

CLEAN GULF ASSOCIATES SERVICES, LLC
PREFERRED RESPONSE ORGANIZATION SUBCONTRACT

THIS AGREEMENT is made and entered into this ____ day of _____, 201_, by and between CLEAN GULF ASSOCIATES SERVICES, LLC, a Texas limited liability company (hereinafter "COMPANY" or "CGAS") and _____, a company incorporated under the laws of _____ (hereinafter "CONTRACTOR").

COMPANY is an independent contractor engaged in providing Oil Spill Removal Organization coverage to members of Clean Gulf Associates ("CGA Members"). CGA Members either now require or may in the future require spill response services from COMPANY.

COMPANY wishes to utilize the resources of CONTRACTOR, who is to provide, *inter alia*, **personnel, equipment, supplies, labor, tools, management, and direction related to emergency response for actual or threatened discharge of oil into the Gulf of Mexico and other waterways** (hereinafter "Services"), and CONTRACTOR represents that it has adequate resources and equipment in good working order and fully trained personnel capable of efficiently executing the Services.

CONTRACTOR recognizes and understands that the Services may be requested as a necessary part of an emergency response to an oil spill or other hazardous material spill. CONTRACTOR intends to commit the Services upon request in the event of an oil spill event. Upon its receipt of a mobilization notice of an oil spill event, unless CONTRACTOR is prevented from immediately initiating mobilization to perform Services for COMPANY as provided in this Agreement, CONTRACTOR agrees to commence mobilization to perform the Services within the period stated in *Exhibit A*. If mobilization to perform the Services cannot be commenced within such period, CONTRACTOR will immediately notify COMPANY of same.

NOW, THEREFORE IN CONSIDERATION of the mutual promises contained in this Agreement, the sufficiency of which is hereby acknowledged, the Parties agree as set out below.

1. DEFINITIONS

1.1 "Agreement" means this agreement as originally executed or as may from time to time be amended in writing by agreement between the Parties and the following Exhibits attached hereto:

Exhibit "A" – Scope of Services and Payment

Exhibit "B" – Insurance

1.2 "Party" or "Parties" means either COMPANY or CONTRACTOR, or both.

1.3 "Claims" mean all claims, demands, causes of action, liabilities, damages, judgments, fines, penalties, awards, losses, costs, expenses (including, without limitation, attorneys' fees and costs of litigation) of any kind or character arising out of, or related to, the performance of or subject matter of this Agreement, including, without limitation, property loss, destruction or damage, personal or bodily injury, sickness, disease or death, loss of services and/or wages, or loss of consortium or society.

1.4 "CGA Group" means (i) Clean Gulf Associates, its parent, subsidiary and affiliated or related companies, (ii) its and their owners, co-lessees, co-owners, partners, and joint venturers, if any, and their respective parents, subsidiary and affiliated or related companies, and (iii) the officers, directors, employees, agents, consultants and invitees of all of the foregoing.

1.5 "COMPANY Group" means (i) Clean Gulf Associates Services, LLC, its parent, subsidiary and affiliated or related companies, (ii) its and their owners, co-lessees, co-owners, partners, and joint venturers, if any, and their respective parents, subsidiary and affiliated or related companies, and (iii) the officers, directors, employees, agents, consultants and invitees of all of the foregoing.

1.6 "CONTRACTOR Group" means (i) CONTRACTOR, its parent, subsidiary and affiliated or related companies, (ii) its and owners, co-lessees, co-owners, partners, and joint venturers, if any, and their respective

parents, subsidiary and affiliated or related companies, and (iii) the officers, directors, employees, agents, consultants and invitees of all of the foregoing.

- 1.7 “MEMBER Group” means (i) members of Clean Gulf Associates, their parent, subsidiary and affiliated or related companies, (ii) their owners, co-lessees, co-owners, partners, and joint venturers, if any, and their respective parents, subsidiary and affiliated or related companies, and (iii) the officers, directors, employees, agents, consultants and invitees of all of the foregoing.

2. TERM OF THE AGREEMENT

This Agreement shall become effective upon signing by both Parties and shall remain in force for a one (1) year term and, thereafter, will be extended each year at the end of the then current term for additional consecutive one-year periods, or until terminated in accordance with Article 16; provided, however, neither Party shall by the termination of this Agreement be relieved of its respective obligations and liabilities arising from or related to the Services performed prior to the date of such termination.

