

“TOWMAR BALTIC” UAB
General Terms and Conditions for Tugboat Assistance
issued in Klaipeda, Lithuania, 1st of December 2017

1. Irrespective whether the ships and/or floating objects are manned or not or whether the crew has been provided by the Owners/Managers/Operators/Charterers of the ship or floating object (hereinafter – **the Hirer**) or by the Tug Owner, each contractual agreement for towage of or assistance to ships and/or floating objects in the context of these conditions shall be considered a Towage Contract or a Contract for Assistance and/or construed as a part of signed Towage Contract.
2. The provision of the towage is deemed to be commenced, if the Tug Owner accepts the direct instructions of the Hirer (given by email or any other form of communication acceptable to Parties) or otherwise has commenced the execution of the towage services.
3. The Tug Owner however is under no obligations to achieve success in any specific task even if the towed object should be wholly manned by employees of the Tug Owner.
4. In so far as the services are not definitely determined by these General Terms and Conditions of Towage already, they shall be governed by the conditions set out in the latest versions of the Regulations of Navigations of Klaipeda State Seaport, approved by the order of the Minister of Transport and Communications of the Republic of Lithuania, the Regulations for Provision of Towage Service at Klaipeda State Seaport, approved by the order of the Director General of the Klaipeda State Seaport Authority, and the provisions of the Civil Code of the Republic of Lithuania.
5. The performance of the Towage Contract and execution of any other towage orders shall be subject to the following:
 - a) If nothing to the contrary has been specifically agreed upon between the Parties and irrespective whether the ship or any other object is manoeuvrable or not, the Master of the towed object shall be deemed to be in command of the tow in nautical matters, shall supervise and be in charge of towing operations and shall be obligated to take all precautions to ensure safe performance of the towage operation. The towage operation comprises the period from the commencement of the manoeuvres of the tug until the tug is again in safe distance of the towed object either after the towage connection has been disconnected or after termination of the operation.
 - b) The Master and crew of the tug including any crew provided by the Tug Owner on board the towed object shall be under the order and control of the Hirer as well as under the command of the Master of the towed object. They are to be considered as employees of the Hirer.
 - c) The Hirer shall arrange at his own costs and provide to the Tug Owner all necessary licences, authorizations and permits required for performance of towage operations.
 - d) The Hirer is obliged to pay the agreed remuneration to the Tug Owner. The remuneration, if not specifically agreed, shall be calculated in accordance with the tariff stated in the Addendum No. 1 of the Towage Contract. Once the invoice is issued the remuneration becomes due and promptly payable without any deduction unless otherwise agreed by the Parties.
 - e) The Hirer undertakes to provide, if required by the Tug Owner, advanced payments or security to the satisfaction of the Tug Owner and in form and in sum requested as guarantee for due performance of his obligations. Tug Owner shall be at liberty to accept orders only if such requested guarantees are provided.
 - f) Towage operations, which after interruption will not be continued, shall be paid by the Hirer on pro rata basis considering the actual towed distance and the contemplated towage distance, unless the Parties have agreed differently.
6. Liabilities:
 - a) The Hirer is liable for damages suffered by the tugs or their equipment during the performance of the towage operation, unless the Hirer proves that the damages has been caused by the gross negligence or direct fault on the part of the Tug Owner, his employees, servants or agents.
 - b) Damages suffered by the towed object, the Hirer’s employees or third parties engaged by the Hirer for the execution of the towage operation are entirely for the sole liability of the Hirer, unless the Hirer proves that the damages has been caused by the gross negligence or direct fault on the part of Tug Owner, his employees, servants or agents.
 - c) Third party damages suffered during the performance of the towage operation and caused either by the towed object or by the tugs or their equipment shall be the sole liability of the Hirer. The Hirer will indemnify Tug Owner in respect of all and any liability to a third party or any claim by a third party arising out of any such loss or damage and will fully reimburse Tug Owner inclusive of legal costs incurred if such claim would be brought against Tug Owner.
 - d) The Hirer will also hold harmless and indemnify Tug Owner and reimburse any of his cost paid due to such claim if the Hirer executes his right to claim against a third party and the latter tries to recover same from the Tug Owner.
 - e) The Hirer waives his right to claim against the employees, servants and agents of the Tug Owner, holds them harmless and indemnifies them for any damage caused or loss of the Hirer or any third party unless the Hirer proves that the damage and loss has been caused by the gross negligence or direct fault on the part of the employees, servants and agents of the Tug Owner.
 - f) Tug Owner will not be liable if the towage operation or assistance cannot be executed or will be delayed due to lack of the co-operation by the Hirer, his employees, servants and/or agents.
 - g) Tug Owner will not be liable if the execution of the towage operation becomes impossible or will be delayed due to act of God, force majeure, strikes, lockouts, salvage operation of any kind, restraint of any government, issuance of conditional certificates by authorities, delays caused due to congestion at the port and any related orders of the port authorities regarding to the entry to the port, any other unforeseeable delays, mechanical breakdown or accidents of the tugs. This also applies for collision between the towed object and the tug, and decisions adopted and/or limitations applied by Klaipeda State Port Authorities. Tug Owner only assumes liability for above mentioned difficulties if the Hirer proves that such incidents/delays have been caused by the gross negligence or direct fault on the part of the Tug Owner, his servants or agents.
7. The Tug Owner is entitled to interrupt the towage operation at any time in order to render assistance to other vessels in distress.
8. The Tug Owner is entitled in his sole discretion to rehire any other tug of a third party and also change any of his tugs in use in the actual tow by any other of his or third party’s tugs and no approval or confirmation of the Hirer is needed nor requested.
9. The agreed price or tariff rates for the towage operation do not include price for any special performance of the tugs in case of stranding or other distress situation of towed object even if such distress situation occurs during the towage operation provided always such distress of the towed object is not caused wilfully or by the gross negligence or fault on the part of the Tug Owner, his servants or agents. Special performance of the tug during such distress situation shall entitle the Tug Owner to make an independent claim for salvage.
10. The Towage Contracts to which these Terms and Conditions are applicable to be construed in accordance with and governed exclusively by Lithuanian Law. Any dispute arising out of or in connection with the Towage Contracts or the services to be performed under them shall be referred to the courts of Lithuania.
11. If any of the aforementioned clauses should be declared partly or totally null and void, the other clauses or the remainder of the clause in question shall remain valid and fully applicable.