

PROVIDENCE STEAMBOAT COMPANY

PROVIDENCE STEAMBOAT COMPANY, ONE INDIA ST, PROVIDENCE, RI 02903
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PROVIDENCE TOWING CONTRACT

Date

Messrs.....

(hereinafter "Owners")

We hereby agree as agents for and on behalf of PROVIDENCE STEAMBOAT COMPANY, hereinafter("Providence Steamboat") to perform all the Tugboat assistance required by all vessels owned or operated by you on time charter or otherwise, in the Narragansett Bay and vicinity, at the rates and upon the terms and conditions as stated herein.

The owner, operator, charterer, agent, representative, or any other person ordering tug services to assist a vessel in accordance with this Contract shall be collectively referred to herein below as "Owner." 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 Providence Steamboat harmless from all damages and expenses that may be sustained or incurred by Providence Steamboat in the event and in consequence of such person or Company not having such authority.

Owner agrees that during the term of this contract, Providence Steamboat may issue written notice of an adjustment to the rates, terms and conditions applicable to services provided hereunder to reflect changes in the cost of operations, working hours, conditions or in consequence of any change in law or regulations. It is understood and agreed that said notice of adjustment shall be an agreed amendment to this Contract, without need for additional signatures, unless Providence Steamboat receives written notice of rejection of said adjustment at least thirty (30) days before said adjustment is to become effective.

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) day notice prior to the annual expiration date.

PROVIDENCE STEAMBOAT COMPANY

By

ACCEPTED

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

EFFECTIVE: JANUARY 1, 2016

TERMS: Net 30 days. In the event Owner fails to make payment when due or fails to pay entire balance due under this contract or invoice, Owner will be considered in default and will be responsible for all cost of collection including reasonable attorney's fees and court cost. In addition, Owner agrees to pay 1.5% interest per month on outstanding balance. Providence Steamboat hereby certifies it is an Affirmative Action Equal Opportunity Employer and complies with the requirements of the FAIR LABOR STANDARDS ACT.

DOCKING AND UNDOCKING CHARGES: The following is a Schedule of Rates by zone per operation for docking and undocking vessels with power during the hours 0800 and 1600 on non-holiday Monday through Fridays:

DWT: Is the highest measurement of the vessels deadweight tonnage as published in the current Lloyds Register of ships.

NOTIFICATION OF TUG SERVICE: Four (4) hours of definite notice is required.

<u>ZONE</u>	<u>LOCATION</u>
1	Providence
2	Fall River, Somerset, Tiverton

Docking or Undocking up to 2 Tugs			
DWT		Zone 1	Zone 2
Up to 25,000		\$4,623	\$5,768
25,001	35,000	\$6,980	\$9,410
35,001	45,000	\$9,288	\$11,718
45,001	55,000	\$10,216	\$12,646
Each Additional 5,000		\$250	\$309

ADDITIONAL TUGS REQUIRED: When more than two (2) tugs are required to handle a vessel in conditions such as weather, tidal conditions, congestion, difficult berths, USCG mandated regulations, or any other factors required, there will be an additional charge of fifty (50) percent of the normal docking or undocking charge per additional tug(s).

The following is a Schedule of Rates per tug for docking and undocking vessels with power during the hours of 0800 and 1600 on non-holiday Monday through Fridays:

LOCATION

Davisville, Quonset Point

Docking or Undocking Per Tug		
Up to 25,000 DWT		\$3,681
25,001	50,000	\$4,379
Over 50,001		\$9,075

OTHER LOCATIONS: Ship assist work south of the above locations will be billed at the hourly rate, with a minimum of four (4) hours.

SERVICES: It is understood that all tug service to a self-propelled vessel, whether or not such vessel is making use of its own propelling power, is furnished subject to the terms and conditions set forth in this schedule. Docking and undocking services shall include tug assistance to the vessel from stream to the berth, or from the berth to stream, time used not to exceed two hours.

RATES FOR TUGS WORKING BY THE HOUR: The hourly weekday rate for any service that is not a docking or undocking, or specified elsewhere herein, is \$1,145.00 with a minimum of two (2) hours per tug between the hours of 0800 and 1600 hours Monday to Friday. Between the hours of 1600 and 0800 Monday to Friday and on Saturday, Sunday, and Holidays, the rate is \$1,550.00 per hour per tug with a minimum of two (2) hours per tug from the time tug leaves station and returns to station, prorated to the nearest half (1/2) hour.

OFF HOURS, SATURDAYS, SUNDAYS, AND HOLIDAYS: The rate for work starting or ending during weekend days, holidays, or during the hours 1600 through 0800, includes a 35% surcharge in addition to the above rates. For all jobs, time starts when the tug reports to the job and ends at dismissal.

HOLIDAYS OBSERVED: New Year's Day, Martin Luther King's Birthday, 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.

STANDBY: Rates will be quoted upon request.

ESCORTING: If a tug is requested or required to escort a vessel, the rate applicable to that tug shall be \$1,145.00 per hour per tug with a minimum of two (2) hours per tug between the hours of 0800 and 1600 hours Monday to Friday. Between the hours of 1600 and 0800 hours Monday to Friday and on Saturday, Sunday and Holidays, the rate shall be \$1,550.00 per hour per tug with a minimum of two (2) hours per tug. These rates are calculated from the time tug leaves station and returns to station prorated to the nearest half (1/2) hour, after the first two (2) hours.

