

General Terms and Conditions of Sale and Delivery

1. APPLICATION

- 1.1. Except as otherwise agreed to in writing these are the standard terms and conditions which shall apply to all sale and delivery contracts of Marine Fuels (the "Contract") entered into with Fratelli Cosulich Group of companies, for themselves individually and for their respective principals as agents, and their subsidiaries, affiliates, and dedicated agents and their respective subsidiaries and/or affiliates and/or branch offices (collectively, "the Fratelli Cosulich Group of Companies"), which includes Fratelli Cosulich Spa. (when they act just as traders), Fratelli Cosulich Unipessoal SA., Fratelli Cosulich Bunkers (S) Pte Ltd; Fratelli Cosulich Monaco Sam; Fratelli Cosulich USA LLC; Fratelli Cosulich Bunkers (HK) Ltd; Fratelli Cosulich (HK) Ltd; Fratelli Cosulich Greece SMPC and Fratelli Cosulich Middle East DMCC.

2. DEFINITIONS

- 2.1. "Seller" shall mean any of the companies of the Fratelli Cosulich Group of Companies and their respective subsidiaries and/or affiliates and/or branch offices, and their servants, agents, brokers, assigns, principals, representatives, or affiliates wherever applicable.
- 2.2. "Buyer" shall mean the party contracting to buy Marine Fuels under this Contract, including the entity or entities named in the Bunker Confirmation, together with the Vessel, her master, owners, operators, charterers, any party benefitting from consuming the Marine Fuel. All such persons falling within this definition of Buyer shall be jointly and severally liable for and guarantee the performance of all obligations of the Buyer set out in the Contract.
- 2.3. "Marine Fuels" shall mean the Seller's commercial grades of fuel oils and/or gasoils and/or distilled oil products and /or mineral or synthetic lubricating oils and/or other ancillary services to be purchased by Buyer pursuant to the Contract as currently offered generally to its customers for similar use at the time and place of delivery, and as more particularly described in the applicable Bunker Confirmation.
- 2.4. "The Contract" shall mean the agreement between the Buyer and the Seller for the sale and delivery of Marine Fuels, subject to these conditions and to the Bunker Confirmation issued by the Seller.
- 2.5. "Bunker Confirmation" shall mean a confirmation in writing from the Seller to the Buyer setting forth the particular terms of each sale of Marine Fuel.
- 2.6. "Vessel" shall mean the Vessel, including any on-shore tank, rig or other unit or installation, to which the Marine Fuels are to be delivered by the Seller.

3. PRICES

- 3.1. Prices shall be Seller's price as set forth in the Bunker Confirmation and will be valid for only the expected time of arrival ("ETA") of the Vessel as advised by Buyer. Prices for delivery beyond this range are subject to amendment at Seller's option.
- 3.2. Unless where otherwise agreed, prices shall be deemed to be net in U.S. Dollars. All applicable taxes, levies, duties, fees and other costs including those imposed by Governments and local Authorities shall be for Buyer's account and will not ordinarily be included in the price quoted.
- 3.3. Unless otherwise expressly agreed in the Bunker Confirmation, the Buyer shall pay any and all additional charges associated with the delivery, including, but not limited to, wharfage charges, barging charges, mooring charges, port dues, overtime charges incurred if delivery takes place outside of regular working days and hours at the relevant port of delivery.

4. QUALITY

- 4.1. The Marine Fuels to be delivered hereunder shall be Seller commercial grades of Marine Fuels as currently offered generally to its customers at the time and place of delivery. Save for the foregoing Seller gives no warranty of merchantability or fitness for purpose of Marine Fuels supplied under the Contract and any implied warranties or conditions whether statutory or otherwise are expressly excluded.
- 4.2. Buyer shall have the sole responsibility for the selection and acceptance of Marine Fuels, including determination of compatibility with marine fuels already on board the Vessel for use in the Vessel to which such Marine Fuel is delivered and the Seller shall not be under any obligation to check whether the grade of Marine Fuels is suitable for the Vessel. Any certificate of quality ("COQ") possibly provided by the Seller shall only be indicative of the typical quality of the Marine Fuels and the Seller in no way guarantees that the Marine Fuels shall match the specifications stated in the COQ.
- 4.3. Where the Buyer nominates Marine Fuels above the sulphur limits set out in MARPOL Annex VI, the Buyer shall be fully responsible that the Vessel has working Abatement Technology (as defined in MARPOL Annex VI) installed in compliance with MARPOL Annex VI or must include a copy of a valid Fuel Oil Non-Availability Report (FONAR) and that the relevant authorisation is granted to the Vessel for that specific delivery of Marine Fuels. The Buyer is under the obligation to provide relevant confirmation in writing upon Seller's request. The Buyer shall indemnify the Seller of all cost or losses incurred as a result of Seller's breach of this Clause.
- 4.4. In order to determine the quality of Marine Fuels Seller shall be entitled to draw, or cause to be drawn, samples from each delivery and to have them sealed. Two of these samples will be handed to the Vessel which has received the delivery, one of which for Marpol purposes only as set forth at clause 7.4 and the remaining samples will be kept by Seller. In the event of a quality complaint Buyer shall agree with Seller upon the appointment of an independent expert to be instructed with an examination of the quality of Marine Fuels. This quality



