

<p>WASHINGTON STATE MARITIME COOPERATIVE (WSMC) 100 West Harrison St., Suite S560 Seattle, WA 98119 Emergency Contact No.: (206) 448-7557/Facsimile No.: (206) 443-3839 Email: admin@wsmcoop.org/Website: www.WSMCOOP.org</p>	<p>Enrollment No. (assigned by WSMC):</p>
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WSMC VESSEL ENROLLMENT AGREEMENT

PART 1. PARTIES.

<p>Vessel's Name: _____</p> <p>Flag (Port of Registry): _____</p> <p>Official or IMO Number: _____</p> <p>Gross Registered Tons (GRT): _____</p> <p>Will Vessel Call in Puget Sound Area? Gray's Harbor? Is Vessel Currently Located in Puget Sound or Gray's Harbor? Yes No</p> <p>Vessel Type (check type): <input type="checkbox"/> Tank Ship (carrying oil of any kind as cargo) <input type="checkbox"/> Tank Ship (not carrying oil as cargo) <input type="checkbox"/> Tank Barge carrying oil as cargo <input type="checkbox"/> Gas Carrier <input type="checkbox"/> Passenger Vessel <input type="checkbox"/> Container Ship <input type="checkbox"/> Ro/Ro <input type="checkbox"/> Break Bulk Cargo Carrier <input type="checkbox"/> Fishing Industry Vessel <input type="checkbox"/> Ferry Vessel <input type="checkbox"/> Tug Boat <input type="checkbox"/> Other (describe): _____</p> <p><u>Ship Owner/Operator</u> Company Name: _____</p> <p>Name of Person Authorized to Enter Agreement: _____</p> <p>Owner/Operator Mailing Address: _____ _____</p> <p>Owner/Operator Telephone No.: _____ Owner/Operator Facsimile No.: _____ Owner/Operator Email Address: _____</p> <p><u>Authorized Agent (if other than Owner/Operator) Company</u> <u>Name:</u> _____</p> <p>Name of Person Authorized to Enter Agreement: _____</p> <p>Authorized Agent Address: _____ _____</p> <p>Authorized Agent Telephone No. _____</p> <p>Authorized Agent Facsimile No. _____</p> <p>Authorized Agent Email Address _____</p>	<p>Vessel's P & I Club or insurer: _____</p> <p>Oil Spill Removal Organization(s) (OSROs) contracted by above P & I Club or vessel directly: *MSRC NRC Other: _____</p> <p>Tank vessel OPA 90 Federal Vessel Response Plan (VRP) Control Number: _____</p> <p align="center">Or</p> <p>Non-tank vessel Response Plan (NTVRP) Control Number: _____</p> <p>Qualified Individual(s) named in OPA 90 VRP or NTVRP (company name and 24 hour telephone number): _____ _____</p> <p>OPA 90 VRP or NTVRP Oil Spill Removal Organization(s) (OSROs): *MSRC, NRC, Other: _____</p> <p>Vessel's <u>Fuel Oil</u> Capacity: _____ BBLs Type of Fuel Oil Carried: Gasoline Diesel IFO 280 or 380 Fuel Oil Fuel Oil #6 Bunker Other (type): _____</p> <p>Vessel's <u>Bulk Cargo</u> Oil Capacity: _____ BBLs Type of Oil Cargo Carried(check all that apply): Crude Oil Product (list oil products carried): _____ _____</p> <p>Non-Petroleum Oil (list): _____</p> <p>If vessel is not a tank ship or barge, does this vessel carry any bulk oil as cargo? Yes or No _____ Type: _____ Oil carried as cargo capacity: _____ BBLs</p> <p>First Transit Fee: (see Addendum 1 for rates) \$ _____ Subsequent Transit fee per trip or route: \$ _____</p> <p>Note: Rates are different for transit to Grays Harbor.</p> <p>Term of Coverage: 1 year</p> <p>Effective Date (Assigned by WSMC as the 1st date of arrival into the WSMC Area of Coverage): _____</p> <p>End Date (Assigned by WSMC): _____</p>
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Method of Transit Notice: 96 hour Notice to USCG
 direct notice to WSMC/Marine Exchange of Puget Sound
 monthly barge or tug transit letter Ferry Schedule

Note: Vessel Enrollment Agreements must be renewed annually. A Vessel Enrollment Agreement will be discarded if the vessel does not visit the WSMC Area of Coverage within 90 days of submitting the Vessel Enrollment Agreement.

*** Important Note: If MSRC is a checked OSRO, then it is important that the attached MSRC Certificate designating WSMC as an "Authorized Representative" be submitted. This will permit WSMC to immediately access MSRC resources, as needed, in the event of an oil spill emergency on behalf of the Covered Vessel.**

Upon the execution of this Enrollment Agreement by both the Washington State Maritime Cooperative (WSMC) and the above-identified Ship Owner/Operator/Authorized Agent, the Ship Owner ("Owner") shall have an agreement with WSMC, an approved blanket contingency plan holder in the State of Washington. The Agreement will be effective (assigned an effective date) upon the first notice of arrival (or notice of presence) of the covered vessels in the WSMC Area of Coverage.

Unless otherwise terminated for the reasons set forth in the attached terms and conditions, and provided all relevant fees have been paid in accordance with the due date on the WSMC invoices, this Agreement shall in respect of the above-named vessel commence on the Effective Date and continue in effect for one (1) year. This Agreement must be renewed for each successive one (1) year term. The Owner/Operator/Authorized Agent shall update the information entered on this form as it changes and prior to renewal.

TO GUARANTEE TIMELY COVERAGE, THIS FORM SHOULD BE SUBMITTED AT LEAST 96 HOURS PRIOR TO VESSEL'S FIRST TRANSIT OR PRESENCE IN THE WSMC AREA OF COVERAGE.

