salvage, ocean towing, Vessels aground or in distress, when services are performed during heightened Coast Guard port conditions, and any other service not covered herein, will be separately quoted upon request. These services, or services not otherwise covered by this Contract, may be governed by the terms and conditions of a BIMCO Contract or such other contract as may be agreed by the parties. However, in all such cases, all terms and conditions contained in the Contract shall apply to all matters and issues where any such BIMCO Contract or other contract is silent.

For all services rendered to dead ships, McAllister and Owner agree as follows: In consideration of the uncertain towage characteristics of a dead ship and of McAllister's agreement to furnish Tug Services to said dead ship hereunder, Owner agrees (i) to maintain hull and machinery insurance in an amount at least equal to the full value of the dead ship, (ii) to maintain full form protection and indemnity insurance in an amount not less than one hundred million dollars (\$100,000,000.00) and (iii) to name Tug Interests as named assureds or joint members (as applicable) with waiver of subrogation in favor of said assureds in all said policies. Owner shall be responsible to Tug Interests for any deductibles maintained with respect to said insurances. Owner further agrees to provide to McAllister proper evidence of such insurance prior to commencement of a dead ship move. For an absence of doubt, it is the intent of this paragraph to extend to Tug Interests, as primary cover for any liability arising out of performance of services hereunder to a dead ship for which Tug Interests may be liable, the enumerated insurances maintained by Owner on the Vessel assisted. The Limitation of Liability terms set forth herein shall apply to all tug services rendered to dead ships. Owner shall make all necessary arrangements for a master and, if required or deemed advisable, a duly licensed pilot to serve aboard the dead ship, and to direct the navigation of the flotilla. In the event that Owner utilizes a pilot, the pilot shall be deemed the borrowed servant of the dead ship assisted and her owner or operator for all purposes and in every respect, his services while so engaged being the work of the dead ship assisted, her owner and operator, and being subject to the exclusive supervision and control of the dead ship's master or Owner's other command personnel aboard. McAllister's Tugs will act in accordance with the direction of the pilot and master, as applicable.

FORCE MAJEURE: Tug Interests shall not be responsible or liable for any expense, loss, damage or claim of whatsoever nature caused by or resulting from delays, failures, acts or omissions hereunder in the performance of Tug Services due to strikes, lockouts, labor disturbances, workforce unavailability, riots, fire, earthquakes, storm, lightning, epidemics, government-imposed measures responding to the outbreak of a communicable and/or infectious disease, war, disorders, acts of God, acts of the public enemy, acts of government or public authority, terrorists, port congestion, shortage of Tugs, mechanical breakdowns, priorities in service, or any other cause of whatsoever nature beyond the Parties' reasonable control.

Should the occurrence of a Force Majeure event (or other similar emergency that is beyond McAllister's control) cause a material increase in McAllister's operating costs; McAllister may issue a notice of an emergency surcharge. The emergency surcharge shall be in effect for all Tug Services provided after the date of such notice until McAllister issues a subsequent notice discontinuing such emergency surcharge. The emergency surcharge shall be reasonably calculated to compensate McAllister for such increase in operating costs. If Owner or those acting on behalf of the Vessel object to an emergency surcharge, this Contract will be suspended with respect to such Owner and such Vessel for the period during which the emergency surcharge is in effect, and this Contract shall resume upon the discontinuance of the emergency surcharge.

EMPLOYMENT OF OTHER TUGS: All or part of any service performed hereunder may be subcontracted without notice to Owner. Any such subcontractor shall be considered an independent contractor and not an agent, servant or employee of McAllister. If at any time McAllister Tugs are not conveniently available for the required Tug Services, McAllister will endeavor to designate or engage other Tugs from other sources to provide some or all of the Tug Service, but Tug Interests shall not be responsible or liable for damages if McAllister is unable, at any time, for any reason, to arrange such Tug Services. Any non-McAllister Tug designated or engaged by McAllister to perform Tug Services under this Contract, and said Tug's owners, master and crews shall have, while performing such Tug Services, the benefit of all the terms and conditions contained herein or otherwise agreed between McAllister and Owner, and shall be considered third party beneficiaries of this Contract and all limitations of liability herein.