examination shall be effected solely on the basis of the sealed samples, the result of which shall be binding upon both parties. The costs of analysis shall be borne by Buyer, unless the complaint as to quality is shown to be justified.

- 4.5. Any test results resulting from analysis of representative sample shall be considered meeting the specification when they are within allowances for generally recognized industry standards of repeatability and reproducibility. All grades of Marine Fuels may contain petroleum industry allowed, bioderived components.
- 4.6. Where specifications designate a maximum value, no minimum value is guaranteed unless expressly stated in the Bunker Confirmation. Conversely, where minimum values are provided in a specification, no maximum values are guaranteed unless expressly stated in the Bunker Confirmation.
- 4.7. If the Buyer's complaint concerning the quality of the Marine Fuels is based on the presence of substances which are not part of the quality specifications set out in Table 1 or Table 2 of ISO 8217, the Buyer shall show that the substances in question without a reasonable doubt jeopardize the safety of the Vessel or adversely affect the performance of the machinery.
- 4.8. Seller's warranty obligation under paragraph 4.1 shall lapse if the Marine Fuels delivered are altered, improperly handled, machined or processed or combined with other Marine Fuels or materials. Such obligation shall also lapse if the Buyer has neglected to protect any of Seller's claims or rights against all persons entrusted with the shipment of the Marine Fuels (e.g. forwarding agents, carriers, warehousemen, federal railways, etc.) or against their insurers or has failed to safeguard all documentary evidence necessary to determine any loss or damage (e.g. recognizances of damage on way-bills, items written off on tally notes or bills of lading/warehouse receipts, Seller's of such loss or damage factual records of loss or damage, etc.) or failed to immediately notify in writing.
- 4.9. Seller does not warrant or guarantee that any Supplier possibly appointed is compliant with Marpol 73/78 Annex VI, Regulations 14 and 18, as they apply to marine fuel deliveries, nor will Seller be responsible for any costs, charges, or damages incurred by Buyer from lack or non-compliance of Marpol 73/78 Annex VI by either Supplier, Buyer, or the Vessel's' personnel or agents. Should Supplier provide a certificate pursuant to Marpol Annex 73/78 Annex VI, such certificate does not constitute a general warranty of merchantability or fitness for a particular purpose of the Marine Fuels.

5. QUANTITY

- 5.1. All quantities referred to in the Contract are understood to be approximate with a margin of 5 per cent more or less (+/- 5%) at Seller's option however Seller's obligations to supply such quantities shall be subject to availability thereof from Seller's source of supply at the time and place of the requested delivery.
- 5.2. If Seller at any time for any reason believes there may be such a shortage of supply at any port that it may be unable to meet the demand of all its customers, Seller may allocate its available and anticipated supply among its customers in such a manner as it may in its sole discretion determine.
- 5.3. Where delivery of the Marine Fuels is carried out by barge/tankers in Singapore, the quantity of the Marine Fuels delivered shall be determined according to the procedures prescribed by the code of practice for bunkering ("SS 600:2014") and the code of practice of bunker mass flow metering ("TR 648:2019") issued by the Singapore Productivity and Standards Board or its current latest edition.
- 5.4. The quantity of Marine Fuels delivered shall be determined from the official gauge of the barge or truck effecting delivery or by gauging in Seller's shore tank or by Seller's oil meter at Seller's election. Except where Government regulations or local authorities determine otherwise, adjustment in volume owing to difference in temperature shall be made in accordance with API/ASTM-IP Petroleum measurements standards for generalized products (table 6B, 24B or 54B depending on port location). In the measurements of Marine Fuels, Seller shall make allowances for all water and non-petroleum sediments in excess of one per cent (1%). Buyer may be present or represented by properly accredited agent when such measurements are taken but Seller's determination of quantity shall be deemed to be correct and conclusive. Buyer shall inspect the Marine Fuels delivered hereunder before it is pumped out of the Seller's shore tank or barge, or any other accredited method of delivery provided such facility to inspect is available.
- 5.5. In the event the quantity of Marine Fuels delivered exceeds the quantity ordered, Buyer may refuse to accept delivery of the excess quantity, but if Buyer does not so refuse Buyer shall be obligated to pay for the entire quantity delivered at a price specified in the Bunker Confirmation.
- 5.6. Where quantity is determined by Seller otherwise than as above, such determination shall be conclusive unless complaint is made to Seller at time of delivery.
- 5.7. Where local Government regulations or local Authorities impose that customs' figures are to be considered as final and binding, such figures will prevail.