WSMC Area of Coverage

For purposes of this Agreement, the WSMC Area of Coverage waters as used herein means the public and private properties, beaches, harbors and waters along the coastal portions of the State of Washington, south to North Head on Cape Disappointment and normally extending three (3) miles offshore, including, but not limited to, the inland waters of the State known as Puget Sound, Hood Canal, Straits of Georgia, Haro, Rosario and Juan de Fuca, Admiralty Inlet, Lake Washington, Lake Union and their connecting waters, but excluding the waters of the Columbia River System.

Transit Fees

For the initial term of this Agreement, and for any renewal term, the First Transit Fee shall be due and payable as per WSMC's invoice. In the case of renewal, a First Transit Fee shall be invoiced upon the Vessel's first call in the WSMC Area of Coverage after the End Date. All fees shall be payable in United States dollars and shall be determined, and from time to time amended, in accordance with the decisions of WSMC's Board of Directors.

ALL RESPONSIBILITY FOR PAYING FEES UNDER THIS AGREEMENT SHALL REST WITH SHIP OWNER/OPERATOR/AUTHORIZED AGENT.

THE TERMS AND CONDITIONS OF THIS AGREEMENT ARE SET FORTH IN PART 2 AND CONSTITUTE AN INTEGRAL PART OF THE AGREEMENT BETWEEN WSMC AND SHIP OWNER/OPERATOR.

Pursuant to Sections 9.2 and 10.1.3 of this Agreement, WSMC is authorized to act as an Authorized Representative on behalf of the Covered Vessel to implement, mobilize, dispatch and direct equipment and personnel of the Oil Spill Removal Organization(s) (OSROs) named in Part 1 of this Agreement.

Pursuant to section 5.1.2 of this Agreement, each Covered Vessel is required to have aboard, and to make available upon request, vessel diagrams, for Washington Department of Ecology inspection and/or to WSMC, for spill response. Such diagrams should show locations of cargo, fuel, and ballast tanks, including piping. Diagrams should also be available showing power plant locations, and any other locations for oil storage and/or oil transfer operations.

Pursuant to section 5.1.4 of this Agreement, unless otherwise agreed in writing by WSMC, vessels that do not submit an Advanced Notice of Arrival (ANOVA) Form to the US Coast Guard, must send notice of a vessel's transit into and out of (or presence in) the WSMC Area of Coverage, in writing, to WSMC for each call or transit in the WSMC Area of Coverage by an individual vessel (or barge transit that is

internal to the WSMC Area of Coverage). Each Covered Vessel will be invoiced the appropriate transit fee(s) for each transit in the WSMC Area of Coverage by an individual vessel (or internal barge transit) as determined by WSMC's Transit Fee Schedule. Each WSMC covered vessel in the WSMC Area of Coverage will be charged at least one First Transit Fee per annual enrollment period. Vessels that reside in the WSMC Area of Coverage that do not transit during the annual enrollment period will be invoiced pursuant to policies established by WSMC's Board of Directors. For most vessels (except barges that make internal transits) a transit is defined as a trip into and then out of the WSMC Area of Coverage. Barges must submit a weekly list of trips made within the WSMC Area of Coverage.

Pursuant to Section 5.1.5 of this Agreement, the Ship Owner/Operator/Authorized Agent will insure that a WSMC FIELD DOCUMENT is provided for use on the bridge of each Covered Vessel prior to such vessel's arrival in the WSMC Area of Coverage. In the event of a spill or threatened oil spill, the Ship Owner/Operator agrees to follow the notification requirements of The WSMC FIELD DOCUMENT.

NOTE: A WSMC informational video will be provided by WSMC upon Ship Owner/Operator/Authorized Agent's request. Review of the video by Ship Owner/Operator/Authorized Agent and Covered Vessel's crew is highly recommended

Pursuant to Section 5.1.6, The Owner/Operator hereby authorizes and directs the Qualified Individual (QI) named in the Federal Vessel Response Plan (VRP) or Non-tank vessel Response Plan (NTVRP) for subject covered vessel(s) to contact and coordinate with WSMC immediately upon a report of a spill or threatened oil spill in the WSMC Area of Coverage from a covered vessel. WSMC and the Qualified Individual will be in communication in order to coordinate response resources and the transition of spill management to the Responsible Party or its designee. The Owner/Operator authorizes the QI to coordinate and assist WSMC with the management of, and access to, the response resources named in the Federal VRP until the management of the spill is transitioned to the Responsible Party or its designee.

Pursuant to Section 5.1.7 of this Agreement, the Owner/Operator/Authorized Agent shall advise WSMC of any and all updates and changes to information provided in this Agreement.

Pursuant to Section 13.2 of this Agreement, if this Agreement is signed by an agent or authorized representative of the Covered Vessel's Owner/Operator, such agent or authorized representative warrants his/her authority to sign this Agreement, and shall, upon WSMC's request, provide WSMC with a copy of his/her written authorization to act on behalf of the Owner/Operator to sign this Agreement. Pursuant to Section 13.1 of this Agreement, in the event the signer of this Agreement is an agent of a disclosed principal, nothing contained herein is or shall be construed to be a guarantee or agreement by such agent to pay any cost, fee, expense, damages, fines, penalties or assessments chargeable to or against Covered Vessel or its owners, operators, charterers, officers or crew, under any of the aforementioned agreements, under any other agreements relating thereto entered by the Covered Vessel's Authorized Agent in a representative or agency capacity or under applicable federal or state law or regulation. All such costs, fees, expenses, damages, etc., shall remain exclusively for the account of the Covered Vessel and its owners and/or operators.

Pursuant to Section 12.11 of this Agreement, this Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. This Agreement may be signed and transmitted by facsimile (or electronically in a form that allows the receiving party to print a copy of the signature), with the same effect as an original signature, provided such signing party shall provide a counterpart signed original of the executed document, if requested by the other party.