3. INDEPENDENT CONTRACTOR

It is agreed that CONTRACTOR is an independent contractor and that neither CONTRACTOR nor anyone employed by CONTRACTOR shall be deemed for any purpose to be an employee, agent, partner, servant or representative of COMPANY.

4. PAYMENT FOR SERVICES

- 4.1 COMPANY will pay CONTRACTOR for the Services according to the prices and rates contained in *Exhibit A*. CONTRACTOR may amend its rates from time to time, which shall become effective upon thirty (30) days written notice to COMPANY. However, if at the time a rate sheet amendment becomes effective, CONTRACTOR is providing Services to COMPANY on a project, then no changed rates will be applicable to those Services during the entire term of said project.
- 4.2 COMPANY shall pay the undisputed portion of Contractor's invoices within forty-five (45) days of receiving same. COMPANY may review and dispute any amounts charged to COMPANY at any time within one (1) year from the date of Company's receipt of the invoice in dispute. The payment of any amount will not constitute an acceptance of the validity of such amount, and COMPANY will have the right to offset against future amounts any amount paid that COMPANY later disputes or determines was paid in error. COMPANY will notify CONTRACTOR of any discrepancy found in submitted invoices within a reasonable time after the discovery of such discrepancy and in any event within one (1) year from the date of COMPANY's receipt of the invoice in dispute, and CONTRACTOR will make appropriate corrections and resubmit the disputed invoice to COMPANY.

5. CONTRACTOR'S OBLIGATIONS

- 5.1 CONTRACTOR shall perform the Services in accordance with this Agreement both in the manner of performance and in the results to be achieved.
- 5.2 CONTRACTOR shall provide all labor, equipment, supplies and/or materials required for the execution, completion and maintenance of the Services as more fully described in *Exhibit A*.
- 5.3 CONTRACTOR shall execute, complete and maintain the Services such that no act or omission by Contractor shall constitute, cause or contribute to a breach by CONTRACTOR of any of CONTRACTOR's obligations hereunder.

- 5.4 CONTRACTOR shall perform the Services in a professional manner in accordance with the requirements set forth in *Exhibit A*. If at any time CONTRACTOR fails to perform the Services in the manner and at the times set out in this Agreement, CONTRACTOR at its expense shall immediately initiate corrective action (including, but not limited to, the replacement of defective equipment, the provision of additional equipment and/or labor, changes in the method and manner of performance, and any other corrective measures) as required to remedy CONTRACTOR's defective performance. After completion of the Services, CONTRACTOR shall maintain the Services and shall make good any defect or imperfection therein for the same period and otherwise upon the same terms as COMPANY is required under the contract regarding COMPANY's Work. The performance by CONTRACTOR of such measures shall be without prejudice to COMPANY's other rights or remedies under this Agreement or at law.
- 5.5 CONTRACTOR shall perform the Services in a safe and workmanlike manner and in accordance with all applicable CONTRACTOR and COMPANY safety and quality assurance requirements.
- 5.6 CONTRACTOR shall conduct its operations in accordance with the relevant laws, regulations, decrees, and/or official government orders of the country having jurisdiction over the area in which the Services are performed.
- 5.7 CONTRACTOR will not permit its employees, agents and subcontractors to perform any Services while under the influence of alcohol or any controlled substance. CONTRACTOR will not permit its employees, agents and subcontractors to use, possess, distribute or sell alcoholic beverages, illicit or unprescribed drugs or misuse legitimate prescription drugs while performing the Services. CONTRACTOR will remove from any work site under this Agreement any of its employees, agents or subcontractors found to have used or possessed alcoholic beverages, illicit or unprescribed drugs or misused legitimate prescription drugs while performing the Services. CONTRACTOR will maintain a drug and alcohol policy that is in compliance with federal (USCG) laws. Upon COMPANY's request, CONTRACTOR will provide evidence of alcohol and drug testing on CONTRACTOR's employees.
- 5.8 CONTRACTOR shall be responsible for informing and reporting to COMPANY immediately upon the occurrence of any event which may, now or in the future, impede the proper and timely execution of the Services so that appropriate remedial action may be taken.
- 5.9 Whenever COMPANY is required to give any return, account or notice, CONTRACTOR shall in relation to the Services give a similar return, account or notice in writing to COMPANY as will enable COMPANY to comply with its respective requirements.
- 5.10 CONTRACTOR agrees to submit to inspection by the appropriate governmental and/or regulatory bodies, and COMPANY to verify the availability of the Services, including, but not limited to, the equipment, tools and personnel identified in *Exhibit A*.
- 5.11 CONTRACTOR agrees: (a) to have the Services identified in COMPANY's contractor classification applications as resources upon which COMPANY is entitled to rely; (b) to be identified by reference in COMPANY's response contracts as part of COMPANY's services and in response plans as an available resource to respond pursuant to the terms of this Agreement; and (c) to provide acknowledgment of these facts to appropriate governmental and/or regulatory bodies.
- 5.12 Subject to availability of the Services CONTRACTOR agrees to attend and participate in: (a) training programs conducted by Company; and (b) "fixed equipment deployment drills," "tabletop drills" and/or "notification drills" at the request of Company using the training rate, if any, as specified in *Exhibit A*.

