CHARLESTON HEAVY LIFT 2, INC.

DERRICK BARGE OCEAN RANGER TARIFF NO. 1

Hoisting Rates, Charges, Rules and Conditions Governing Use Of 500-ton Capacity Derrick Barge OCEAN RANGER

TARIFF

THIS TARIFF IS SUBJECT TO ARBITRATION PURSUANT TO THE SOUTH CAROLINA UNIFORM ARBITRATION ACT, S.C. CODE OF LAWS 1976, AS AMENDED, TITLE 15, CHAPTER 48

ISSUED February 28, 2014

EFFECTIVE March 1, 2014

ISSUED BY BENJAMIN B. SMITH, JR., MANAGER, PRICING & TARIFFS 4170 HWY 165 YONGES ISLAND, SC 29449

TARIFF FOR THE USE OF DERRICK BARGE "OCEAN RANGER" "VESSEL RATES" FEBRUARY 28, 2014

SECTION I - GENERAL CONDITIONS

- 1. This tariff pertains to the utilization of the 500 ton capacity derrick-barge "OCEAN RANGER" for the loading and unloading of ships within the port of Charleston. Rates within this tariff will not apply for lifts requiring the development of a rigging plan or lifts of any unusual nature or salvage work. For these lifts a quote will be furnished upon request. The rates, charges, terms and conditions as set forth herein are subject to change by publication of a new tariff.
- 2. For purposes of this tariff, the rates, charges, terms and conditions set forth in Sections I, II, III and IV shall apply to maritime shipping industry services performed by the derrick-barge "OCEAN RANGER" within the port of Charleston. For lifts for construction, salvage and other requirements and for any service performed by the derrick-barge "OCEAN RANGER" outside the port of Charleston, Sections I and II shall apply and the minimum charges and rates per lift will be quoted upon application addressed to Charleston Heavy Lift 2, Inc.., 4170 Hwy 165, Yonges Island, SC 29449, Telephone 843-889-2254.
- 3. For purposes of this tariff, the port of Charleston is deemed to be that body of water bounded on the north by the Ordinance Reach Turning Basin, on the east by the Ben Sawyer Swing Bridge, on the west by the Wappoo Cut Draw Bridge, and on the Wando River by the SCSPA Wando Welch Container Terminal. Any pass beyond any of the aforementioned boundaries shall be considered outside the port of Charleston for purposes of this tariff.
- 4. For purposes of this tariff, and wherever used herein, the term "CHL" means Charleston Heavy Lift 2, Inc., and term "User" means the company, corporation, individual or other legal entity that has placed the order for employment of the services of the derrick-barge "OCEAN RANGER" to perform hoisting services. The word "ton" means a net ton of 2,000 pounds.
- 5. The placing of an order for the services of the derrick-barge "OCEAN RANGER", whether orally or in writing, shall constitute the ordering party's agreement to the terms and conditions of this tariff and to the charges and rates set forth herein, or as applicable to the charges and rates established by CHL in response to the User's application under paragraph 2 above.
- 6. The derrick-barge "OCEAN RANGER", the tugs attending it, and CHL shall not be responsible or liable, either jointly or severally, for any expenses, losses, damages or claims whatsoever caused by or resulting from the failure or delay in the performance of services due to strike, labor difficulties, breakdowns, shortages of tugs, towing through or in ice, priorities in service or any other causes of like or different character beyond their control or created by operation of law.
- 7. Payment for service of the derrick-barge "OCEAN RANGER" shall be due on presentation of an invoice by CHL to the User or its agent. Invoiced sums not paid within thirty (30) days following such due date will incur a monthly interest charge of 1 ½% running from the original invoice date. In the event of default in payment for service hereunder, User shall be responsible for all costs of collection, including, but not limited to, reasonable attorney's fees.
- 8. Except in circumstances referred to in paragraph 2 of Section III, herein below, the derrick-barge "OCEAN RANGER" shall be considered "in User's employment" from the time of its arrival at the location where the hoisting is to commence until the time all hoisting has been performed, and User has released the derrick-barge "OCEAN RANGER" to return to its mooring.
- 9. CHL will provide towing services for the derrick-barge "OCEAN RANGER" to and from the location at which its services are required at prevailing Tugboat rates plus 15% markup. The user