<p>WASHINGTON STATE MARITIME COOPERATIVE (WSMC)</p> <p>By: _____ (Authorized Signature)</p> <p>_____ (Print Name)</p> <p>_____ (Date)</p>	<p>_____</p> <p>(Ship Owner/Operator/Authorized Agent)</p> <p>By: _____ (Authorized Signature)</p> <p>_____ (Print Name)</p> <p>_____ (Date)</p>
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PART 2. TERMS AND CONDITIONS

2. RECITALS.

2.1 Under applicable Washington State law, certain cargo, fishery, passenger and other commercial vessels of 300 or more gross tons and all tank vessels and tank barges are required to file and maintain with state regulatory authorities an approved contingency plan for the containment and cleanup of oil spills. Vessels subject to these laws may satisfy the requirements by participation in a contingency plan filed by a maritime cooperative for a group of covered vessels.

2.2 WSMC is a cooperative non-profit corporation which has developed and maintains with the Washington State regulatory agency a master contingency oil spill response plan (referred to herein as the "Plan") covering operations of various classes of vessels calling in certain Washington State waters defined as the WSMC Area of Coverage.

2.3 The WSMC Area of Coverage waters as used herein are defined in Part 1 of this Agreement.

2.4 "Oil" means oil in any form including crude oil, fuel, sludge, oil refuse, refined products and vegetable and bio fuel oils, and for greater certainty, includes oil as defined by Washington State Law.

2.5 Except for vessels which may be obligated to satisfy additional requirements under federal law, the Plan provides contingency planning coverage required by applicable Washington State law for vessels and their owners/operators (referred to herein collectively as "Covered Vessel") who are enrolled for coverage and who pay WSMC's First Transit and Subsequent Transit Fees for coverage in the WSMC Area of Coverage.

2.6 Funding for the maintenance and implementation of the Plan and for the spill response system is provided by fees paid by Covered Vessels for coverage within the WSMC Area of Coverage.

2.7 This Agreement describes coverage of represented vessels under the WSMC Plan and other benefits available to such Covered Vessels under this Agreement.

3. ELIGIBLE VESSELS.

The following vessels are eligible for enrollment with WSMC for coverage under the Plan:

- (a) Tank vessels, including barges constructed or adapted to carry oil in bulk as cargo or cargo residue;
- (b) Cargo and other self-propelled vessels of 300 gross tons or more engaged in commerce;
- (c) Passenger vessels of 300 gross tons or more with a fuel capacity of at least six thousand gallons carrying passengers for compensation;
- (d) Fishing vessels or fish processing vessels of 300 gross tons or more; and
- (e) Any other vessels required to have contingency plans by Washington Law.

4. TERM OF AGREEMENT.

4.1 This Agreement shall be effective from the Effective Date and shall remain in effect through the End Date and any subsequent renewal and end dates set forth in Part 1 of this Agreement so long as the Ship Owner/Operator remains in good standing with WSMC. WSMC may terminate, cancel and revoke this Agreement with Ship Owner/Operator if the Ship Owner/Operator is in breach or default of its obligations under this Agreement or any other WSMC Vessel Enrollment Agreement.

4.2 In the event WSMC elects to discontinue offering oil spill contingency plan coverage, ceases operations or has its contingency plan disapproved by the State of Washington Department of Ecology, WSMC may terminate this Agreement with written notice to the Owner/Operator/Authorized Agent.

5. SHIP OWNER/OPERATOR/AUTHORIZED AGENT ENROLLMENT.

5.1 The vessel owned by Ship Owner or operated by Operator and identified in this Agreement is hereby enrolled for coverage under the Plan pursuant to the terms and conditions stated in this Agreement, and each Covered Vessel shall be subject to the following conditions:

5.1.1 Each Covered Vessel must be a class of vessel for which contingency planning coverage is provided under the Plan and required by Washington Law.

5.1.2 Each Covered Vessel is required to have aboard, and to make available upon request, vessel diagrams, for Washington Department of Ecology inspection and/or to WSMC, for spill response. Such diagrams should show locations of cargo, fuel, and ballast tanks, including piping. Diagrams should also be available showing power plant locations, and any other locations for oil storage and/or oil transfer operations.

5.1.3 Additional vessels owned by a Ship Owner or operated by an Operator who has already enrolled one or more vessels with WSMC must be enrolled for coverage under the Plan upon first arrival of the vessel in the WSMC Area of Coverage by submitting a Vessel Enrollment Agreement for each vessel. Enrollment of any vessel (and any other vessels enrolled by the same owner/operator/authorized agent) may be revoked by WSMC if the vessel and/or its owner/operator/authorized agent fails to pay the applicable WSMC First Transit or Subsequent Transit Fees, per the schedule of fees regularly maintained by WSMC, within the customary invoicing cycle maintained by WSMC or fails to pay amounts due WSMC as the result of an actual or threatened oil spill event.

5.1.4 Unless otherwise agreed in writing by WSMC, vessels that do not submit an Advanced Notice of Arrival (ANOVA) Form to the US Coast Guard, must send notice of a vessel's transit into and out of (or presence in) the WSMC Area of Coverage, in writing, to WSMC for each call or transit in the WSMC Area of Coverage by an individual vessel (or barge transit that is internal to the WSMC Area of Coverage). Each Covered Vessel will be invoiced the appropriate transit fee(s) for each transit in the WSMC Area of Coverage by an individual vessel (or internal barge transit or ferry route) as determined by WSMC's Transit Fee Schedule. Each WSMC covered vessel in the WSMC Area of Coverage will be charged at least one First Transit Fee per annual enrollment period. Vessels that reside in the WSMC Area of Coverage that do not transit during the annual enrollment period will be invoiced pursuant to policies established by WSMC's Board of Directors. For most vessels (except barges that make internal transits, ferry routes, and tug boat operations) a transit is defined as a trip into and then out of the WSMC Area of Coverage. Barges must submit a weekly list of trips made within the WSMC Area of Coverage.

NOTE: For the WSMC coverage to apply, each vessel must have a current Vessel Enrollment Number and an Effective Date assigned by WSMC. Vessels already in the area when application (or renewal) for coverage is made, must report their presence in the WSMC Area of Coverage to WSMC. Effective dates and end dates will be assigned by WSMC upon a vessel's first presence in and/or first annual transit into the WSMC Area of Coverage.