6. NOTICE

- 6.1 COMPANY may provide notice orally and promptly confirmed in writing (a "Notice") to CONTRACTOR requesting all or a part of the Services. In each Notice, COMPANY will inform CONTRACTOR whether the CONTRACTOR is to prepare and standby (a "Standby Notice"), or to immediately initiate the mobilization

for the Services (a "Mobilization Notice"). Notice to CONTRACTOR will provide the following information to the extent such information is available to COMPANY:

- The Services requested, including the type and number of equipment, tools, personnel etc. needed;
- The site and place where the Services are to be performed;
- The designated port or point of delivery of the Services; and
- The command and control structure of the activities for which the Services are to be performed.

6.2 Upon receipt of a Standby Notice, CONTRACTOR will immediately undertake all necessary actions to prepare itself to initiate performance of the Services upon receipt of a Mobilization Notice. As consideration for placing the Services requested on Standby status, COMPANY will pay to CONTRACTOR the Standby Rates specified in *Exhibit A*.

6.3 Upon receipt of a Mobilization Notice, CONTRACTOR will immediately commence mobilization to perform the Services and undertake all necessary actions to make available all resources necessary to perform the Services. As consideration for mobilizing the Services, COMPANY will pay to CONTRACTOR the Mobilization Rates specified in *Exhibit A*.

6.4 CONTRACTOR must *immediately* notify COMPANY if CONTRACTOR is unable to *immediately* initiate performance of all or a part of the Services when COMPANY requests said Services be mobilized or placed on standby.

7. VARIATIONS IN THE SERVICES

7.1 CONTRACTOR shall make such variations in the Services, so far as within the scope and capability of CONTRACTOR, whether by way of addition, modification or omission, as may be agreed to be made by COMPANY (which agreement shall not be made unless COMPANY has first secured the agreement of CONTRACTOR to such addition, modification or omission and the effect on price pursuant to Section 7.2 below) and confirmed in a signed writing by COMPANY and CONTRACTOR.

7.2 The value of all variations which may be made under Section 7.1 above shall be ascertained by reference to the rates and/or prices specified in *Exhibit A* for like or analogous work, but if there are no such rates and/or prices, or if they are not applicable, then the value shall be such as is fair and reasonable in all circumstances. In determining what is fair and reasonable, reference shall be made to any valuation made under *Exhibit A* in respect of the same variation, provided that nothing contained in this Article 7 shall oblige CONTRACTOR to undertake variations in the Services at a loss.

8. CONFIDENTIALITY

All information obtained by CONTRACTOR in the performance of this Agreement shall be confidential and shall not be divulged by CONTRACTOR to any third party either during the term of this Agreement or thereafter unless such information is, or becomes, public knowledge through no fault of CONTRACTOR. CONTRACTOR shall take all reasonable precautions to ensure that its employees shall preserve the confidential nature of such information.

9. LIENS, ATTACHMENTS, AND ENCUMBRANCES

CONTRACTOR shall be responsible for all claims for labor, equipment, supplies and materials to be furnished directly or indirectly by CONTRACTOR hereunder. CONTRACTOR shall not permit liens, attachments, or encumbrances to be imposed by any person, firm, or governmental authority upon COMPANY's property, CGA's property or the property of CGA members. Any such lien, attachment, or other encumbrance, until CONTRACTOR shall have secured the release thereof, shall preclude any claims or demand by CONTRACTOR for any payment whatsoever under this Agreement, and, in the event any such lien, attachment, or other encumbrance is not removed within fifteen (15) days after written notice by COMPANY, COMPANY may remove the same and withhold the cost of removal, including fees and expenses, from any sums due CONTRACTOR.