6. DELIVERIES

- 6.1. Buyer shall give Seller at least 72 hours notice (Saturday, Sunday and holidays excluded) of Vessel's readiness to receive delivery and exact required quantity to enable Seller to make necessary arrangement for the delivery. Buyer shall give Seller final notice at least 48 hours (Saturday, Sunday or holidays excluded) before loading Marine Fuels into barge or other methods of transportation.
- 6.2. Any supply date within the Contract is not guaranteed, and time shall not be of the essence in respect thereof. If, for reasons for which the Seller is not responsible, the Seller is not or is not with sufficient punctuality, so supplied by its contractor that it is unable punctually to discharge its delivery/service obligation vis-a-vis the Buyer, the Seller shall be entitled to withdraw from the Contract entered into with the Buyer with no liability towards the latter.
- 6.3. Seller shall use due diligence in the timely delivery of Marine Fuels to Buyer's Receiving Vessel. However, Seller shall not be liable for any delays due to congestion at the loading terminal, prior commitments of available barges/trucks, or discretionary decisions of the local transportation provider as to the Vessel's order of placement. In the case of actual delays not caused by the above circumstances, and which can be attributed solely to the gross negligence of Seller, Seller will reimburse Buyer for reasonable port costs such as shifting, pilotage and berthing.
- 6.4. If Buyer causes delay to Seller's facilities in effecting deliveries, Buyer shall pay demurrage to the Seller on the basis of actual costs incurred, and reimburse Seller for all other losses and expenses arising therefrom.



- 6.5. Seller shall not be required to deliver Marine Fuels into any of the Vessel tanks which are not regularly used for bunkering. If a Government license or permit is required for deliveries hereunder, no delivery should be made until relevant license or permit has been issued to Buyer, Seller, and/or Supplying Company, as applicable.
- 6.6. Delivery shall be made during Supplying Company's normal working hours unless required at other times and permitted by port Regulations, in which event Buyer shall reimburse Seller or Supplying Company for all additional expenses incurred in connection therewith.
- 6.7. Delivery shall be made in bunker lots at wharf or at shore terminals of Seller or by barge or by any other accredited methods of delivery, where such facilities are available from time to time. In the case of more than one method of delivery being available at a particular point of delivery, the Seller shall at its sole discretion adopt one.
- 6.8. Seller shall be at liberty to make arrangements with more than one supplier to supply the whole or any part of the Marine Fuels sold in each Transaction as well as to substitute the supplier initially appointed.
- 6.9. When deliveries are made by barge, Buyer shall provide free of cost a clear safe berth, position or anchorage for the barge(s) alongside the Vessel's receiving lines. The Seller shall be under no obligation to make ex barge deliveries when in its opinion a clear and safe berth, position or anchorage is not available. Buyer shall agree to pay and indemnify the Seller against all claims and expenses for any loss, damage, demurrage or delay caused by Buyer Vessel to barging equipment.
- 6.10. Buyer shall make all connections and disconnections between the pipelines or delivery hoses and Vessel's intake lines and shall render all other necessary assistance and provide sufficient tankage and equipment to receive promptly all deliveries hereunder.
- 6.11. On completion of the delivery to the Vessel the Master of the Vessel or authorized representative of Buyer shall thereafter give to the Seller a signed and stamped receipt thereof in the form required by Seller. The Seller shall not be deemed to have any constructive knowledge of the authority or lack of authority of any representative of the Buyer and shall be under no duty to verify the authority of such representative. The acceptance of the aforesaid signed receipt in good faith by the Seller shall bind the Buyer.
- 6.12. If Buyer fails to take delivery of the Marine Fuels or any part thereof Seller shall be entitled to the reimbursement of all costs and damages caused and, at Buyer's risk and expense, to transport the Marine Fuel back and then restorage it or to sell at a degraded form at a lower price than applicable under the Contract without prejudice to the Seller's other rights under this contract for damage or otherwise.
- 6.13. Seller may elect to discontinue operations at any delivery location for any reason without obligation to Buyer.
- 6.14. Where lighterage is employed, lighterage expenses shall be for the account of the Buyer. Deliveries of Light Diesel, Gas Oil and other grades of Marine Fuels on two or more barges will be subject to separate lighterage charges.