Further, in agreeing to endeavor to provide this substitute Tug Service, it is understood and agreed that Tug Interests do not expressly or implicitly warrant the seaworthiness, power, equipment, performance or competency of the Master, crew or any Tugs used or engaged by McAllister to supply the Tug Services requested by Owner. If for any reason, at any time, McAllister is unable or otherwise unwilling, in its sole discretion, to provide Tugs to serve Owner's Vessel, Owner is at liberty to engage Tugs from any other owner or operator. In such circumstance, McAllister shall have no obligation to reimburse Owner for any price differential or any other cost incurred by Owner.

CLAIM TIME LIMITS AND FORUM:

Owner shall notify McAllister of any claim, including damage to any Vessel, that allegedly occurred during performance of the requested Tug Services hereunder. Such notice shall be in writing and shall be delivered as soon as practicable, but not later than 48 hours following the alleged occurrence, failure to provide such notice within 48 hours shall be deemed a waiver of said claim. McAllister shall be afforded an opportunity to inspect or survey any alleged damage before commencement of any repairs. Notwithstanding any statute or rule of law providing for a longer period within which to file suit, any action in any forum to recover damages or any other forms of redress from Tug Interests, or any of them, shall be commenced within one (1) year after the occurrence giving rise to the claim, failing which said claim shall be deemed waived.

This Contract shall be governed by and construed in accordance with the Maritime Law of the United States and, to the extent not in conflict therewith, by the laws of the State of New York, excluding its conflict of laws rules. The Parties agree that any proceeding involving this Contract or the Tug Services performed hereunder shall be brought in the United States District Court for the Southern District of New York or, if said court shall not have jurisdiction thereof, then in a state court of competent jurisdiction sitting in New York County, New York.

The Parties irrevocably waive their right to trial by jury with respect to any claim or dispute arising in whole or in part out of the terms and conditions of this Contract or the provision of Tug Services to a Vessel.

LIMITATION OF LIABILITY:

The furnishing of any Tug Service or anything done in connection therewith, shall not be construed to be or to give rise to a personal contract, and Tug Interests shall have the benefit of all exemptions from, and limitations of, liability to which an owner of a vessel is entitled under the Limitation of Liability Statutes of the United States.

With respect to Vessels that are not owned by the person or company ordering the Tug Service, it is understood and agreed that such person or company warrants that it has authority to bind the Vessel Owner to all the provisions of this Schedule of Rates, Terms and Conditions, and agrees to indemnify and hold Tug Interests harmless from all damages and expenses that may be sustained or incurred in the event and in consequence of such person or company not having such authority.

MCALLISTER WARRANTS THE EXERCISE OF REASONABLE CARE IN THE PERFORMANCE OF TUG SERVICES BUT DISCLAIMS ALL OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF WORKMANLIKE SERVICE.

Unless entitled to immunity or to defenses to, exemptions from, and/or limitations of liability provided herein or under any applicable law, rule or regulation that would reduce their liability to an amount less than that hereinafter set forth, Tug Interests shall be liable, only to the extent of their negligence, which negligence shall not be assumed but shall be proven affirmatively, for claims, demands, causes of action, liabilities and costs (including any and all third-party claims) arising out of or in connection with any occurrence or series of occurrences related to the provision of Tug Services requested by Owner, up to a maximum aggregate amount of two hundred fifty thousand dollars (U.S.\$250,000.00). Owner understands and agrees that Tug Services provided hereunder are rendered at all times under the supervision and command of Owner's servants, (including the Master of the Vessel being assisted and docking pilots), or of State pilots, none of whose actions or inactions may be imputed to the Tug Interests. Owner further understands and agrees that the rates charged by or on behalf of McAllister for Tug Services are predicated upon the limitations of liability and the indemnities set forth herein. Should Owner desire that Tug Interests retain liability in excess of two hundred fifty thousand dollars (U.S. \$250,000.00) it will notify McAllister in writing, whereupon McAllister will quote rates for Tug Services hereunder predicated on the requested higher liability limits. Any such quote must be accepted by Owner in writing at least twenty-four (24) hours prior to commencement of Tug Services to the Vessel being assisted, failing which the rates and liability limitations otherwise provided herein shall apply. Nothing stated herein shall be construed to waive or limit the right of Tug Interests to assert any defenses to liability available to them or to avail themselves of any rights of limitation or exemption from liability under any applicable law, rule or regulation.