5.1.5 The Ship Owner/Operator/Authorized Agent will insure that a WSMC FIELD DOCUMENT is provided for use on the bridge of each Covered Vessel (or in the pilot house of the tug towing a covered barge) prior to such vessel's arrival in the WSMC Area of Coverage. In the event of a spill or threatened oil spill, the Ship Owner/Operator herein agrees to follow the notification requirements of the WSMC FIELD DOCUMENT.

NOTE: A WSMC informational video will be provided by WSMC upon Ship Owner/Operator/Authorized Agent's request. Review of the video by Ship Owner/Operator/Authorized Agent and Covered Vessel's crew is highly recommended.

5.1.6 The Owner/Operator hereby authorizes and directs the Qualified Individuals (QI) named in the Federal Vessel Response Plan (VRP) or Non-tank vessel Response Plan (NTVRP) for subject Covered Vessel(s) to contact and coordinate with WSMC immediately upon receipt of a report of a spill or threatened oil spill in the WSMC Area of Coverage from a covered vessel. WSMC and the QI will be in communication in order to coordinate response resources and the transition of spill management to the Responsible Party or its designee. The Owner/Operator authorizes the QI to coordinate and assist WSMC with the management of, and access to, the response resources named in the VRP until the management of the spill is transitioned to the Responsible Party or its designee.

5.1.7 The Owner/Operator/Authorized Agent shall advise WSMC of any and all updates and changes to information provided in this Agreement.

5.2 In addition to denial or revocation of enrollment for non-payment of transit fees or spill charges, WSMC may deny or revoke enrollment if the Covered Vessel fails to maintain customary Federal VRP or NTVRP, P&I insurance and certificates or other proof of financial responsibility as required by the United States Coast Guard and, if applicable, state regulatory agencies, under applicable federal and state law. WSMC retains the right to deny or revoke enrollment for any Covered Vessel or any Ship Owner/Operator for cause as solely determined by the good faith decisions of WSMC's Board of Directors or Executive Committee.

6. EXCLUSION OF VESSELS FROM ENROLLMENT AGREEMENT.

Ship Owner/Operator/Authorized Agent may exclude vessels it owns, operates or represents from coverage under this Agreement, by providing written notice to WSMC in advance of the vessel's anticipated arrival in the WSMC Area of Coverage (or for barges, or other vessels already within the WSMC Area of Coverage, the Ship Owner/Operator/Authorized Agent must provide written notice prior to exclusion of coverage). The owner or operator of any vessel excluded from WSMC coverage by Ship Owner/Operator/Authorized Agent shall remain responsible for filing or providing proof of coverage under a separate contingency plan as may be required by the state and federal regulatory agencies.

7. OIL SPILL CONTINGENCY PLANNING SERVICE.

7.1 WSMC services under this Agreement are limited to providing cooperative contingency planning and related emergency oil spill response management services in accordance with the Plan in the event of a spill or potential spill. This service includes providing an individual to serve as WSMC Incident Commander and/or an Incident Command Staff on behalf of the Covered Vessel, to initiate and manage the response to the spill or potential spill under the Plan for up to the first 24 hours after notification to WSMC of the spill or until WSMC is relieved by the Covered Vessel Representative (as hereafter defined in Section 8.2) or governmental regulatory agencies within that 24 hour period.

7.2 WSMC contingency planning and emergency response services are limited to the following:

7.2.1 Develop and maintain a master oil spill contingency plan for Covered Vessels operating in the WSMC Area of Coverage;

7.2.2 Obtain and maintain required contingency plan approvals from Washington State regulatory agencies, and, where applicable, federal agencies; administer and develop revisions, updates, and renewal of the Plan with the regulatory agencies; administer Plan tests, drills and required modifications pursuant to regulatory requirements;

7.2.3 Provide proof of satisfaction of contingency planning requirements by Covered Vessels upon request of the State of Washington or Federal regulatory agencies;

7.2.4 Provide radio communications services, either directly with WSMC equipment or under contract with others;

7.2.5 Perform emergency oil spill response management services on behalf of Covered Vessels and their owners/operators and agents, as required for implementation of the Plan as to a particular Covered Vessel, during initial 24 hours of an oil spill;

7.2.6 Upon report of a spill or threatened spill, provide an individual to serve as Incident Commander or for the more significant spills (at the discretion of WSMC) provide an expanded Incident Command Staff to assist the Covered Vessel in implementation of the Plan until WSMC is relieved by the Covered Vessel Representative or a state or federal regulator, or until 24 hours after notification of the spill, whichever is earlier; and

7.2.7 Provide other contingency planning, oil spill response management, and administrative services as may be specifically agreed to in writing by WSMC from time to time and on a case-by-case basis.

7.3 WSMC has and will continue to endeavour to negotiate discounts and reductions in costs of contingency planning and spill response services.

7.4 **NOTE:** In addition to the contingency planning and emergency response services available under WSMC's Plan, all tank vessels and non-tank vessels over 400 International Tons require a federal response plan on file with the US Coast Guard and may need the services of an additional response organization or organizations in order to meet Federal and Washington State

planning standard requirements. The owners/operators of such vessels are encouraged to check with the appropriate regulatory authorities or to contact WSMC for further information.

8. WSMC RESPONSIBILITIES IN THE EVENT OF AN OIL SPILL AND PLAN IMPLEMENTATION

In the event of implementation of the Plan for response to an oil spill or threatened oil spill, WSMC's duties under this Agreement are limited to the following:

8.1 Whenever a Covered Vessel or its Representative desires implementation of the Plan, it shall immediately orally advise WSMC and confirm the request in writing as soon as practicable, giving the location of the spill or suspected spill, and all available information required under the initial reporting provisions of the Plan. However, even if no such request is received by WSMC from the Covered Vessel or its representative, it is WSMC's intention, and Ship Owner/Operator/Authorized Agent hereby agrees, that WSMC should promptly respond to any notice or information WSMC receives concerning an oil spill or threatened oil spill from a Covered Vessel as soon as WSMC receives such notice, regardless of the source of such notice or information. WSMC and Ship Owner/Operator agree that a prompt implementation of the Plan and response is of paramount importance. Upon request for Plan implementation and response or receipt of information by WSMC that an oil spill has occurred or is threatened, WSMC shall follow the prescribed implementation and initiation of response procedures as set forth in the Plan.

