



McALLISTER TOWING OF GEORGETOWN, INC.
 1120 NORTH PORT DRIVE
 CHARLESTON, SOUTH CAROLINA 29405
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GEORGETOWN TOWING CONTRACT

Date

Messrs.

.....
 (hereinafter "Owners")

We hereby agree as agents for and on behalf of McALLISTER TOWING OF GEORGETOWN, INC. (hereinafter "McAllister") to perform all the Tugboat assistance required by all vessels owned or operated by you on time charter or otherwise, in the Port of Georgetown and vicinity, at the rates and upon the terms and conditions as stated herein.

Owners agree that during the term of this contract McAllister may, thirty (30) days after notice to Owners, adjust rates, terms and conditions to reflect changes in cost of operations, working hours, conditions or in consequence of any law regulation or decisions.

This mutual agreement to remain in effect from and from year to year commencing this date and thereafter until notice of cancellation by either party, by giving thirty (30) days notice prior to the annual expiration date.

McALLISTER TOWING OF GEORGETOWN, INC.

By

EFFECTIVE APRIL 15, 2008

ACCEPTED

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

TERMS: Net 30 days. In the event customer fails to make payment when due or fails to pay entire balance due under this contract or invoice, customer will be considered in default and will be responsible for all cost of collection including reasonable attorney's fees and court cost. In addition, Owners agree to pay 1 1/2% interest per month on outstanding balance. McAllister hereby certifies it is an Affirmative Action Equal Opportunity Employer and complies with the requirements of THE FAIR LABOR STANDARDS ACT.

BASED ON LARGEST NET REGISTERED TONNAGE AS FOUND IN THE CURRENT
LLOYD'S REGISTER OF SHIPPING AT THE TIME OF SERVICE

**RATES AND CONDITIONS COVERING TOWBOAT SERVICE FURNISHED IN
THE PORT OF GEORGETOWN, SOUTH CAROLINA BY
McALLISTER TOWING OF GEORGETOWN, INC.**

The rates quoted in this tariff cover services performed between 8:00 A.M. and 4:00 P.M., Monday through Friday. All services rendered between 4:00 P.M. and 8:00 A.M., Monday through Friday, or at any time on Saturday, Sunday or any Holidays (holidays observed are listed elsewhere in this schedule) shall be construed as having been performed in overtime, the time to start when tug is ordered out and to end when tug returns to her dock. When any service is rendered in overtime a charge of \$975.00 per hour per tug will be added to the rate applicable to such service. After the first hour, time will be calculated in half (½) hour increments.

**RATES FOR SERVICES RENDERED TO STEAM AND MOTOR VESSELS
DOCKING OR UNDOCKING**

**37.50 Cents Per Net Registered Ton
Minimum Charge 9,000 Tons**

ADDITIONAL TUGS: When more than one (1) tug is required to handle a vessel, an additional charge of fifty (50) percent of the normal docking or undocking charge will be made per extra tug.

DOCKING STERN INTO THE TIDE: When a ship docks stern into the tide a charge of one and a half (1 ½) times the applicable rate in this tariff.

SHIFTING: anywhere alongside docks only- one and a half (1½) times the applicable docking rate.

ASSISTING VESSEL AT AID TO NAVIGATION NO. 29: An additional charge of \$650.00 per tug applies when tugs are requested to meet the vessel at Buoy No. 29. This charge shall apply whether made fast or running alongside.

RATE FOR TUGS WORKING BY THE HOUR: Time starts when tug is ordered out from her station and ends when tug returns to her station. Minimum charge two (2) hours.

\$650.00 per hour per tug or fraction thereof during straight time hours.

\$975.00 per hour per tug or fraction thereof for all overtime hours.

DEAD SHIP MOVES: Rates for deadship moves will be furnished upon request.

NOTIFICATION: Notice for tug service should be given at least six (6) hours prior to the time the tug is required.

CANCELLED ORDERS: The charge for orders cancelled prior to arrival of the tug at the location ordered will be two-thirds (2/3) of the applicable rate. If orders are cancelled prior to the minimum notification time, there will be no charge.

REPORTING CHARGE: When a tug reports to the location ordered and the orders are then cancelled, the charge will be three-quarters (¾) of the applicable rate.

DETENTION: For detention of a tug caused by the vessel not being ready or other conditions beyond our control, the time of detention will be charged at the rate of \$650.00 per hour per tug pro rated to the nearest half (1/2) hour. Detention shall also be charged for any undue delay after movement of a vessel has commenced, in proceeding toward berth or in berthing when such a delay is caused by circumstances beyond the control of the tugs.

WEEKEND AND HOLIDAY NOTICE: Orders for tugboat service for Saturdays, Sundays and Holidays must be received by 3:45 P.M. on the preceding straight time day.

HOLIDAYS OBSERVED: New Year's Day, Martin Luther King, Presidents Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day. Any national holiday hereafter proclaimed by the President of the United States. In the event any of the above holidays fall on Saturday or Sunday, the following Monday will be observed as such holiday.

