

APPENDIX A (SCOPIC)

1. PERSONNEL

- (a) The daily tariff rate, or pro rata for part thereof, for personnel reasonably engaged on the contract, including any necessary time in proceeding to and returning from the casualty, shall be as follows:
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| Office administration, including communications | US\$1,275 |
| Salvage Master | US\$1,900 |
| Naval Architect or Salvage Officer/Engineer | US\$1,585 |
| Assistant Salvage Officer/Engineer | US\$1,270 |
| Diving Supervisor | US\$1,270 |
| HSE qualified diver or his equivalent but excluding saturation or mixed gas drivers
(whose rate should be agreed with the SCR or determined by the Arbitrator) | US\$1,140 |
| Salvage Foreman | US\$ 950 |
| Riggers, Fitters, Equipment Operators | US\$ 760 |
| Specialist Advisors – Fire Fighters, Chemicals, Pollution Control | US\$1,275 |
- (b) The crews of tugs, and other craft, normally aboard that tug or craft for the purpose of its customary work are included in the tariff rate for that tug or craft but when because of the nature and/or location of the services to be rendered, it is a legal requirement for an additional crew member or members to be aboard the tug or craft, the cost of such additional crew will be paid.
- (c) The rates for any personnel not set out above shall be agreed with the SCR or, failing agreement, be determined by the Arbitrator.
- (d) For the avoidance of doubt, personnel are "reasonably engaged on the contract" within the meaning of Appendix A sub-clause 1(a) hereof if, in addition to working, they are eating, sleeping or otherwise resting on site or travelling to or from the site; personnel who fall ill or are injured while reasonably engaged on the contract shall be charged for at the appropriate daily tariff rate until they are demobilised but only if it was reasonable to mobilise them in the first place.
- (e) SCOPIC remuneration shall cease to accrue in respect of personnel who die on site from the date of death.

2. TUGS AND OTHER CRAFT

- (a) (i) Tugs, which shall include salvage tugs, harbour tugs, anchor handling tugs, coastal/ocean towing tugs, off-shore support craft, and any other work boat in excess of 500 b.h.p., shall be charged at the following rates, exclusive of fuel or lubricating oil, for each day, or pro rata for part thereof, that they are reasonably engaged in the services, including proceeding towards the casualty from the tugs location when SCOPIC is invoked or when the tugs are mobilised (whichever is the later) and from the tugs position when their involvement in the services terminates to a reasonable location having due regard to their employment immediately prior to their involvement in the services and standing by on the basis of their certificated b.h.p.:
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| For each b.h.p. up to 5,000 b.h.p. | US\$2.80 |
| For each b.h.p. between 5,001 & 12,000 b.h.p. | US\$2.00 |
| For each b.h.p. between 12,001 & 20,000 b.h.p. | US\$1.40 |
| For each b.h.p. over 20,000 b.h.p. | US\$0.70 |
- (ii) Any tug which has aboard certified fire fighting equipment shall, in addition to the above rates, be paid:
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| US\$690 per day, or pro rata for part thereof, if equipped with Fi Fi 0.5 |
| US\$1,375 per day, or pro rata for part thereof, if equipped with Fi Fi 1.0 |
- for that period in which the tug is engaged in fire fighting necessitating the use of the certified fire fighting equipment.
- (iii) Any tug which is certified as "Ice Class" shall, in addition to the above, be paid US\$1,375 per day, or pro rata for part thereof, when forcing or breaking ice during the course of services including proceeding to and returning from the casualty.
- (iv) For the purposes of paragraph 2(a)(i) hereof tugs shall be remunerated for any reasonable delay or deviation for the purposes of taking on board essential salvage equipment, provisions or personnel which the Contractor reasonably anticipates he shall require in rendering the services which would not normally be found on vessels of the tugs size and type.
- (b) Any launch or work boat of less than 500 b.h.p. shall, exclusive of fuel and lubricating oil, be charged at a rate of US\$4.15 for each b.h.p.
- (c) Any other craft, not falling within the above definitions, shall be charged out at a market rate for that craft, exclusive of fuel and lubricating oil, such rate to be agreed with the SCR or, failing agreement, determined by the Arbitrator.
- (d) All fuel and lubricating oil consumed during the services shall be paid at cost of replacement and shall be treated as an out of pocket expense.
- (e) For the avoidance of doubt, the above rates shall not include any portable salvage equipment normally aboard the tug or craft and such equipment shall be treated in the same manner as portable salvage equipment and the Contractors shall be reimbursed in respect thereof in accordance with Appendix A paragraphs 3 and 4(i) and (ii) hereof.
- (f) SCOPIC remuneration shall cease to accrue in respect of tugs and other craft which become a commercial total loss from the date they stop being engaged in the services plus a reasonable period for demobilisation (if appropriate) PROVIDED that such SCOPIC remuneration in respect of demobilisation shall only be payable if the commercial total loss arises whilst engaged in the services and through no fault of the Contractors, their servants, agents or sub-contractors.

