

## GENERAL TERMS AND CONDITIONS

### 1. Definitions.

- 11 "WCMC" means Tidewater Environmental Services, Inc., a Washington corporation, dba West Coast Marine Cleaning Services, and any of its employees, officers and directors.
- 12 "Client" refers to the individual(s) and entities that have entered into this Agreement with WCMC.
- (a) For Work performed/to be performed aboard vessels, "Client" means the vessel and its owner(s), operator(s), and agent(s) signing on their behalf.
- (b) For Work performed/to be performed ashore, "Client" means the owner(s) or operator(s) of the property where the Work is to be performed.
- 13 "Agreement" means the complete agreement between Client and WCMC, and consists of all of the following: 1) the Work Order Authorization describing the work to be performed by WCMC ("Work"); 2) these General Terms and Conditions; 3) any documents expressly incorporated by reference into the Work Order Authorization or these General Terms and Conditions; 4) any modification to the Agreement as agreed to in writing by Client and WCMC ("Change Order").
- 14 "Hazardous Materials" means any toxic substances, chemicals, radioactivity, pollutants or other materials, in whatever form or state, known or suspected to impair the environment in any way whatsoever. Hazardous Materials include, but are not limited to, those substances defined, designated or listed in any federal, state or local law, regulation or ordinance concerning hazardous waste, toxic substances or pollution.
- 15 "Work Site" means the location where the Work is to be performed, including vessels.

**2. Access and Authorization.** Client will provide WCMC with all necessary access to the Work Site. Client warrants that it has the authority and permission of the owner/occupant of the Work Site to grant such access (for example, the dock where Client's vessel is located). Client warrants that it has obtained (or will obtain prior to performance of the Work), and will comply with, all necessary permits, licenses, consents and authorizations required in connection with the performance of the Work. Delays related to Client's change in schedule or delays in obtaining access to the Work Site or required documentation may result in additional fees. Client warrants that Client is competent to order services on behalf of the vessel(s), if such work is commissioned by Client, and agrees that services are not performed solely on buyer's credit but with the express reservation of a maritime lien in favor of WCMC.

**3. No Warranties.** WCMC will endeavor to perform the Work with that degree of care and skill ordinarily exercised under similar conditions by members of WCMC's profession practicing in the same discipline at the same time and location. No warranty or guarantee, either express or implied, is made or intended by this Agreement. WCMC waives all other representations or warranties, express or implied. By virtue of entering into the Agreement or performing the Work, WCMC does not assume control or responsibility over Client's personnel or equipment or as an operator of the Work Site, nor does WCMC assume any responsibility for reporting to appropriate government agencies any accidents or injuries or conditions of the Work Site that may present a danger to human health or the environment.

**4. Care of the Property.** During the term of this Order, Client will protect WCMC's property from any and all damage. While the property is on Client's premises, Client assumes all risk of damage to or loss of the property (or of any machinery, equipment, or materials obtained or intended for the property) from any cause whatsoever except acts of God or WCMC's sole negligence.

**5. Spills and Environmental Pollution.**

- 5.1 **Mitigation.** In the event of any spill or discharge into the environment of Hazardous Materials caused by WCMC or by Client's personnel, WCMC is authorized but not obligated to mitigate or minimize immediately such spill or discharge.
- 5.2 **Containment and Cleanup.** WCMC is authorized but not obligated to commence containment or cleanup operations as WCMC deems necessary or appropriate or as required by any governmental authority. Client may also, at Client's option, either assume the containment or cleanup operations or allow WCMC to complete such operations. In either event, WCMC shall have, at its option, the right to participate in all containment and cleanup operations.
- 5.3 **Costs.** All reasonable costs, fees, and expenses of containment or cleanup or resulting liability related to any spill, discharge, or environmental pollution will be borne jointly by WCMC and Client in proportion to each party's negligence.

**6. Discovery of Unanticipated Hazardous Materials or Conditions.** The discovery of any Hazardous Materials at the Work Site that Client has not identified as being present and which existence is not reasonably anticipated will constitute a changed condition that will require a Change Order or termination of this Agreement. If WCMC discovers such unanticipated Hazardous Materials, WCMC will notify Client as soon as practicable. The discovery of unanticipated Hazardous Materials may necessitate that WCMC take immediate protective measures. Client will pay the cost of any such additional protective measures. Client is responsible for reporting releases of Hazardous Materials to appropriate government agencies as required by law.

**7. Notice of Conditions or Specifications.** WCMC may rely on information regarding utilities, subsurface conditions, and vessel specifications provided by Client and others. WCMC will have no liability for losses or damages of any kind related in any way to utilities or subsurface structures that were incorrectly marked or identified on maps, drawings, specifications, or other documents provided to WCMC in connection with the Work, including in regards to vessels.