8.2 Under the Plan, WSMC will initiate and manage the response to the spill or potential spill on the Covered Vessel's behalf, in accordance with the Plan. WSMC will provide an individual to serve as the WSMC Incident Commander or for more significant spills (at the discretion of WSMC) provide an expanded Incident Command Staff to perform spill management for the Covered Vessel under the Plan. WSMC will provide incident command services for the first 24 hours after notification to WSMC of the spill or until WSMC is relieved by the Covered Vessel Representative or regulatory authority within the first 24 hours after notification to WSMC.

8.3 WSMC or the WSMC Incident Commander provided by WSMC may engage response contractors and other response services on behalf of Covered Vessel pursuant to the Plan during the first 24 hours after notification to WSMC or until the WSMC Incident Commander is relieved by a Covered Vessel Representative or regulatory authorities within that 24 hour period. The Covered Vessel shall have the sole responsibility for any and all costs of such implementation. WSMC is authorized under this Agreement to receive notification and request for initiation of response to a Covered Vessel from any source or from any representative of the Covered Vessel having actual, apparent, or implied authority on behalf of such vessel or its owners or operators.

8.4 A Covered Vessel's Owner/Operator may elect to provide the Covered Vessel's own oil spill response management in conjunction with use of the WSMC Plan or other plan acceptable to state and federal authorities.

9. RESPONSIBILITIES OF COVERED VESSEL IN THE EVENT OF AN OIL SPILL AND PLAN IMPLEMENTATION.

9.1 Covered Vessel retains sole responsibility for reporting a spill to appropriate federal, state, and local regulatory agencies. Covered Vessel has sole responsibility for complying with all oil spill reporting requirements of state, federal and local law.

9.2 In the event of an oil spill from a Covered Vessel, the Captain/crew of the Covered Vessel is required to implement the Plan. Upon implementation of the Plan pursuant to the initial notification and reporting procedures stated in the Plan, spill response, containment, and cleanup shall be the responsibility of the Covered Vessel. By this Agreement, the Covered Vessel and the Owner/Operator authorize WSMC to act on behalf of the Covered Vessel using such cleanup contractors and procedures as are designated in the Plan or as may otherwise be approved by regulatory agencies having jurisdiction. WSMC is also hereby designated as the Owner/Operator's Authorized Representative to implement, mobilize, dispatch and direct the resources of Oil Spill Removal Organizations (OSROs) designated in Part 1 of this Agreement. The conduct, suspension or termination of the spill response, containment and cleanup are the sole responsibility of the Covered Vessel, all as designated in the Plan and otherwise specified in applicable contingency plans, rules and regulations of state and federal authorities having jurisdiction.

9.3 Covered Vessel is responsible for all cleanup costs and expenses as designated in the Plan, related response contractor fees and charges, WSMC fees for administration and communications services and for services of the WSMC Incident Commander and/or Incident Command Staff, and for all damages, costs, expenses, fines, and penalties, as may exist or arise under this Agreement, the Plan, or applicable state and/or federal law, subject to such defenses as are available to the Covered Vessel under applicable law. Performance by WSMC of Plan implementation procedures under the Plan or providing services of a WSMC

Incident Commander shall not relieve the Covered Vessel of the duties, responsibilities, and liabilities imposed on the Covered Vessel under the Plan or applicable law.

NOTE: WSMC responsibility upon Plan implementation is limited to initiating the response, following the procedures of the WSMC Incident Command as specified in the Plan and providing WSMC Incident Command and arranging for contractor clean-up services as specified in the Plan for up to 24 hours after the spill or until the WSMC Incident Command is relieved by the Covered Vessel Representative or regulatory agencies within the first 24 hours.

9.4 Any charges for oil spill response management and cleanup services provided by WSMC to the Covered Vessel shall be for costs incurred by WSMC, including costs of administration; it being the intent of WSMC to provide such services on a non-profit basis. Upon WSMC's response to a Covered Vessel's oil spill or threatened spill, an assurance of payment by the Covered Vessel's Owner/Operator/Authorized Agent, Person Authorized to Enter Agreement, the Covered Vessel's insurance underwriters, or Representative, for the cleanup and response management costs, must be promptly received by WSMC in a form acceptable to WSMC's Board of Directors or Executive Committee. If WSMC fails to receive such an assurance within a reasonable time, then WSMC shall be entitled, in its sole discretion, to transfer the responsibility of cleanup and response management operations to the federal on-scene coordinator or the coordinator's duly authorized, delegated representative.

9.5 In the event of an oil spill from a Covered Vessel, the Covered Vessel is required to furnish an individual who will represent the Covered Vessel to coordinate the transfer of the oil spill response management to the RP within the first twenty-four (24) hours of the spill.

9.6 Actual oil spill cleanup is performed under the Plan by the Plan's primary response contractor (s), and other contractors and cooperatives as engaged under the Plan.

