



# McALLISTER TOWING OF VIRGINIA, INC.

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## Schedule of Rates, Terms and Conditions Effective September 15, 2021

Date .....

It is hereby agreed between Messrs: \_\_\_\_\_ (hereinafter, called "Owner") and McALLISTER TOWING OF VIRGINIA, INC. (and its successors) (hereinafter called "McAllister") that McAllister will furnish Tugs for and attend to all the towage requirements at the Port of Norfolk, Hampton Roads and its tributaries and other agreed locations of Vessels owned, managed or controlled by Owner, and Owner agrees to place all of its towage requirements at the Port of Norfolk, Hampton Roads and its tributaries 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.

By signing this Schedule of Rates, Terms and Conditions (the "Schedule" or "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 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 shall have the right at any time, upon thirty (30) days advance notice to Owner, to increase rates or adjust terms and conditions, but if Owner does not consent to such changes, they may cancel this Contract upon thirty (30) days' notice.

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

McALLISTER TOWING OF VIRGINIA, INC.

By .....

**EFFECTIVE SEPTEMBER 15, 2021**

Acceptance:

OWNER:

By .....

Authorized Signatory

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 SERVICES ARE PROVIDED (WHICH SCHEDULE INCLUDES LIMITATIONS AND DISCLAIMERS WITH RESPECT TO PERFORMANCE OF SAID 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. 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 AVAILABLE UPON REQUEST.

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

**“Deadship”:** Shall mean a Vessel that at the commencement of any services requested from and provided by McAllister does not have use of, or which will not be using, its propelling power and/or steering.

**“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.

**“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 this service.

**“McAllister”:** McAllister Towing Virginia Inc., and its successors.

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

**“Schedule”:** The Schedule of Rates, Terms and Conditions for the applicable port that is in effect on the date that Tug Services are rendered to a Vessel. A current copy of the Schedule may be found on McAllister’s webpage at [www.mcallistertowing.com](http://www.mcallistertowing.com).

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

**“Tug Interests”:** McAllister, the Tugs, their respective owners, affiliates, operators, charterers, managers, underwriters, masters and crews.

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

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

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

THE FOLLOWING SCHEDULE OF RATES, TERMS AND CONDITIONS APPLIES FOR TUG ASSISTANCE TO VESSELS IN THE PORT OF NORFOLK/HAMPTON ROADS AND ITS TRIBUTARIES IN CLEAR WATER AND SAFE BERTH.

RATES ARE IN U.S. DOLLARS, BASED ON THE HIGHEST NET REGISTERED TONNAGE (NRT) AS PUBLISHED IN THE THEN CURRENT EDITION OF “LLOYD’S REGISTER OF SHIPS”. SHOULD THE VESSEL TYPE NOT HAVE AN ASSIGNED NRT, RATES WILL BE PROVIDED UPON REQUEST.

**DOCKING AND UNDOCKING CHARGES:** The following schedule of rates, terms and conditions applies for each Docking or each Undocking of a Vessel, using its own propelling power from the stream to a dock and from a dock to the stream.

**NOTIFICATION:** Notice for Tug service for Hampton Roads and Southern Branch should be given at least four (4) hours prior to the time the Tug is required. The minimum notice time for Norfolk, Newport News and Portsmouth is two (2) hours. The minimum notice time for Yorktown is six (6) hours.

**SHIPS WITH POWER:** Docking or Undocking, not through bridges: \$0.72 per NRT. When transiting through bridges an additional \$.08 per NRT will be charged for each bridge. The above rates are subject to a minimum charge based on 8,750 NRT. Ship rates will apply to tank barges over 80,000 barrels and dry bulk barges over 7,500 DWT.

Contract discounts only apply to Docking/Undocking rates as above. Tug Services provided to a Vessel on an hourly basis are not subject to a discount.

**ADDITIONAL TUGS REQUIRED:** When more than two (2) Tugs are required to assist a Vessel in conditions such as weather, tidal conditions, congestion, difficult berths, congested berths, USCG mandated regulations, request by Master, Pilot or Port Agent 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).

**PEAK HOUR SERVICE:** Service performed between the hours of 03:00-08:00 and 15:00-20:00 that requires hiring an outside contractor to assist shall be charged a twenty-five (25%) surcharge of the contracted rate for each Tug so hired.

**HOURLY RATES (INLAND WATERS ONLY):** The hourly rate of \$1,500.00 per hour per Tug with a minimum of two (2) hours per Tug for all Tug Services that are not defined as a Docking or Undocking as above. Time starts when Tug is ordered out from her Tug Station and ends when Tug returns to her Tug Station, prorated to the nearest half (1/2) hour, after the first two (2) hours. Hourly charges are not subject to a discount.

**Towing or assisting vessels:** Towing or assisting vessels between Cape Henry (Lynnhaven) and Hampton Roads or assisting Vessels at Richmond, Hopewell, Yorktown, Claremont and Fort Eustis. There shall be an 8-hour minimum charged for each Tug.

**Transporting Assistance:** Assisting a Vessel in moving from berth to berth, berth to anchor, anchor to berth and anchor-to-anchor whether or not the Tug is made fast to the Vessel and Escorting a Vessel or providing active escort assistance.