**8. Site Safety.** WCMC disclaims any authority or responsibility for general job site safety and for the safety of persons who are not employed by WCMC. WCMC is not responsible for job safety or site safety of the general project and is not responsible for compliance with safety programs and related OSHA and state regulations that apply to other entities or persons. Client is independently responsible for requiring that its employees and other contractors take responsibility for general job sitesafety.

**9. Permits and Approvals.** Client is to provide and arrange, at no additional cost to WCMC (unless the relevant Work Order Authorization specifically obligates WCMC), all necessary permits, bonds, testing, inspection, and approval of materials or workmanship by the proper authorities.

**10. Compliance with Applicable Laws.** Client must comply with all applicable laws and regulations, and Client agrees to indemnify and hold harmless WCMC for any loss, damage, fine, penalty, or any expense whatsoever as a result of Client's failure to comply with such laws and regulations.

**11. Billing and Payment.**

- 111 WCMC will bill for its services monthly. Payment is due on receipt of the invoice. A service charge of 1.5% per month will apply to any amounts that are more than 30 days past due. In addition to any past due amount, Client will pay all of WCMC's reasonable expenses necessary for collection of any past due amounts including, but not limited to, attorneys' fees and expenses, filing fees, lien costs and stafftime.
- 112 WCMC may invoice Client for additional charges incurred in the event of an unanticipated increase in project-related taxes, fees or similar levies; or if WCMC must modify project-related services, facilities or equipment to comply with new laws or regulations or changes to existing laws or regulations that become effective after execution of this Agreement.

**12. Force Majeure.** Client agrees that WCMC is not responsible for damages arising directly or indirectly from any delays for causes beyond WCMC's control. Such causes include, but are not limited to, strikes or other labor disputes; severe weather disruptions or other natural disasters; fires, terrorist acts, wars or other emergencies. If the delays resulting from any such causes increase the cost or time required by WCMC to perform the Work, WCMC will be entitled to an equitable adjustment in schedule and/or compensation.

**13. Insurance.** Client, at its sole cost and expense (including the cost of all deductibles), must procure and maintain in force during the term of this agreement the following insurance coverages, which will apply independently of indemnity obligations contained herein:

- 131 Workers' compensation insurance as the law requires for all of Client's employees, agents, and subcontractors, and employer's liability insurance in an amount not less than \$1,000,000 per accident. Such insurance must provide coverage in the location in which Client performs the work and in Client's domicile. If there is an exposure of injury or illness under the U.S. Longshore and Harbor Workers' Compensation Act, the Jones Act, and/or other statutes applicable to maritime employees, Client agrees to maintain insurance for such injuries or illnesses, and to provide evidence of such insurance. Client hereby waives immunity and exclusive remedy provisions under any applicable workers' compensation laws.
- 132 Commercial general liability insurance, where applicable, on a per occurrence basis, endorsed to cover premises, operations, products/completed operations, personal injury and contractual liability, with watercraft exclusions deleted and "in rem" coverage as may be applicable, at a minimum limit of \$1,000,000 per accident or occurrence.
- 133 Automobile liability insurance, where applicable, covering Client's owned, rented, leased, and hired vehicles, with limits of liability not less than \$1,000,000 per occurrence.
- 134 With respect to the delivery or removal of fuel or other hazardous products, or waste disposal operations WCMC performs: pollution insurance or environmental impairment insurance with limits of liability not less than \$5,000,000 per occurrence, and any other public liability or environmental impairment coverage that federal, state or local regulatory authorities require.
- 135 Should the services supplied under this agreement include use of or work aboard Client's vessel(s):
- (a) Protection & indemnity/marine liability insurance (to be evidenced either through a full entry with an international P&I Club or on an SP-23 form or equivalent) including collision liability, tower's liability, and liability for seepage, pollution, containment, and cleanup, with extensions for marine contractual liability, removal of wreck, etc., subject to a minimum limit of liability of \$5,000,000 per accident or occurrence.

(b) Hull & machinery insurance including collision liability, with limits of liability at least equal to the full value of all vessels used in connection with performance of the services, and with navigational limitations adequate for WCMC to perform the services.

- 136 All policies must be endorsed to name WCMC, its parent, subsidiary, or affiliated companies and their shareholders, officers, directors, agents, and employees (and the vessel, if applicable) as additional insureds (except Workers Compensation) with a waiver of subrogation.
- 137 The amount or scope of insurance described herein does not place any limitation on the liability the Client assumes, and should Client maintain insurance limits higher than the limits listed above, WCMC will benefit from those higher limits. Client must require its subcontractors performing hereunder to maintain insurance of the types and amounts this Agreement requires of Client. Policies of Client are primary to any insurance WCMC carries, and Client must amend any "other insurance" clauses under its policies accordingly. Should Client fail to procure or maintain any of these insurance coverages, or by any act or omission vitiate or invalidate any of the aforesaid insurance coverages, Client must pay to WCMC all losses and indemnify WCMC against all claims and demands that insurance otherwise would have covered. Irrespective of the requirements as to insurance Client or its subcontractors must carry as this Agreement describes, insolvency, bankruptcy, or failure of any insurance company to pay all claims accruing does not relieve Client of any of its obligations. Such insurance must be written with insurers carrying no less than a "A-" rating from A.M. Best's. Commencement of operations without receipt of the required certificates of insurance does not constitute a waiver of the Client's obligation to maintain the required insurance coverages and to provide WCMC with certificates of insurance.