10. LIABILITY AND INDEMNIFICATION

NOTWITHSTANDING ANYTHING CONTAINED TO THE CONTRARY IN THIS AGREEMENT:

- 10.1 **CONTRACTOR AGREES TO RELEASE AND SHALL DEFEND, INDEMNIFY AND HOLD COMPANY GROUP, CGA GROUP, AND MEMBER GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS BROUGHT BY, THROUGH OR DERIVED FROM ANY MEMBER OF CONTRACTOR GROUP OR CONTRACTOR'S SUBCONTRACTORS AT ANY TIER OR THEIR EMPLOYEES, AGENTS, CONSULTANTS OR INVITEES.**
- 10.2 **COMPANY AGREES TO RELEASE AND SHALL DEFEND, INDEMNIFY AND HOLD CONTRACTOR GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS BROUGHT BY, THROUGH OR DERIVED FROM ANY MEMBER OF COMPANY GROUP.**
- 10.3 **The assumptions and exclusions of liability, releases and indemnities set forth in Articles 9 and 10 shall apply to any Claim without regard to the cause(s) thereof including, without limitation, PRE-EXISTING CONDITIONS, WHETHER SUCH CONDITIONS BE PATENT OR LATENT, THE UNSEAWORTHINESS OF ANY VESSEL OR VESSELS, IMPERFECTION OF MATERIAL, DEFECT OR FAILURE OF EQUIPMENT, BREACH OF REPRESENTATION OR WARRANTY (EXPRESS OR IMPLIED), ULTRAHAZARDOUS ACTIVITY, STRICT LIABILITY, TORT, BREACH OF CONTRACT, BREACH OF STATUTORY DUTY, BREACH OF ANY SAFETY REQUIREMENT OR REGULATION, OR THE NEGLIGENCE OF ANY PERSON OR PARTY, INCLUDING THE INDEMNIFIED PARTY OR PARTIES, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT AND/OR CONCURRENT, ACTIVE OR PASSIVE, OR ANY OTHER THEORY OF LEGAL LIABILITY.**
- 10.4 In the event this Agreement is subject to the indemnity limitations in Chapter 127 of the Texas Civil Practices and Remedies Code (or any successor statute), and so long as such limitations are in force, each Party covenants and agrees to support the mutual indemnity obligations contained in Sections 10.1 and 10.2 above, by carrying insurance (or qualified self-insurance) of the types and in the amounts not less than those specified in Article 12 of this Agreement, for the benefit of the other Party.
- 10.5 CONTRACTOR and COMPANY recognize, acknowledge, and agree that in all cases where Contractor's employees (i.e. Contractor's direct, borrowed, special, or statutory employees) are performing Work in or offshore the State of Louisiana or are otherwise covered by the Louisiana Workers' Compensation Act, LSA-R.S. 23:1021 et seq., the Work is an integral part of and is essential to the ability of COMPANY and COMPANY's client to generate their respective goods, products, and services for the purpose of LSA-R.S. 23:1061(A)(1), and COMPANY and CONTRACTOR agree that COMPANY and COMPANY's client are each the statutory employer of Contractor's employees for purposes of LSA-R.S. 23:1061(A)(3) and that COMPANY and COMPANY's clients shall be entitled to the protections afforded a statutory employer under Louisiana law. CONTRACTOR shall: (a) release COMPANY and COMPANY's clients from and against any payment of workers' compensation and medical benefits to Contractor's employees; and (b) indemnify, defend and hold COMPANY and Clients harmless from and against any payment of workers' compensation and medical benefits to such employees.
- 10.6 To the extent restrictions on defense and indemnity obligations (including release and hold harmless, if applicable) set forth in the Louisiana Oil Field Indemnity Act, LSA-R.S. 9:2780, are applicable to this Agreement, any Work Request or the Work, then CONTRACTOR and COMPANY avail themselves to the exceptions described in *Patterson v. Conoco, Inc.*, 670 F. Supp. 182 (W.D. La. 1987) and *Marcel v. Placid Oil Co.*, 11 F. 3d 563 (5th Cir. 1994). Further, if an arbitrator or court of competent jurisdiction renders a final, non-appealable decision that LSA-R.S. 9:2780.1 applies to this Agreement, then CONTRACTOR and COMPANY avail themselves to the exceptions described in LSA-R.S. 9:2780.1. Accordingly, prior to