9.7 In the event of Plan implementation, the following documents shall control Covered Vessel's responsibilities and relationship and duties of Covered Vessel and WSMC:

- 9.7.1 The Plan and WSMC Field Document;
- 9.7.2 This Enrollment Agreement;
- 9.7.3 Any applicable Memorandums of Understanding with Qualified Individuals (QI) named in the Covered Vessel's Federal Vessel Response Plan or Non-Tank Vessel Response Plan, unless the QI is the Owner/Operator;
- 9.7.4 Any applicable service contracts or agreements between spill response contractors or other cooperatives and WSMC or Covered Vessel in effect or entered into during implementation of an oil spill response under the Plan;
- 9.7.5 Federal Vessel Response Plan (VRP) or Non-Tank Vessel Response Plan (NTVRP) for the Covered Vessel
- 9.7.7 Applicable Owner/Operator P & I Club OSRO contracts/nominations.
- 9.7.7 Any applicable plans or orders by state or federal agencies asserting jurisdiction over the oil spill;
- 9.7.8 Incident Action Plans Prepared and approved by the Incident Command Unified Command; and
- 9.7.9 WSMC Responsible Party's Acknowledgement of Transfer Agreement.

10. LIMITED AGENCY APPOINTMENT OF WSMC.

10.1 By this Enrollment Agreement, the Covered Vessel appoints WSMC as its agent for the limited purpose of performing the initial oil spill notification and response initiation procedures specified in the Plan. This limited agency appointment includes:

10.1.1 Authorization for WSMC to provide a WSMC Incident Commander and/or Incident Command Staff under the Plan for up to the first 24 hours after notification to WSMC of a spill and request by Covered Vessel for Plan initiation, or until the earlier relief of the WSMC Incident Command by the Covered Vessel or a state or federal regulatory agency;

10.1.2 Authorization for WSMC and the WSMC Incident Command Staff to engage on Covered Vessel's behalf spill response contractors consistent with the Plan and to provide spill response for up to 24 hours following notification of the spill or until the earlier relief of the WSMC Incident Commander by the Covered Vessel or a state or regulatory agency;

10.1.3 Authorization for WSMC to act as an Authorized Representative to implement, mobilize, dispatch and direct Oil Spill Removal Organization (OSRO) equipment and personnel named in Part 1 of this Agreement; and

10.1.4 Authorization for the WSMC Incident Commander to take all steps considered necessary on the Covered Vessel's behalf to implement cleanup under the Plan for up to the first 24 hours after notification of the spill or until the earlier relief of the WSMC Incident Commander by the Covered Vessel Representative or a state or regulatory agency.

10.2 This limited agency appointment is effective upon first arrival of Covered Vessel in the WSMC Area of Coverage, or at the time an actual or potential oil spill from a Covered Vessel enters or threatens the WSMC Area of Coverage, and shall remain in effect so long as Covered Vessel or its spill remains in or threatens the WSMC Area of Coverage. All costs or expenses arising from or incurred in WSMC's activities under its limited agency appointment in the implementation of the Plan are the Covered Vessel's sole responsibility (without prejudice to other defenses or third-party claims Covered Vessel may have respecting such costs and expenses). Nothing contained in this Agreement shall limit, reduce or expand the liability of Covered Vessel to third parties under applicable federal or state law for cleanup costs and expenses chargeable to such Covered Vessel under applicable law.

11. RELEASE AND WAIVER OF LIABILITY BY COVERED VESSEL

11.1 Covered Vessel acknowledges:

11.1.1 Covered Vessel is solely responsible under applicable law for all contingency planning, spill reporting, government agency notifications, contracting, and cleanup operations in connection with response action necessitated by an oil release from Covered Vessel.

11.1.2 WSMC is only willing to undertake contingency planning services to assist Covered Vessel in meeting its statutory obligations, and to provide a WSMC Incident Commander and/or Incident Command Staff to assist Covered Vessel in implementation of spill response in consideration of Covered Vessel's hereinafter release and waiver of liability against WSMC.

11.2 In consideration of the foregoing, and for the purposes of any dispute relating to the enforceability of these waiver provisions, Covered Vessel waives any claim against WSMC that:

- (a) It did not have adequate opportunity to participate in decisions made by or on behalf of WSMC or its contractors with regard to planning, communications, logistics, equipment and materials acquisition and maintenance, operations, and other functions;
- (b) It did not have adequate opportunity to inspect the Plan or the equipment, materials and supplies designated under the Plan, or to evaluate their condition and usefulness to Covered Vessel in the event of a release; and
- (c) It did not have adequate opportunity to evaluate the qualifications of the WSMC Incident Commander and/or Incident Command Staff to be provided by WSMC or of contractors designated in the Plan or engaged by WSMC to be of assistance to Covered Vessel in the event of oil spill.

11.3 Execution of this Agreement shall constitute a binding and irrevocable agreement on the part of the Covered Vessel waiving all rights to file any claim or claims against the Released Parties (as hereafter defined), and to release the Released Parties, for or from any and all claims, demands, causes of action, damages, costs, fees (including attorney's fees), expenses, penalties, losses, or liabilities, in law or in equity, of every kind and nature whatsoever arising out of or in any way connected with:

- (a) Any and all actions, or failures to act, on the part of Covered Vessel, its contractors, or the Released Parties, carried on, under or in connection with (i) performance of this Agreement, (ii) performance of duties and responsibilities under the Plan, (iii) response action requested or received by Covered Vessel; and

(b) Any and all penalties, fines, liens, claims, assessments, levies, or other liability arising out of or are in any way connected with an oil spill, threatened oil spill, contingency planning service coverage for a specific Covered Vessel under the Plan or with response action requested or received by Covered Vessel.

11.4 The waiver and release provisions stated herein apply to WSMC, each of WSMC's other Covered Vessels and subsequent Covered Vessels and their respective Owners/Operators, and the directors, officers, managers, administrators, employees, agents, and loaned servants of each for their acts while acting on behalf of WSMC or its contractors, including any persons provided by WSMC as a WSMC Incident Commander or member of the Incident Command Staff (collectively referred to herein as the "Released Parties").

11.5 The following general provisions apply to the waiver and release of claims:

11.5.1 The obligations of Covered Vessel are fully effective even if such claims, damages, or liabilities were caused or contributed to in whole or in part by the active or passive negligence or other fault of the Released Parties or the failure, malfunction, or defect in equipment or materials supplied to Covered Vessel by a Released Party.