OTHER SERVICES: For any service performed by the tugs other than Georgetown Harbor, Sampit River Bridge to Beacon No. 29, tug running time will be charged at the applicable hourly rate, two (2) hour minimum, in addition to the rate for docking or undocking. For all services not specifically covered by this schedule, rates will be furnished upon request.

VESSELS AGROUND OR IN DISTRESS: The Terms and Conditions of this contract do not apply to services rendered in connection with salvage, nor to vessels aground or in distress. These services shall be governed solely by the Terms and Conditions of a BIMCO Contract utilized by McAllister.

FORCE MAJEURE: McAllister, the tugs, their respective owners, affiliates, operators, charterers, managers, underwriters, masters and crews (collectively the "Tug Interests") shall not be responsible for any expense, loss, damage or claim whatsoever caused by or resulting from delay, failure, act or omission hereunder due to strikes, lockouts, labor disturbances, riots, fire, earthquakes, storm, lightning, epidemics, war, disorders, acts of God, acts of the public enemy, terrorists, port congestion, shortage of tugs, mechanical breakdowns, priorities in service, or any other cause whatever beyond their control.

EMPLOYMENT OF OTHER TUGS: If at any time tugs are not conveniently available for the required services, McAllister will endeavor to designate or engage other tugs to provide the service, but Tug Interests shall not be liable for damages in case we are not able, at any time, for any reason, to furnish such services. Any tug designated or engaged by McAllister to perform services under this contract, and its owners, Master and crews shall, while performing such service, have the benefit of all contract provisions herein. However, if for any reason, at any time, McAllister is unable to have tugs owned or specified by us on hand to serve Owner's vessel, Owner is at liberty to engage any other tugs to serve it at such time but without the right to charge McAllister any difference in price. In agreeing to endeavor to provide this service it is understood and agreed Tug Interests do not expressly or implicitly warrant the seaworthiness power, equipment or competency of the crew of the tug or tugs supplied by McAllister in the performance of this contract.

LIMITATION OF LIABILITY: The furnishing of any service or anything done in connection therewith shall not be construed to be or give rise to a personal contract, and it is understood that 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 Statutes of the United States. **MCALLISTER WARRANTS THE EXERCISE OF REASONABLE CARE IN THE PERFORMANCE OF TUG SERVICES BUT DISCLAIMS ALL OTHER WARRANTIES EXPRESS OR IMPLIED.**

Unless entitled to immunity or to defenses to, exemptions from and limitations of liability provided under this contract 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 affirmatively proven, for claims, demands, causes of action, liabilities and costs (including third party claims) arising out of or in connection with any occurrence or series of occurrences related to the provision of tug services pursuant to this contract up to a maximum aggregate amount of two hundred 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 in this contract. Should Owner desire that Tug Interests retain liability in excess of \$250,000.00 it should notify McAllister in writing, whereupon McAllister will quote rates for tug services hereunder predicated on 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 prevail. Nothing herein shall be construed to waive or limit the right of Tug Interests to assert and 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.

Notwithstanding anything to the contrary in this contract or elsewhere, Owner understands and agrees that the rates charged hereunder are also predicated on Owner's agreement that the 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 harmless the Tug Interests from and against any and all claims, demands, causes of action, liabilities and costs (including attorney's fees and third party claims of whatever nature) in excess of the applicable amounts set forth above that are attributable to the acts or omissions, whether or not negligent, of the 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. Except as set forth below, the parties intend for this indemnity to apply in all instances including, without limitation, allision, collision and third party claims. Owner warrants that it possesses sufficient and adequate insurance on the vessels assisted pursuant to this contract, including 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 provided hereunder, 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 an additional or coassured, as applicable.

Nothing herein shall preclude Tug Interests from recovering from any responsible party for any damages sustained by any tugs providing services hereunder.

The second and fourth paragraphs of this Limitation of Liability section above shall not apply to deadship moves. As used in this contract, a "deadship" is a vessel that has lost the use of its power or steering.

PILOTAGE: McAllister does not furnish pilots or pilotage to vessels making use of or having available their own propelling power, so that whenever any licensed pilot, or a captain of any tug which is furnished to or is engaged in the services of assisting a vessel making use of or having available her own propelling power, 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 and charterer 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 McAllister and neither those furnishing the tugs or lending any such person, nor the Tug Interests shall be liable for any act or omission of any such person. For the purposes of this paragraph, vessels making use of or having available their own propelling power shall be deemed to include tug barge units and vessels of any description having, at any time the service is rendered, another tug in assistance. The provisions of this paragraph may not be changed or modified in any manner whatsoever except by written instrument signed by an officer of this company.

MISCELLANEOUS: 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 the authority to bind the vessel owner to all provisions of the preceding paragraphs 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.

If any provision of this contract is found void or unenforceable, the remaining terms and conditions shall remain in full force and effect.

FUEL SURCHARGE: All rates published in this schedule are subject to the prevailing fuel surcharge.

EFFECTIVE DATE: The above rates, terms and conditions supersede all previously published schedules and are effective from April 15, 2008.

