



BOSTON TOWING & TRANSPORTATION COMPANY

404 Border Street
East Boston, MA 02128

Schedule of Tug Service Rates, Terms and Conditions - Effective January 1, 2016

- TUGS:** All tug power is supplied by us at the rates and on the terms set forth in this Schedule of Tug Service Rates, Terms and Conditions (this "Schedule"). Capitalized terms used but not defined in this Schedule have the meanings assigned to them in the Towing Agreement to which this Schedule is attached.
- RATES:** Our rates are as shown in the following rate table and are charged on a per job, per tug basis (in U.S. dollars) depending on the location of the job and the starting or dismissal time of the tug. For any job, the rate per tug is the rate shown on the table for the location of the job (by group, as described under "Group Locations" below and the starting or dismissal time for the tug (whichever of the two times provides for the higher rate). Time starts when the tug reports at the location ordered and stops when the tug is released. All times are Eastern Standard Time or Eastern Daylight Time, whichever is then in effect. The rates in **bold figures** apply on Saturdays, Sundays and holidays. For service at any location not covered by the table, the rate will be supplied on request.

Rate Table

<u>Group</u>	<u>0800 - 1600</u>	<u>0200-0800, 1600-2200</u>	<u>2200-0200</u>
1	1,875	2,229	2,671
	2,310	2,924	3,329
2	2,105	2,528	3,023
	2,753	3,362	3,817
3	2,773	3,026	3,463
	3,790	3,969	4,519
4	3,768	4,204	4,895
	4,931	5,589	6,424
5	5,603	5,787	5,964
	7,388	7,494	7,678

Group Locations

Group 1	All docks below bridges in Boston Upper Harbor and above the Mystic River Bridge
Group 2	All docks between the McArdle Bridge and the Chelsea Street Bridge
Group 3	All docks above the Chelsea Street Bridge
Group 4	All docks in Quincy, Weymouth, Braintree
Group 5	All docks in Salem and Gloucester

In addition to the per tug charges shown in the rate table, there is a Deadweight Tonnes (or "DWT") charge for any vessel equal to or exceeding 25,000 DWT. "DWT" means metric tons deadweight as published in the current edition of "Lloyd's Register of Shipping." The additional charge for any vessel is shown in the following table.

DWT Charge

DWT	Charge
25,000-45,000	425
45,001-65,000	550
65,001-85,000	650
85,001 and above	750

For all government vessels, passenger ships and vehicle carriers, there is an additional charge of \$425 per tug in lieu of the deadweight charge. When vessels are docking in Boston Upper Harbor (Group 1-3 inclusive), tugs meet them in the stream off Castle Island, Army Base, Commonwealth Pier. If tugs are required to meet vessels at Quarantine Anchorage (Presidents Roads) or accompany vessels after undocking to President Roads, the charge from or to Presidents Roads, in addition to the undocking rate per tug, will be assessed using the applicable hourly rate from section 9.

3. **SHIFTING:** When shifting between any two berths or along a pier the charge will be computed as a separate undocking and docking.
4. **DEAD SHIP MOVES:** If a vessel being shifted is not making use of her own propulsion power for any reason, an additional charge of \$975 per tug will be added to the charges outlined in section 2. This charge will also apply to any vessel whose propelling power becomes inoperative during the course of a docking or undocking and has to be handled as a dead ship in order to complete the maneuver.
5. **DOCKING STERN-IN OR THROUGH A DRAW OR LIFT BRIDGE:** There will be an additional charge of \$350 per tug added to the charges outlined in section 2 for stern-in dockings except that when assisting a vessel which is maneuvering stern first through a draw or lift bridge this charge will be \$650.
6. **TRACTOR TUG CHARGE:** When a tractor tug is specifically requested or required, there will be an additional charge of 50% of the applicable per tug charge.
7. **FUEL SURCHARGE:** All rates published herein are subject to prevailing fuel surcharge ("FSC").
8. **ORDERS, REPORTING CHARGES AND CANCELLED ORDERS:** Orders for work to be performed after 1800 (6:00 pm) and before 0800 (8:00 am) on any day must be given by 1700 (5:00 pm) the immediately preceding day to ensure availability of tugs. If original orders are not received in a timely manner (four (4) hours of notice), a surcharge of 100% will be assessed for each tug's time and location rate. If, after the original order is placed, changes are made but are not received in a timely manner (four (4) hours of notice), a surcharge of 25% will be assessed for each tug's time and location rate.

When a tug is ordered to report to a location and the orders are cancelled, the charge will be two-thirds (2/3) the location and time rate as shown in section 2 at the time the orders are cancelled.

When a tug reports to the location ordered and the orders are cancelled, the charge will be three-quarters (3/4) of the location and time rate shown in section 2 for the scheduled time of the service.

When a tug is ordered for a vessel for Saturday, Sunday or Holiday and the vessel does not arrive, or orders are cancelled for any reason, the three-quarter (3/4) charge will apply.

9. **MISCELLANEOUS WORK & EXCESS TIME:** All miscellaneous tugboat work will be charged at the rate of \$890 per hour per tug, to commence from the time our tugboat departs our dock and end at the time it returns to our dock. Hourly rates are subject to a two (2) hour minimum. All charges will be computed on the basis of each half-hour after the first two (2) hours and any fraction of each half hour thereafter will constitute a full half-hour.