**14. Indemnification.** Except to the extent caused by WCMC's sole negligence or wrongful act or omission, Client will defend, indemnify and hold WCMC and its agents and employees harmless from and against any claims, liabilities, damages and costs (including, but not limited to, reasonable attorney fees and costs of defense) arising out of (i) death or bodily injury to persons; (ii) damage, loss or destruction of property (including loss of use thereof); or (iii) allegations that WCMC is liable under any law related to Hazardous Materials, each caused by, arising out of, resulting from or occurring in connection with Client's breach or nonperformance of its obligations under the Agreement or any conditions or Hazardous Materials at the Work Site; or (ii) any negligent or wrongful act or omission by Client, its agents or employees.

**15. Limitation of Liability.** WCMC's aggregate liability and responsibility to Client under the Agreement is limited to \$50,000 or the amount of WCMC's owed and paid fee under the Agreement, whichever is greater. This limitation of remedy applies to all lawsuits, claims or actions, including appeals, whether identified as arising in tort, contract or other legal theory related to WCMC's services under this Agreement. The Agreement will not limit or deprive WCMC of any statutory protection against, exemption from or limitation of liability under applicable law, statute, or regulation, and all rights and benefits under all such laws, statutes and regulations are expressly claimed and reserved by WCMC.

**16. Consequential Damages.** WCMC is not responsible for indirect or special damages, including without limitation extra expense, loss of use of property, delay, or damages consequential upon loss of use, whether resulting from negligence or breach or otherwise

**17. Priority.** If there is any conflict between the terms of the Work Order Authorization and these General Terms and Conditions, the terms of the Work Order Authorization shall prevail.

**18. Termination.** Either party may terminate the Agreement without cause upon ten days' prior written notice. In the even Client requests termination prior to completion of the Work, Client agrees to pay WCMC for all reasonable charges incurred to date and associated with termination of the Work.

**19. No Third Party Rights.** All duties and responsibilities undertaken pursuant to the Agreement are for the sole and exclusive benefit of Client and WCMC and not for the benefit of any other party. No third party will have the right to rely on the product of WCMC's services without WCMC's prior written consent and the third party's agreement to be bound to the same terms and conditions as the Client.

**20. Relationship of the Parties.** In performing the Work, WCMC will be acting in the capacity of an independent contractor to Client, and nothing herein shall be deemed to create a partnership, agency, joint venture or any other relationship between the parties.

**21. Assignment of Contract or Claims.** Neither the Client nor WCMC may delegate, assign, sublet, or transfer the duties, interests or responsibilities set forth in this Agreement, or any cause of action or claim relating to the services provided under this Agreement, to other entities without the written consent of the other party. However, WCMC may employ any other party, including subcontractors, it deems necessary or proper for any part of the services to be performed by WCMC under the Agreement.

**22. Survival.** All provisions of the Agreement for indemnification and the allocation of responsibility or liability survive the completion of and payment for the services under this Agreement and the termination of this Agreement, whether for cause or for convenience.

**23. Severability.** If any provision of this Agreement is held unenforceable, all remaining provisions will continue in full force and effect. Client and WCMC agree that they will attempt in good faith to replace any unenforceable provision with one that is valid and enforceable, and which conforms as closely as possible with the original intent of any unenforceable provision.

**24. Entire Agreement.** This Agreement (including these Terms and any Terms posted at <http://www.westcoastmarinecleaning.com/termsandconditions>, the relevant Work Order Authorization, and any attachments or incorporations) constitute the entire agreement between the parties with respect to the services. Any writing containing proposals or terms additional to or different from those herein is not binding unless WCMC expressly agrees in writing.

**25. Miscellaneous.**

25.1 A notice that these Terms requires or permits one party to give to the other must be in writing addressed to that other party at its registered office or principal place of business or such other address (including email) as the party may have designated in writing.

25.2 If a court or other competent authority holds any provision of these Terms to be invalid or unenforceable in whole or in part, the other provisions of these Terms and the remainder of the provision in question will remain valid.

25.3 The parties will construe the Agreement, these Terms, and the Work Order in accordance with, and govern all disputes by, the Federal Maritime Law of the United States or, where that is inapplicable, the laws of the State of Oregon. Client agrees to submit to the jurisdiction of the U.S. District Court for the District of Oregon. The prevailing party will be entitled to recover reasonable attorneys' fees, legal costs, and other claim-related expenses, including on appeal.