- will also be charged for any Tugboat "stand-by" time at cost plus 15%.
- 10. Any and all port charges assessed against the crane while in the service of the User will be charged to the User at cost plus 15%.
- 11. The rates and charges for the derrick-barge "OCEAN RANGER" as provided for in this tariff cover the crew of said vessel, and the derrick-barge "OCEAN RANGER" will not be operated by any persons other than said crew. It is also understood and agreed that while the derrick-barge "OCEAN RANGER" is in the User's employment, the crew of the "OCEAN RANGER" become the borrowed servants of the User and the User shall indemnify and hold CHL and the "OCEAN RANGER" harmless from and against any damage resulting from acts and/or omissions of said crew, save and except for events solely caused by the negligence of said crew, to which the limitations of liability provided for in this tariff shall apply.
- 12. CHL will provide, at no additional cost to the User, the equipment listed in attachment "A" to the tariff for vessel loading and unloading. Any special equipment not listed in Attachment "A" which may be required will be provided by the User, or arranged for in advance by the User with CHL. An additional charge will be made for any special equipment furnished by CHL which is not listed in Attachment "A".
- 13. The User shall provide all line handlers and stevedore labor required for the ordered services of the derrick-barge "OCEAN RANGER" at no cost to CHL.
- 14. The derrick-barge "OCEAN RANGER" will <u>only</u> perform hoists and lifts from and/or to points within vertical reach of the vessel's tackle.
- 15. Advance consultation between User and CHL is required for all lifts of any unusual nature involving items of exceptional value, configuration or dimension.
- 16. For services to be performed in the port of Charleston on Tuesday through Friday, a User must place an order for the derrick-barge "OCEAN RANGER" by 1:00 p.m. on the day preceding the day of the scheduled service. For any such service to be performed on Saturday, Sunday or Monday, User must place an order for same by 1:00 p.m. on the Friday preceding the date of the scheduled service. When an order is placed and accepted by CHL, the User may modify or cancel such order at any time up to four (4) hours prior to scheduled service at no cost; however, a minimum charge of \$2,700.00 for the User's account will be imposed in the event timely notice of cancellation is not given. For services to be performed outside of the port of Charleston, orders must be placed sufficiently in advance of the desired service to allow towing time to work site.
- 17. USER AGREES TO INDEMNIFY, SAVE, AND HOLD HARMLESS THE SAID DERRICK-BARGE "OCEAN RANGER" AND CHL FROM AND AGAINST ALL LOSSES AND CLAIMS INCIDENT TO OR RESULTING FROM USER'S USE OF THE DERRICK-BARGE "OCEAN RANGER", EXCEPT SUCH LOSSES OR CLAIMS AS MAY RESULT FROM THE STRUCTURAL OR MECHANICAL FAILURE OF THE DERRICK-BARGE "OCEAN RANGER", OR WHEN SUCH LOSSES OR CLAIMS ARE OCCASIONED SOLELY AS THE RESULT OF NEGLIGENCE OF CHL'S EMPLOYEES. HOWEVER, IN NO EVENT SHALL OUR AGGREGATE LIABILITY UNDER THIS TARIFF EXCEED THE SUM OF \$300,000.00 OR THE VALUE OF THE "OCEAN RANGER", WHICHEVER FIGURE IS LESSER.
- 18. THE FURNISHINGS OF SERVICES 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 CHL, DERRICK-BARGE "OCEAN RANGER", AND ANY TUGS FURNISHED BY CHL, THEIR AGENTS, EMPLOYEES, CHARTERERS, OPERATORS AND MANAGERS, SHALL HAVE THE BENEFIT OF ALL EXEMPTIONS FROM, AND LIMITATIONS OF LIABILITY TO WHICH AN OWNER OF A VESSEL IS ENTITLED, UDER THE LIMITATION OF LIABILITY STATUTES OF THE

UNITED STATES.