11.5.2 The sole and exclusive remedy of any Covered Vessel against a Released Party for any non-performance or malfeasance by any Released Party under this Agreement or the Plan shall be limited to and in no event shall exceed the amount of the transit fees paid under this Enrollment Agreement by the Covered Vessel for the call to the WSMC Area of Coverage during which any non-performance may arise.

11.5.3 The waiver of claims and release made by the Covered Vessel pursuant to the election described in this Agreement shall survive termination of services to the Covered Vessel under this Agreement.

11.6 Indemnification under this Agreement shall be, as follows:

11.6.1 Covered Vessel and its owners/operators who enroll for coverage under this Agreement, on their own behalf or their affiliates, authorized agents, employees, successors-in-interest and all other operators, owners, or charterers receiving services on behalf of Covered Vessel under this Agreement (collectively, the "Indemnitors") shall indemnify, defend, and hold harmless WSMC, and its directors, officers, managers, administrators, employees, agents and loaned servants, including any person provided by WSMC or its contractors as an incident commander or as a member of an Incident Command Staff (collectively, the "Indemnitees") from and against any and all costs, liabilities, claims, demands, and causes of action, including pollution liabilities and/or those liabilities based on strict liability, to the extent caused by the Indemnitors' failure to observe or comply with any applicable law, regulation, or lawful authority, or the Indemnitors' failure to observe or comply with and fulfill the Indemnitors' obligations under this Agreement or as a result of the gross negligence or willful misconduct of the Indemnitors, except to the extent that such costs, liabilities, claims, demands, and causes of action occur as a result of the Indemnitees' failure to observe or comply with any applicable law, regulation or lawful authority, or the Indemnitees' failure to observe or comply with and fulfill the Indemnitees' obligations under this Agreement or as a result of the gross negligence or willful misconduct of the Indemnitees, or their employees or agents.

11.6.2 Without limitation of the foregoing, the Indemnitors shall additionally indemnify, defend, and hold harmless the Indemnitees, and each of them, from and against any and all costs, liabilities, claims, demands and causes of actions for removal costs and damages under the Oil Pollution Act of 1990 ("OPA 90") or corresponding state law which results from actions taken or omitted to be taken by the Indemnitees, or any of them, in the course of rendering contingency planning services, spill response services, or care, assistance, or advice in connection with a discharge or threatened discharge (as defined by OPA 90 or state law) consistent with the National Contingency Plan or as otherwise directed by the Indemnitors or their authorized representatives, the U.S. Coast Guard, or other governmental authorities, which the Indemnitees, individually or collectively, may suffer, incur or pay out, except to the extent that:

11.6.2.1 The Indemnitees, and each of them, are held to be entitled to full immunity from liability under an applicable federal or state responder immunity law, in which event the Indemnitors shall only be required to indemnify the Indemnitees for the reasonable attorney fees actually expended to establish such immunity or defense;

11.6.2.2 To the extent such liabilities, claims, demands and causes of action subject to indemnification or duty to defend hereunder are the proximate result of the gross negligence or willful misconduct of the Indemnitees, or any of them;

11.6.2.3 The Indemnitors would have been entitled to a complete defense to liability under federal or state law had such claim, demand or cause of action been made against the Indemnitors or the vessel(s) owned or operated by the Indemnitors subject to this Agreement directly; or

11.6.2.4 Such payment or indemnification would result in a payment to the Indemnitees, or any of them, in excess of the amount to which the Indemnitors would have been entitled to limit liability under federal or state law had such claim, demand, or cause of action been made against the Indemnitors, or any vessel owned or operated by the Indemnitors subject to this Agreement, directly.

11.6.3 WSMC will indemnify, defend and hold harmless the Indemnitors, and each of them, from and against any and all costs, liabilities, claims, demands, and causes of action to the extent caused by the Indemnitees' failure to observe or comply with any applicable law, regulation or lawful authority or as a result of the gross negligence or willful misconduct of the Indemnitees, or any of them, except to the extent that such costs, liabilities, claims, demands, and causes of action occur as a result of the Indemnitors' failure to observe or comply with any applicable law, regulation or lawful authority, or the Indemnitors' failure to observe or comply with and fulfill the Indemnitors' obligations under this Agreement or as a result of the gross negligence or willful misconduct of the Indemnitors, or their employees or agents, or of third parties.

11.6.4 The Indemnitors, consistent with the indemnification described in Section 11.6.2 above, hereby irrevocably release and forever discharge the Indemnitees from liability for any and all claims, causes of action, or demands, whether legal or equitable, including but not limited to claims for contribution, breach of contract, tort or otherwise, and specifically, without limitation, as arising from the affirmative or passive negligence of the Indemnitees or as otherwise vicariously attributable to the Indemnitees, which the Indemnitors have or may have, either jointly or severally, against the Indemnitees based on, related to, or arising in connection with this Agreement or any performance or alleged failure to perform under this Agreement. This release does not operate to relieve WSMC from its indemnity obligations under Section 11.6.3 above.

11.6.5 The Indemnitors also covenant and agree that neither the Indemnitors or their assigns or successors-in-interest shall file a cross claim or counterclaim against the Indemnitees or assert the legal liability of the Indemnitees as a defense in any legal proceeding arising from, related to, or in connection with this Agreement or concerning any claim brought by any third person or entity against the Indemnitors related to the furnishing of oil spill contingency planning or response services or assets pursuant to this Agreement, excepting only as necessary to declare the rights or liabilities of the parties under this Agreement.

11.6.6 Breach of this Section 11.6 by the Indemnitors may, at the option of the Indemnitees, be considered a breach of this Agreement and, in addition to any other right or remedy arising under this Agreement or by operation of law, shall support the legal liability of the Indemnitors for any incidental or consequential damages of the Indemnitees arising from or related to such breach, including without limitation attorney fees and expenses incurred by the Indemnitees

11.7 Survival of Obligations. This Section 11, and each of its provisions, shall remain in full force and effect notwithstanding the existence of any breach or default by any party under this Agreement, and shall specifically survive the expiration or termination of this Agreement.