Owner and any Vessel assisted hereunder assume all risk of, and shall defend and indemnify Tug Interests from and against, any and all loss or damage sustained by Owner, the Vessel assisted, Tug Interests or by any other vessel, property or person that results from the parting, heaving, pulling on as directed, or sudden movement of any hawser or other line, by whomsoever furnished or howsoever caused.

Notwithstanding anything to the contrary in this Contract or elsewhere, the rates charged hereunder are also predicated on the fact that Tug Interests shall have no liability for any consequential, punitive, exemplary or special damages of any kind howsoever arising.

Owner agrees to indemnify, defend and hold Tug Interests harmless from and against any and all claims, demands, causes of action, liabilities and costs (including attorney's fees, penalties, fines and third-party claims of whatever nature) in excess of the applicable limitation amounts set forth above that are attributable to the acts or omissions, whether or not negligent, of Tug Interests, or any of them, or to unseaworthiness of any Tug and which arise out of or in connection with any occurrence or series of occurrences related to the provision of Tug Services pursuant to this Contract. The Parties intend for this indemnity to apply in all instances including, without limitation, allisions, collisions, personal injury, fire, explosion, grounding, oil spills and third-party claims. Owner warrants that Owner possesses sufficient and adequate insurance, including Vessel hull and machinery, P&I, cargo and pollution coverage to comply with all applicable laws and to respond for any losses arising out of or connected in any way with the Tug Services requested, with all rights of subrogation for losses under said insurances waived as to Tug Interests, and with Tug Interests entitled to all benefits under said insurances of a named assured or joint member, as applicable.

Owner acknowledges McAllister's long term and substantial presence in the port and waives any right of demand that McAllister post security in connection with any claim by or on behalf of Owner of the Vessel being assisted for any expense, loss or damage claimed to have arisen, in whole or in part, as a result of the Tug Service rendered in connection with this Schedule.

Nothing herein shall preclude Tug Interests from recovering from any responsible party for any damages sustained by any Tugs, or their Masters or crews, providing Tug Services hereunder.

PILOTAGE:

Tug Interests do not furnish pilots or pilotage, so that whenever any licensed pilot, or a captain of any Tug which is furnished to or is engaged in the service of assisting a Vessel, participates in directing the navigation of such Vessel, or in directing the assisting Tugs, from onboard such Vessel or from elsewhere, it is agreed that he becomes the borrowed servant of the Vessel assisted and her Owner or operator for all purposes and in every respect, his services while so engaged being the work of the Vessel assisted and her Owner or operator and being subject to the exclusive supervision and control of the Vessel's personnel. Any such service performed by any such person is beyond the scope of his employment, if any, for Tug Interests and Tug Interests shall not be liable for any act or omission of any such person. The provisions of this paragraph may not be changed or modified in any manner whatsoever except by written instrument signed by an officer of McAllister.

In consideration of McAllister transporting a docking and/or state pilot without charge to and/or from the Vessel being assisted hereunder, Owner agrees that it shall indemnify, defend and hold harmless Tug Interests from and against any and all claims, demands, causes of action, liabilities and costs (including attorney's fees) incurred in connection with or arising out of any claim by or on behalf of a pilot for personal injury or death sustained while being transported by McAllister to or from the Vessel being assisted, excepting only any injury sustained by said pilot to the extent attributable to the gross or willful negligence of McAllister. As used herein, the term "being transported by McAllister" shall include, without limitation, all time when the pilot is (i) present on McAllister shoreside premises enroute to or from the Vessel being assisted, and (ii) boarding, on board or disembarking from a Tug or other vessel supplied by or on behalf of Tug Interests. As used herein the term "pilot" shall also include any assistant pilot, trainee or other person who may accompany the pilot in any capacity.