- 19. THE TERMS AND CONDITIONS CONTAINED IN THIS TARIFF ARE IN LIEU OF ALL WARRANTIES AND LIABILITIES WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND WORKMANLIKE SERVICE. DIFFERENT OR MORE EXTENSIVE LIABILITIES WILL BE ACCEPTED IF AN AGREEMENT IN WRITING STATING THE NATURE AND EXTENT THEREOF IS ENTERED INTO MODIFYING THIS TARIFF BEFORE AN ORDER FOR THE SERVICES OF THE "OCEAN RANGER" IS ACCEPTED BY CHL, AND IF THE PRICE IS ADJUSTED TO INCLUDE THE COST OF APPROPRIATE ADDITIONAL INSURANCE.
- 20. Requests and inquiries on matters relating to the rates, charges, terms and conditions of this tariff should be addressed to Charleston Heavy Lift 2, Inc., 4170 Hwy 165, Yonges Island, South Carolina 29449, Telephone 843-889-2254.
- 21. By accepting the services of the derrick-barge "OCEAN RANGER", the User acknowledges the seaworthiness of the derrick-barge "OCEAN RANGER", its crew and its tug assistance, and that they are fit for the User's intended purposes.
- 22. This tariff shall control the services being performed, but shall not supersede the applicable terminal tariff of the port where the services are performed.
- 23. This tariff may be superseded by terms of written contract between User and CHL.

SECTION II - OVERTIME AND STANDBY CHARGES.

- 1. Overtime charges, at the rate of \$1,500.00 per hour, or any part thereof, shall be made for the following:
 - a. Operating time or standby time before 7:00 a.m. or after 5:00 p.m. or in excess of eight (8) hours per day Monday through Friday.
 - b. Operating time-or standby time on Saturdays, Sundays and holidays for which a minimum of four (4) hours' charge will be made. Holidays shall be those holidays which are observed by CHL, namely, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas.
- 2. Overtime charges shall be in addition to all other charges.
- 3. Whenever the derrick-barge "OCEAN RANGER" is required to stay on site past the eight (8) hour minimum for any reason not attributable to CHL, a charge of \$1,500.00 per hour, billed to the nearest quarter hour, will be made to the User. If CHL determines that weather conditions do not permit operations to begin or continue, no "standby" charges will be made.

SECTION III - RATES AND CHARGES FOR LIFTS UNDER 100 TONS IN THE PORT OF CHARLESTON.

- 1. The rates in this section are subject to an eight (8) hour minimum charge of \$19,500.00.
- Chargeable time will commence, with the departure of the derrick-barge "OCEAN RANGER" from its berth, and will terminate at the time derrick-barge "OCEAN RANGER" returns to its berth and is secured.
- 3. All tonnage calculations in all parts are cumulative (i.e., two forty (40) ton lifts will be considered as eighty (80) tons total).

SECTION IV - RATES AND CHARGES FOR LIFTS OF 101 TONS TO 250 TONS IN THE PORT OF CHARLESTON.

- 1. All lifts between 101 tons and 250 tons will be charged a surcharge of \$52.00 per ton in addition to the minimum charge of \$19,500.00 (i.e. one (1) 60 ton lift and one (1) 55 ton lift equals 115 cumulative tons which will result in a total charge of \$19,500.00 plus 15 tons at \$52.00 per ton for a final total of \$20,280.00).
- 2. All single lifts less than 250 tons will be governed by this rate schedule. Multiple lifts that are less than 250 tons per piece, but have a higher cumulative tonnage will fall in this rate schedule (i.e. two (2) 240 ton lifts equals 480 cumulative tons which will result in a total charge of \$19,500.00 plus 380 tons at \$52.00 per ton for a final total of \$39,260.00).

SECTION V- RATES AND CHARGES FOR LIFTS OVER 250 TONS IN THE PORT OF CHARLESTON

1. All lifts over 250 tons will be quoted on application to Charleston Heavy Lift 2, Inc., 4170 Hwy 165, Yonges Island, SC 29449, Telephone 843-889-2254.

ATTACHMENT "A" RIGGING EQUIPMENT INCLUSIVE WITH HEAVY LIFT RATE

- 1. UP TO 16 FOOT 220,000 LB CAPACITY BRAIDED WIRE ROPE SLINGS
- 2. SHACKLES TO 140 TONS
- 3. 500 TON SWIVEL
- 4. UP TO TWO TRANSVERSE SPREADERS