12. GENERAL PROVISIONS.

12.1 The Marine Exchange of Puget Sound (referred to herein as WSMC's "Services Administrator") or other organization, appointed from time to time by WSMC's Board of Directors, shall represent WSMC in its routine and emergency communications and transactions with Ship Owner/Operator/Authorized Agent, Covered Vessel and their representative agents. Ship Owner/Operator/Authorized Agent, Covered Vessel and their representative agents shall be entitled to rely upon the power and authority of the Services Administrator to represent and bind WSMC in matters pertaining to this Agreement.

12.2 This Agreement may be amended from time to time by WSMC, provided, however, that WSMC's Services Administrator is not empowered to agree to any amendments to this Agreement, without the express, written authority of WSMC. Amendments may also be required to maintain compliance with applicable regulations. Any such amendments shall be in writing and communicated to all Ship Owner/Operator/Authorized Agents. Such notification shall be given at least thirty (30) days in advance of the effective date of any amendments or modifications going into effect.

12.3 Any dispute or controversy arising under, out of, in connection with, or in relation to this Agreement, any amendments hereof, or any breach hereof, shall be determined and settled by arbitration to be held in Seattle, Washington. Any party to this Agreement may call for arbitration by giving written notice to the other party giving a brief description of the dispute or differences which such parties desire to put to arbitration. The parties shall attempt to agree on a single arbitrator to decide the matter(s). If within twenty (20) days the parties are unable to agree on a single arbitrator, then the party requesting arbitration and the party responding to such request shall each appoint a single arbitrator and a third arbitrator shall be appointed by the two so chosen. If the other party shall not appoint its arbitrator within twenty (20) days of notice of appointment of an arbitrator by the first party, then the first party shall have the right without further notice to appoint a second arbitrator, who shall be a disinterested

person, with precisely the same force and effect as if said second arbitrator had been appointed by the other party. In the event that the two arbitrators fail to appoint a third arbitrator within ten (10) days of the appointment of the second arbitrator, either arbitrator may apply to a judge of any court of competent jurisdiction at Seattle Washington, for the appointment of a third arbitrator, and the court appointment of such arbitrator shall have precisely the same force and effect as if such arbitrator had been appointed by the two arbitrators. The procedures followed and the conduct of the arbitration shall be in accordance with rules or guidelines selected by and deemed appropriate to the proceedings by the arbitrator(s). The decision of the single arbitrator, or if before a panel of three arbitrators, the decision of any two of them, shall be final and binding. The fees of a single arbitrator or, if a three-person panel, the third arbitrator, are to be shared equally by the parties. If a three person panel, each party is to pay the fees of the arbitrator appointed by them or on their behalf.

12.4 Notices required hereunder should be addressed to the address and facsimile numbers set forth in Part 1 of this Agreement.

12.5 If any provision of this Agreement or portion thereof should be declared invalid for any reason, the invalid provision or portion shall be deemed omitted and the remaining terms shall nevertheless be given effect.

12.6 The waiver of a breach of any term or condition of this Agreement shall not be deemed to constitute the waiver of any other breach of the same or any other term or condition hereof.

12.7 WSMC Covered Vessel Owner/Operator/Authorized Agents who have enrolled under this Enrollment Agreement may refer to WSMC and the Plan in general reporting and contingency plan filing with governmental agencies. WSMC shall be entitled to provide information to any governmental agency regarding the relationship of any Covered Vessel to WSMC and coverage of any Covered Vessel under the Plan.

12.8 Neither WSMC nor any Ship Owner/Operator or Covered Vessel may assign their respective rights or obligations under this Agreement without the prior written consent of the other party.

12.9 No governmental agency or other private party, including any other contractors or subcontractors referenced herein or in the Plan, are intended to be third-party beneficiaries of any rights or obligations under this Agreement.

12.10 To the extent that the substantive law of the United States does not govern this Agreement, this Agreement shall be construed under the laws of the State of Washington. The parties agree that all matters involving interpretation or enforcement of this Agreement will be referred, subject to the arbitration provisions in Section 12.3, to the United States District Court for the Western District of Washington at Seattle, or, if and only if the United States District Court does not have jurisdiction over any such matter, to any other court of competent jurisdiction in Seattle, Washington.

12.11 This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. This Agreement may be signed and transmitted by facsimile (or electronically in a form that allows the receiving party to print a copy of the signature), with the same effect as an original signature, provided such signing party shall provide a counterpart signed original of the executed document, if requested by the other party.

13. ACCEPTANCE OF AGREEMENTS BY COVERED VESSELS.

13.1 Enrollment of a vessel by the Ship Owner/Operator/Authorized Agent pursuant to this Enrollment Agreement shall be effective upon its first arrival or presence in the WSMC Area of Coverage. Unless excluded from enrollment under Section 6, a Covered Vessel owned and/or operated by Ship Owner/Operator shall be deemed to have acknowledged and accepted the terms and conditions of this Enrollment Agreement, and the Plan as of the time each such vessel enters the WSMC Area of Coverage. In the event the signer of this Agreement is an agent of a disclosed principal, nothing contained herein is or shall be construed to be a guarantee or agreement by such agent to pay any cost, fee, expense, damages, fines, penalties or assessments chargeable to or against Covered Vessel or its owners, operators, charterers, officers or crew, under any of the aforementioned agreements, under any other agreements relating thereto entered by the Covered Vessel's Authorized Agent in a representative or agency capacity or under applicable federal or state law or regulation. All such costs, fees, expenses, damages, etc., shall remain exclusively for the account of the Covered Vessel and its owners and/or operators.

13.2 If this Enrollment Agreement is signed by an agent or authorized representative of the Covered Vessel's Owner/Operator, such agent or authorized representative warrants his/her authority to sign this Agreement, and shall, upon WSMC's request, provide WSMC with a copy of his/her written authorization to act on behalf of the Owner/Operator to sign this Agreement.