<u>Equipment</u>	<u>Rate – US\$</u>	<u>Equipment</u>	<u>Rate – US\$</u>
<u>Welding & Cutting Equipment</u>		<u>Storage Equipment</u>	
Bolt Gun	380	12' Container	32
Oxy-acetylene Surface Cutting Gear	32	20' Container	50
Underwater Cutting Gear	64		
Underwater Welding Kit	64		
250 Amp Welder	190		
400 Amp Welder	253		

- (b) Any portable salvage equipment engaged but not set out above shall be charged at a rate to be agreed with the SCR or, failing agreement, determined by the Arbitrator.
- (c) The total charge (before bonus) for each item of portable salvage equipment, owned by the contractor, shall not exceed the manufacturer's recommended retail price on the last day of the services multiplied by 2.0.
- (d) Compensation for any portable salvage equipment lost or destroyed during the services shall be paid at the replacement cost. (Provided that the total of such compensation and the daily tariff rate (before bonus) in respect of that item does not exceed the actual cost of replacing the item at the Contractor's base with the most similar equivalent new item multiplied by 2.5.)
- (e) All consumables such as welding rods, boiler suits, small ropes etc. shall be charged at cost and shall be treated as an out of pocket expense.
- (f) The Contractor shall be entitled to remuneration at a stand-by rate of 50% of the full tariff rate plus bonus for any portable salvage equipment reasonably mobilised but not used during the salvage operation provided
- (i) It has been mobilised with the prior agreement of the owner of the vessel or its mobilisation was reasonable in the circumstances of the casualty, or
- (ii) It comprises portable salvage equipment normally aboard the tug or craft that would have been reasonably mobilised had it not already been aboard the tug or craft.
- (g) SCOPIC remuneration shall cease to accrue in respect of portable salvage equipment which becomes a commercial total loss from the date it ceases to be useable plus a reasonable period for demobilisation (if appropriate) PROVIDED that such SCOPIC remuneration in respect of demobilisation shall only be payable if the commercial total loss arises while it is engaged in the services and through no fault of the Contractors, their servants, agents or sub-contractors.

4. DOWNTIME

If a tug or piece of portable salvage equipment breaks down or is damaged without fault on the part of the Contractor, his servants, agents or sub-contractors and as a direct result of performing the services it should be paid for during the repair while on site at the stand-by rate of 50% of the tariff rate plus uplift pursuant to sub-clause 5(iv) of the SCOPIC clause.

If a tug or piece of portable salvage equipment breaks down or otherwise becomes inoperable without fault on the part of the Contractor, his servants, agents or sub-contractors and as a direct result of performing the services and cannot be repaired on site then:

- (i) If it is not used thereafter but remains on site then no SCOPIC remuneration is payable in respect of that tug or piece of portable salvage equipment from the time of the breakdown.
- (ii) If it is removed from site, repaired and reasonably returned to the site for use SCOPIC remuneration at the standby rate of 50% of the tariff rate plus bonus pursuant to sub-clause 5(iv) of the SCOPIC clause shall be payable from the breakdown to the date it is returned to the site.
- (iii) If it is removed from the site and not returned SCOPIC remuneration ceases from the breakdown but is, in addition, payable for the period that it takes to return it directly to base at the stand-by rate of 50% of the tariff rate plus bonus pursuant to sub-clause 5(iv) of the SCOPIC clause.