commencement of any Work performed in or off of the coast of Louisiana, CONTRACTOR shall, as a separate line item, invoice, or have its insurer invoice, COMPANY for the full cost of naming the members of COMPANY and COMPANY's client as additional insureds and waiving subrogation against COMPANY and COMPANY's client and, to the extent LSA-R.S. 9:2780.1 is determined to apply, the full cost of insuring any obligation of CONTRACTOR to indemnify, defend or hold harmless any member of COMPANY or COMPANY's client under this Agreement, so that CONTRACTOR does not pay any material part of the cost of such coverage and so that no part of the economic burden of obtaining such coverage is shifted from COMPANY to Contractor. No fewer than forty-five (45) days before the renewal date of such policies, CONTRACTOR shall notify COMPANY as respects the amount of the premium required for such coverage and arrange to have COMPANY invoiced for the appropriate premium by its brokers, insurers or underwriters. If CONTRACTOR does not arrange to have COMPANY invoiced in accordance with this paragraph, CONTRACTOR shall be deemed to have paid said premium for the separate account of COMPANY, subject to COMPANY's continuing obligation to reimburse CONTRACTOR for the costs of such coverage upon submittal of an invoice as described above, and, for purposes of LSA-R.S. 9:2780.1, the Parties acknowledge and agree that the compensation to be paid to CONTRACTOR for the performance of Work includes the cost of such coverage. To the extent LSA-R.S. 9:2780.1 applies as described above, the Parties acknowledge and agree that any waiver of the right of subrogation or additional insured obligation shall be required only to the extent permitted by Law. COMPANY and CONTRACTOR agree that any failure to invoice COMPANY for such coverage and COMPANY's failure to pay for such coverage is not a material breach and can be cured by performance after being notified of such deficiency.

11. CONSEQUENTIAL DAMAGES

11.1 NOTWITHSTANDING ANYTHING CONTAINED IN THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR, AND EACH PARTY HEREBY RELEASES THE OTHER PARTY FROM, ANY OF ITS OWN INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES OR LOSSES INCLUDING, BUT NOT LIMITED TO, DAMAGES OR LOSSES FOR LOST PRODUCTION, LOST REVENUE, LOST PRODUCT, LOST PROFITS, LOST BUSINESS OR BUSINESS INTERRUPTIONS.

11.2 THE PARTIES FURTHER AGREE THAT THE FOREGOING RELEASE AND LIABILITY SHALL ALSO EXTEND TO EACH PARTY'S GROUP.

12. INSURANCE

12.1 Without limiting CONTRACTORS's liabilities in this Agreement, CONTRACTOR shall obtain and maintain policies of insurance adequate to cover its liabilities and to fulfill any requirements of local government or other appropriate bodies in accordance with the insurance provisions set forth in *Exhibit B*.

12.2 To the extent of CONTRACTOR's indemnity obligations in this Agreement, CONTRACTOR agrees (and shall cause the underwriters of all insurance required to be maintained by CONTRACTOR) on behalf of CONTRACTOR Group, CGA Group and MEMBER Group (hereinafter "Insured Parties") to:

- (a) waive rights of subrogation against the Insured Parties;
- (b) name the Insured Parties as additional insureds; and
- (c) provide that such insurance be primary to any other similar insurance carried by the Insured Parties.

12.3 Contractor agrees to furnish CONTRACTOR with Certificates of Insurance evidencing the insurance coverages required under this Agreement prior to commencement of the Services.

13. TAXES

CONTRACTOR shall be responsible for, and shall indemnify, and hold harmless COMPANY, CGA and CGA Members from the reporting, filing, and payment of any taxes, duties, charges, or fees (and any related fines, penalties, or interest) imposed directly or indirectly on COMPANY, CGA or CGA Members as a result of CONTRACTOR's performance of this Agreement. COMPANY may withhold from sums otherwise due CONTRACTOR under this Agreement any taxes or amounts required by applicable law to be withheld and paid to the appropriate taxing authorities, and COMPANY shall provide CONTRACTOR with all receipts evidencing payment to such authorities of the taxes or amounts so withheld.