**Attendance:** Attending a vessel, including service at anchorage, or similar Tug services.

**Shifting barges:** Shifting barges, scows, or lighters for clearing berths whether or not in connection with a Docking or a sailing.

For all services or assistance not specifically covered by stated rates in this Schedule, such special rates or compensation shall be charged for as may be mutually agreed upon by McAllister and the parties at interest.

**HOLIDAYS OBSERVED:** New Year's Day, Martin Luther King Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Columbus Day, November Election 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.

**HOLIDAY/WEEKEND SURCHARGE:** All Rates contained herein are subject to a 35% surcharge for Vessels serviced on a Saturday, Sunday and the Holidays named above. If a Tug service commences on a regular day and concludes on a Saturday, Sunday, or Holiday, or vice versa, the surcharge shall apply.

**TRACTOR TUG:** If a tractor Tug is specifically requested or required, the rate applicable to that Tug shall be an additional 50% of the above scheduled rate(s) and/or any applicable hourly rate.

**ESCORTING:** If a Tug is requested or required to Escort a Vessel, the rate applicable to that Tug shall be \$2,800.00 per hour per Tug with a minimum charge of two (2) hours per Tug, calculated from the time Tug leaves station until it returns to station, prorated to the nearest half (1/2) hour, after the first two hours.

**TETHERED ESCORT:** If a Vessel requests a Tethered Escort, or one is required to have a Tethered Escort Tug between Cape Henry and Sewell's Point Anchorages, whether inbound or outbound, shall be charged one and one half (1½) times the above hourly rate with a two (2) hour minimum per Tug, calculated from the time Tug leaves station until it returns to station, prorated to the nearest half (1/2) hour, after the first two (2) hours.

**CANCELLED ORDERS:** When a Tug is ordered and then cancelled prior to the arrival of the Tug at the location ordered, a charge of two-thirds (2/3) of the applicable rate will be made. 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 plus any detention incurred. There will be no charge if the orders are cancelled at least four (4) hours prior to the ordered time.

**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 \$1,500.00 per hour per Tug prorated to the nearest half (1/2) hour after the time that the Tug reports at the scheduled sailing time. Detention shall also be charged at \$1,500.00 per hour per Tug prorated to the nearest quarter (1/4) hour 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. With respect to docking and undocking delays, the Detention charge shall be \$1,500.00 per hour per Tug prorated to the nearest quarter (1/4) hour.

**ICE CONDITIONS:** When a tug is operating in ice conditions, when providing any Tug Services, the charge will be fifty (50) percent above the applicable rate shown on this Schedule.

**PASSENGER VESSELS – Net Registered Tonnage, Minimum 25,000 NRT**

Docking or Undocking: \$4,352.00

Greater than 25,000 NRT, each 2,500 ton increment or portion, add an additional \$300.00 to Docking or Undocking Rate.

**OTHER SERVICES:** Prices for services rendered in connection with Deadship 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 Deadships, McAllister and Owner agree as follows: In consideration of the uncertain towage characteristics of a Deadship and of McAllister's agreement to furnish Tug Services to said Deadship hereunder, Owner agrees (i) to maintain hull and machinery insurance in an amount at least equal to the full value of the Deadship, (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 defined herein) 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 Deadship 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 Deadship 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 Deadships. Owner shall make all necessary arrangements for a master and, if required or deemed advisable, a duly licensed pilot to serve aboard the Deadship, 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 Deadship assisted and her owner or operator for all purposes and in every respect, his services while so engaged being the work of the Deadship assisted, her owner and operator, and being subject to the exclusive supervision and control of the Deadship's master or Owner's other command personnel aboard. McAllister's Tugs will act at all times in accordance with the direction of the pilot and master, as applicable.

**TUG INTERESTS:** McAllister, its owners, officers, directors, insurers, 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 or liable for any expense, loss, damage or claim whatsoever 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 whatsoever beyond their control.

**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 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:**

- a. Owner shall notify McAllister of any claim, including damage to a 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. McAllister shall be afforded an opportunity to inspect or survey such 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.
- b. 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.
- c. Tug Interests and Owner 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:**

- a. The furnishing of any service or anything done in connection therewith, shall not be construed to be or to 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 of Liability Statutes of the United States.
- b. 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.
- c. 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 affirmatively proven, 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.
- d. 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.
- e. Notwithstanding anything to the contrary in this Contract or elsewhere, Owner understands and agrees that the rates charged hereunder are also predicated on agreement that Tug Interests shall have no liability for any consequential, punitive, exemplary or special damages of any kind howsoever arising.
- f. 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 on the Vessels assisted pursuant to this Schedule, 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 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.
- g. 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 any service rendered at the request of Owner.
- h. 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:**

- a. 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 on board 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, her Owner and 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 Owner shall indemnify, defend and hold harmless Tug Interests for any and all damages arising out of 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.

b. In consideration of McAllister transporting the 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 for 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.

Should the occurrence of a Force Majeure event (or other similar emergency that is beyond McAllister's control) cause a material increase in its 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 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.

**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 a payment is not made when due, in whole or in part, 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 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 hereby certifies it is an Affirmative Action Equal Opportunity Employer and complies with the requirements of the Fair Labor Standards Act.

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

**EFFECTIVE DATE:** The above rates, terms and conditions supersede all previously published schedules and are effective from September 15, 2021.