TETHERED ESCORT: If a ship requires a tethered escort, the applicable rate to that tug will be an additional 50% of the hourly rate with a two (2) hour minimum, prorated to the nearest half (1/2) hour, after the first two (2) hours.

TRACTOR TUG RATE: If a tractor tug is specifically requested or required, the rate applicable to that tug shall be an additional 50% of the above schedule of rates and/or any applicable hourly rate.

CAPITAL PIER AND BRAYTON POINT: Vessel services at the Capital Pier in East Providence and at Brayton Point in Somerset with beam widths in excess of 90 feet will be billed at 140% of the standard tariff rate.

SHIFTING: Shifting is a service performed in connection with the movement of a vessel from berth to berth. The charge per tug is determined by using the highest zone of the schedule of rates.

DETENTION: If any tug is detained because the vessel is not ready, or for any other conditions beyond Tug Interests' control, the time of Detention will be charged at the rate of \$1,145.00 per hour per tug pro-rated to the nearest (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 delay is caused by circumstances beyond the control of the tugs.

CANCELLED ORDERS: If orders are cancelled at least four (4) hours prior to the ordered time, there will be no charge. 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. When an order is cancelled after any tug reports to the location ordered, the charge will be three-quarters (3/4) of the applicable rate.

ICE CHARGES: When a tug is operating in ice conditions, whether the vessel is docking, undocking, shifting or transporting a vessel, shifting barges, scows or lighters, the surcharge will be 50% of the above applicable rate shown on this Contract.

When it is necessary for a tug to break ice prior to docking or sailing a vessel or to clear an ice bound slip, for any reasons, the surcharge will be an additional 50% of the applicable hourly rate with a two (2) hour minimum, prorated to the nearest half (1/2) hour.

OTHER SERVICES: Prices for services rendered in connection with dead ship tow salvage, ocean towing, and vessels aground or in distress will be separately quoted on request. These services, or services not otherwise covered by this contract, may be governed by the terms and conditions of an appropriate BIMCO form contract or such other contract as may be agreed by the parties. U.S. law and New York arbitration will apply.

TUG INTEREST: Providence Steamboat, its owners, officers, directors, insurer, employees, any tugs providing services pursuant to this Contract, their respective owners, affiliates, operators, charterers, managers, underwriters, masters, and crews shall be collectively referred to herein as "Tug Interests".

FORCE MAJEURE: 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, fire, earthquakes, storm, lightning, epidemic, 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 whatsoever beyond their control.

EMPLOYMENT OF OTHER TUGS: If at any time Providence Steamboat tugs are not conveniently available for the desired services, Providence Steamboat will use its best efforts to designate or engage other tugs from other sources to provide tug service, but Tug Interests shall not be liable for damages if Providence Steamboat is unable, at any time, for any reason, to furnish such services, either through its own tugs or by engaging tugs from any other source. Tug Interests shall, while performing any service pursuant to this contract, have the benefit of all contract provisions herein and shall be considered third party beneficiaries of this Contract and all limitations of liability herein. Further, 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 Tug Interests in the performance of this Contract, but which are otherwise not owned, operated or controlled by Tug Interests. If for any reason, at any time, Providence Steamboat 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, Providence Steamboat shall have no obligation to reimburse Owner for any price differential or any other cost incurred by Owner.

DAMAGE CLAIM TIME LIMITS: Owners shall notify McAllister of any damage to the vessel assisted that allegedly occurred during the performance of services hereunder. Such notice shall be in writing and shall be delivered as soon as practicable, but not later than 48 hours following occurrence. McAllister shall be afforded an opportunity to inspect or survey such damage before commencement of any repairs. Any action in any forum to recover damages from Tug Interests, or any of them, shall be commenced within one year after the occurrence giving rise to the claim, failing which said claim shall be deemed waived.

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. TUG INTERESTS WARRANT THE EXERCISE OF REASONABLE CARE IN THE PERFORMANCE OF TUG SERVICES BUT DISCLAIM ALL OTHER WARRANTIES EXPRESS OR IMPLIED.

Unless entitled to defenses or limitations of liability provided under this Contract or under any applicable law, rule or regulation that would reduce its 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 must 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 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 Tug Interests. Owner further understands and agrees that the rates charged by or on behalf of Tug Interests 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 two hundred and fifty thousand dollars (\$250,000.00) it will notify Providence Steamboat in writing, whereupon Providence Steamboat 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 any defenses to liability available to it or to avail itself 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 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 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 Tug Interests, 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, allisions, collisions and third party claims. Owner warrants that Owner 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 additional or coassureds, as applicable. Nothing herein shall preclude Tug Interests from recovering from any responsible party or any damages sustained by any tugs, or their Masters or crews, providing services hereunder.

PILOTAGE: Tug Interests do 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 at the commencement of such service, 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, 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 Tug Interests and neither those furnishing the tugs or lending any such person, nor Providence Steamboat 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 commenced, 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 Providence Steamboat.

In consideration of Providence transporting a docking and/or state pilot without charge to and/or from the vessel being assisted hereunder, Owner agrees that is shall indemnify, defend and hold harmless Tug Interests from and against 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's shoreside premises, en route to or from the vessel being assisted, and (ii) boarding or disembarking from a tug or other vessel supplied by or on behalf of McAllister. As used herein the term "pilot" shall also include any assistant pilot, trainee or other person who may accompany the pilot in any capacity.

MISCELLANEOUS: 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 Contracts and are effective January 1, 2016.