14. PROJECT ADMINISTRATION

CONTRACTOR will appoint a representative who will be responsible to liaise with COMPANY regarding the Services and who shall have full authority for resolving day-to-day issues which may arise between COMPANY and CONTRACTOR or between CONTRACTOR and CGA members. Likewise, COMPANY shall designate a representative to liaise with CONTRACTOR's representative who shall have full authority to represent and make all decisions on behalf of COMPANY in respect of the Services. CONTRACTOR may not change its representative without giving reasonable advance, written notice to COMPANY.

15. AUDITING

COMPANY or its authorized representatives will have the right upon three days written notice and during normal business hours to inspect and audit the records of CONTRACTOR directly relating to this Agreement. CONTRACTOR agrees to maintain such records for two years following the end of the year in which the costs were incurred, and to make such records available to COMPANY at all times within such two years. COMPANY shall have the right to audit CONTRACTOR and inspect and copy such records that may exist during such two-year period.

16. TERMINATION

16.1 CONTRACTOR may terminate this Agreement effective at the end of the then current term, by providing written notice of termination to COMPANY at least 30 days prior to the expiration of the then current term. Subject to Section 16.2 below, COMPANY shall have the right to terminate this Agreement for any reason, at any time, on giving notice in writing to CONTRACTOR. In such event, CONTRACTOR shall be entitled to recover from COMPANY all monies due for that part of the Services satisfactorily completed prior to such termination, plus reasonable costs actually incurred or committed by Contractor (such as costs which are not cancelable or recoverable or for specially engineered equipment).

16.2 If CONTRACTOR:

- (a) fails to proceed with the Services with due diligence; or
- (b) fails in any material respect to execute the Services or to perform its other material obligations in accordance with this Agreement; or
- (c) fails to remove defective materials and/or make good defective Services; or
- (d) becomes insolvent, or makes an assignment on behalf of creditors, or is the debtor named in bankruptcy, receivership, or like proceedings (voluntary or involuntary);

then in such event and without prejudice to any other rights or remedies COMPANY may have under this Agreement or at law, COMPANY may by written notice to CONTRACTOR immediately terminate this Agreement. In such event, COMPANY may withhold any amounts then due to CONTRACTOR for the Services completed prior to such termination until final completion of such Services by COMPANY or others, and COMPANY may use such sums to offset any increased costs incurred by COMPANY in completing such Services or losses incurred by COMPANY as a result of any of the events described above.

17. ASSIGNMENT

- 17.1 Where COMPANY is required to assign the benefits and/or obligations of any subcontract entered into by COMPANY in connection with its contracts with CGA or CGA Members (including this Agreement) in certain stated circumstances, CONTRACTOR shall agree to and shall cooperate fully with COMPANY in the execution of such assignment.
- 17.2 CONTRACTOR shall not assign the whole or any part of this Agreement nor shall CONTRACTOR sublet the whole or any part of the Services without the prior written consent of COMPANY.
- 17.3 COMPANY shall have the right to assign this Agreement to any affiliate of COMPANY and shall notify CONTRACTOR of such assignment in writing.

18. NOTICES

All notices and other communications related to this Subcontract shall be in writing, and shall be deemed effective upon deposit in the US Mail, postage prepaid, addressed to the Party entitled thereto at the address below or when sent by facsimile to such Party at the facsimile number below, provided that either Party shall have the right to change its address or facsimile number by written notice to the other Party given in the manner stated above.

To COMPANY:

To CONTRACTOR:

19. APPLICABLE LAW:

THIS AGREEMENT SHALL BE GOVERNED BY THE GENERAL MARITIME LAWS OF THE UNITED STATES. TO THE EXTENT THAT THE GENERAL MARITIME LAWS OF THE UNITED STATES ARE NOT HELD TO APPLY TO THIS AGREEMENT, THE LAWS OF THE STATE OF TEXAS SHALL APPLY TO THIS AGREEMENT, WITHOUT REGARD TO ITS CONFLICTS OF LAWS PROVISIONS THEREIN. THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS, HOUSTON DIVISION SHALL HAVE SOLE AND EXCLUSIVE JURISDICTION OF ANY DISPUTES ARISING UNDER OR IN RELATION TO THIS CONTRACT, AND THE PARTIES CONSENT TO JURISDICTION AND VENUE OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS, HOUSTON DIVISION. ANY PARTY WHO UNSUCCESSFULLY CHALLENGES THE ENFORCEABILITY OF THIS AGREEMENT OR ANY TERMS HEREUNDER (INCLUDING THE FORUM SELECTION CLAUSE) SHALL REIMBURSE THE PREVAILING PARTY FOR ITS ATTORNEY'S FEES, AND THE PARTY PREVAILING IN ANY SUCH DISPUTE SHALL BE AWARDED ITS ATTORNEYS' FEES.