If loss of operating time to our tug is caused by the assisted vessel not being ready or by other conditions beyond our control, an excess time charge of \$890 per tug per hour will apply. Charges for excess time will commence after the first fifteen (15) minutes of delay and will be computed on the basis of each half hour. Any fraction thereof will constitute a full half-hour.

10. BREAKING ICE AND OPERATING UNDER ICE CONDITIONS: When it is necessary for a tug to operate under ice conditions, for any reason, there will be an additional per tug charge of \$1,250 per hour plus applicable FSC with a 2 hour minimum.

11. LIMITATIONS OF LIABILITY:

a. 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 Reinauer Transportation Companies, LLC ("Reinauer") and its Boston Towing & Transportation Company division (collectively with its affiliates, any vessels it or its affiliates may furnish, and its and its affiliates' respective owners, charterers, operators, managers, employees and agents, the "Tug Persons"), 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. REINAUER WARRANTS THE EXERCISE OF REASONABLE CARE IN THE PERFORMANCE OF TUG SERVICES BUT DISCLAIMS ALL OTHER WARRANTIES EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF WORKMANLIKE SERVICE.

b. Unless entitled to immunity or to defenses to, exemptions from and limitations of liability provided under the Contract or under any applicable law, rule or regulation that would reduce its liability to an amount less than that hereinafter set forth, the Tug Persons 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 the Contract up to a maximum aggregate amount of two hundred thousand dollars (U. S. \$200,000). Owners understand and agree that tug services provided under the Contract are rendered at all times under the supervision and command of Owners' 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 any of the Tug Persons. Owners further understand and agree that the rates charged by or on behalf of Boston Tow for tug services are predicated upon the limitations of liability and the indemnities set forth in the Contract. Should Owners desire that the Tug Persons retain liability in excess of \$200,000 they must notify Boston Tow in writing, whereupon Boston Tow will quote rates for tug services hereunder predicated on higher liability limits. Any such quote must be accepted by Owners 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 any of the Tug Persons 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.

c. Owners and any vessel assisted hereunder assume all risk of, and shall indemnify the Tug Persons from and against, any and all loss or damage sustained by them or by any other vessel, property or person that results from the parting, heaving or sudden movement of any hawser or other line, by whomsoever furnished or howsoever caused.

d. Notwithstanding anything to the contrary in the Contract or elsewhere, Owners understand and agree that the rates charged hereunder are also on agreement that the Tug Persons shall have no liability for any consequential, punitive, exemplary or special damages of any kind (including lost profits), howsoever arising.

e. Owners agree to indemnify, defend and hold harmless the Tug Persons from and against any and all claims, demands, causes of action, liabilities and costs (including attorneys' fees, penalties, fines and third party claims of whatever nature) that are attributable to the acts or omissions, whether or not negligent, of the Tug Persons, or any of them, or to the 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 to the extent that they exceed, in the aggregate, the applicable amounts set forth in subsection 11(b) above. The parties intend for this indemnity to apply in all instances including, without limitation, allision, collision, personal injury, fire, explosion, grounding, oil spills and third party claims. Owners warrant that they possess sufficient and adequate insurance on the vessels assisted pursuant to the 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 the Tug Persons and with the Tug Persons entitled to all benefits under said insurances of a named assured or joint member, as applicable.

- f. Nothing herein shall preclude any of the Tug Persons from recovering from any responsible party for any damages sustained by any tugs providing service hereunder.
- 12. FORCE MAJEURE:** Boston Tow agrees to supply tug power promptly, consistent with other commitments, upon receipt of orders, but the Tug Persons will not be responsible for delays, extra expenses or damages caused by an Act of God, restraint of Princes and Rulers, the direct or indirect acts of the public enemies of the United States, strikes, accidents, fire, riots, weather, war or war-like operations, whether declared or undeclared, involving the United States, or the existence of a national emergency proclaimed by the President of the United States, or the requisitioning of any tugs, or any other causes of a similar or dissimilar nature beyond its control.
- 13. PILOTAGE:** When the captain or other officer of any tug provided for, or engaged in, the service of furnishing tug power for, or assistance to, a vessel which makes use of or has available her own propelling power goes on board said vessel, it is understood and agreed that said tugboat captain or other officer or licensed pilot becomes the servant of the owners of said vessel in respect to the giving of orders to any of the tugs provided for, or engaged in, said service and in respect to the handling of said vessel, and neither those providing the tug or tugs nor the tug or tugs, their owners, agents or charterers shall be under any liability for damages resulting there from, and, further, that said tug or tugs and/or their owners, agents and/or charterers shall be under no liability for executing the orders of said tug captain or other officer or licensed pilot.
- 14. GENERAL:** With respect to vessels that are not owned by the person or company ordering the tugboat 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 the preceding paragraphs, and agrees to indemnify and hold the Tug Persons harmless, and also those furnishing the tugs and/or pilot, the tugs, their owners, charterers, operators, managers, employees and agents, 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 the Contract is found void or unenforceable, the remaining terms and conditions shall remain in full force and effect. The Contract shall be construed, interpreted and enforced in accordance with the maritime law of the United States of America and by the laws of the Commonwealth of Massachusetts, without regard to principles of conflicts of law. The sole and exclusive jurisdiction and venue for any litigation arising from or relating to the Contract shall be an appropriate federal or state court located in Suffolk County, Massachusetts.