TAXES: Any transportation, use, sales or any similar federal, state or local taxes or fees levied with respect to the provision of Tug Services hereunder shall be paid by Owner.

FUEL SURCHARGE: All rates published in this Contract are subject to prevailing fuel surcharges, which are available upon request and may change at any time without prior notice.

CHANGE IN CONDITIONS: Should the U.S Coast Guard or any other U.S., state or government agency, port authority, terminal or association (including any pilot or pilot association), or any designee of any of the foregoing, issue any regulation or requirement that obligates McAllister to make capital improvements to the Tugs, to provide Tugs with higher horsepower or different operational capabilities or that obligates McAllister to operate the Tugs in a different manner or with a different crew complement that increases its operating costs, McAllister shall have the right to propose amendments to the Rates, Terms and Conditions set forth in the Schedule in order to reflect the new requirements and, as applicable, mitigate the costs thereof. If Owner or those acting on behalf of the Vessel object to any said amendments the implementation thereof shall be stayed for a period of thirty (30) days and the Parties shall negotiate in good faith to achieve a mutually satisfactory outcome. If the Parties are unable to reach agreement within said thirty (30) day period, the amendments, as proposed by McAllister, shall come into effect and the objecting party may terminate its obligations to McAllister with respect to future Tug Services.

CONTRACT TERMINATION: If at any time during the term hereof, McAllister reasonably concludes that the solvency or financial condition of Owner is threatened it may, in its sole discretion, cancel this Contract, such cancellation to take effect immediately upon receipt by Owner of email or other written notification thereof. If, subsequent to cancelation, Owner provides to McAllister evidence concerning its ability to meet their current and future financial obligations, McAllister may, in its sole discretion, elect to reinstate this Contract effective upon receipt by Owner of email or other written notification thereof.

PAYMENT TERMS: Net 30 days. In the event that full payment is not made when due, McAllister shall be entitled to recover all costs of collection including reasonable attorney's fees and court costs, and 1.5 % interest per month on all outstanding balances. Payments received by or on behalf of Owner shall be applied as follows: FIRST to satisfy all fees, costs (including attorney's fees) and interest due and owing on any invoice issued to Owner commencing with the oldest such invoice and then to each subsequent such invoice and SECOND to satisfy all Tug service charges arising hereunder commencing with the oldest open invoice and then to each subsequent invoice. Notwithstanding anything contained herein, in providing Tug Services to the assisted Vessel, McAllister is relying upon the credit of the Vessel, and maintains its right to assert a lien against said Vessel for any amounts due for Tug Services rendered, including those referenced above.

EQUAL OPPORTUNITY EMPLOYER: McAllister Towing hereby certifies it is an Affirmative Action Equal Opportunity Employer and complies with the requirements of the Fair Labor Standards Act.

SEVERABILITY & ENFORCEABILITY: In case any provision in this Schedule shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability.

ENTIRE AGREEMENT: This Schedule sets forth the entire understanding of the parties with respect to the subject matter hereof, supersedes all existing agreement between them concerning such subject matter, and may be modified only by a written instrument duly executed by each party.

ZONES FOR RATE SCHEDULE USE

- Zone 1** = East River from Williamsburg Bridge to Hunts Point
- Zone 2** = Brooklyn to Williamsburg Bridge
- Zone 3** = Bayonne from Bayonne Bridge to Pier 7 Jersey City
- Zone 4** = Bayonne Bridge to Goethals Bridge to NJ Turnpike Extension Bridge
- Zone 5** = Goethals Bridge to Tufts Point
- Zone 6** = Tufts Point to Ferry Point, Perth Amboy
- Zone 7** = North River to Pier 90
- Zone 8** = Lower New York Bay South of Perth Amboy and the Verrazano Bridge
- Zone 9** = Staten Island Ferry Terminal to Verrazano Bridge