20. GENERAL

- 20.1 No benefit or right accruing to COMPANY or CONTRACTOR under this Agreement (or any amendment or addendum thereto) shall be deemed to be waived unless the waiver is in writing, expressly refers to this Agreement, and is signed by a duly authorized representative of CONTRACTOR and COMPANY. A waiver in any one or more instances shall not constitute a continuing waiver unless specifically so stated in the written waiver.
- 20.2 If any provision (or portion thereof) of this Agreement shall be declared invalid, illegal or unenforceable, the remaining provisions shall not be affected thereby, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision (or portion thereof) had never been part of this Agreement.
- 20.3 This Agreement contains the entire agreement between the Parties and supersedes and replaces any oral or written communications heretofore made between the Parties relating to the Services. This Agreement shall not be amended except by a written instrument executed by the duly authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement with effect as of the date first above written and warrant, individually, that they have the full right, power and authority to enter into this Agreement on behalf of the respective Parties.

CLEAN GULF ASSOCIATES SERVICES, LLC

CONTRACTOR

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A
SCOPE OF SERVICES AND PAYMENT

EXHIBIT B
Insurance Requirements

CONTRACTOR shall procure or cause to be procured and maintained for the duration of this Agreement with insurance companies designated by A.M. Best Company with the rating of A- or better, the insurance policies described below.

B.1 Workers' Compensation and Employers' Liability Insurance, including coverage under the Longshoreman's & Harbor Workers' Act, where applicable. Employers' Liability Insurance shall have limits of One Million Dollars (\$1,000,000.00) per occurrence, extension of territory to the Gulf of Mexico and "in rem," alternate employer, and Outer Continental Shelf coverages, including Maritime Employer's Liability (if not included in the P&I below), and blanket waiver of subrogation.

B.2 General Liability Insurance, including contractual liability. XCU hazards (explosion, collapse and underground) and completed operations to cover liability for bodily injury and property damage with the combined single limit of One Million Dollars (\$1,000,000.00) per occurrence, including deletion of non-owned watercraft exclusion, including blanket additional insured and waiver of subrogation, sudden & accidental pollution, action over indemnity, contractual liability sufficient to cover defense, indemnity and hold harmless provisions contained herein.

B.4 Business Automobile Liability Insurance, if owned, hired or non-owned automotive equipment is used in the performance of this Contract, to cover liability for bodily injury and property damage with minimum limits of One Million Dollars (\$1,000,000.00) per occurrence.

B.5 Vessel Pollution Liability, subject to the current W.Q.I.S form of policy or equivalent with limits not less than Five Million Dollars (\$5,000,000) covering The Oil Pollution Act, CERCLA and Non-OPA/Non-CERCLA.

B.6 Protection & Indemnity Insurance, for operated, owned or chartered watercraft used in the performance of this Agreement, coverage shall include liability for bodily injury and property damage subject to the SP-23 P&I form or equivalent with minimum limits of One Million Dollars (\$1,000,000.00) per occurrence or higher as may be required by any laws or regulations of any governmental agency or subdivision. Such insurance shall be endorsed to specifically include full crew coverage, unless provided under other insurance, coverage for diving operations, if applicable, third party pollution buy-back endorsement, excess towers and collision liability, contractual liability, and removal of wreck of any vessel. Such insurance shall be endorsed to delete any "as owner" clause and any other language purporting to limit coverage to liability of an insured "as owner" of the vessel, blanket additional insured and waiver of subrogation, and cargo legal liability to the limit of the policy.

B.7 Hull and Machinery Insurance, in the amount of the vessel on the American Institute Hull Clauses June 2, 1997 Form, or equivalent.

B.8 Excess Umbrella Insurance, providing following form coverage for Employer's Liability, Maritime Employer's Liability, General Liability, Business Automobile Liability, Vessel Pollution Liabilities, and Protection & Indemnity with minimum limits of Four Million Dollars (\$4,000,000) any one accident or occurrence.