7. SAMPLING

- 7.1. The Seller shall arrange for samples to be taken during delivery of the Marine Fuels and unless otherwise agreed in writing the samples shall be taken in accordance with the sampling procedures applied by the appointed supplier.
- 7.2. Where delivery of the Marine Fuels is carried out in Singapore, all sampling taken at the time of bunkering shall be done in accordance to the procedures as set in the code of practice for bunkering ("SS 600:2014") and the code of practice for bunker mass flow metering ("SS 648:2019") issued by the Singapore Productivity and Standards Board, current or its latest edition. Any sample taken outside of these procedures shall not be recognized as the legal and binding sample.
- 7.3. Sampling shall be performed in the presence of the Buyer and Seller, or their representatives, but the failure of the Buyer to attend the sampling process shall not prejudice the validity of the samples.
- 7.4. All samples shall be sealed, labelled and signed by both the Buyer and Seller, or their representatives and two samples shall be retained by the Buyer one being the MARPOL compliant sample. The remaining samples shall be retained by the Seller or its representatives.
- 7.5. No samples drawn by the Buyer's personnel or samples subsequently taken shall be allowed as evidence of the quality of the Marine Fuels. If any seals have been removed or tampered with by an unauthorised person, such samples shall be deemed to have no value as evidence.
- 7.6. Where there is a complaint concerning the quality of the Marine Fuels, one of the aforesaid samples retained by the Seller shall be tested at a mutually agreed (by buyer and seller) independent laboratory located at the port/ country of delivery. Testing shall be limited to analysis of the disputed properties and the results shall be conclusive and binding evidence of the quality of the Marine Fuels supplied to the Vessel. In accordance with ISO 4259 tolerances in respect of reproducibility or repeatability in quality are accepted.
- 7.7. The Seller and the Buyer shall seek to agree on an independent laboratory to perform analysis, but if the Buyer fails to reply to the Seller's request to agree an appointment within 7 days from receipt of such notice or if the parties cannot agree then the Seller shall select the laboratory and such selection shall be final and binding for all parties involved.

8. RISK AND TITLE

- 8.1. Risk in the Marine Fuels shall pass to the Buyer as the Marine Fuels pass the last permanent flange connecting the Barge, Road Vehicle or other delivery facility manifold with the Vessel.
- 8.2. The Seller shall retain title to the Marine Fuels until the Seller has received full payment for the Marine Fuels and any other amounts and debts howsoever arising owed by the Buyer to the Seller. Until receipt of such payments the Buyer agrees that it is in possession of the Marine Fuels solely as bailee for the Seller, and shall not be entitled to use the Marine Fuels other than for the propulsion or operational maintenance of the Vessel or blend, encumber, pledge, alienate, or surrender the Marine Fuels to any third party or other vessel.

9. LIEN

- 9.1. Marine Fuels delivered pursuant to the Contract are sold and delivered on the financial credit of the Vessel as well as on the promise of the Buyer to pay. The Buyer therefore expressly warrants and agrees that the Marine Fuels are delivered with the authorisation and on behalf of the Vessel, its registered owner, its Master, the charterers and/or agents of the Vessel and there is no provision contained in the applicable Vessel's charterparty (or similar contractual arrangement) which purports to limit the Vessel, its Master, the charterers and/or agents or representatives of the Vessel from incurring a maritime lien.



- 9.2. Until the Seller receives payment of the Marine Fuels in full, the Seller shall have a maritime lien, attachment and/or claim against the Vessel and/or the Marine Fuels delivered. Such maritime lien, attachment and/or claim shall be without prejudice and in addition to any other remedy available to the Seller. The Buyer shall not do anything nor enter into any agreement that will in any way prejudice the Seller's right or ability to assert or enforce any such maritime lien, attachment and/or claim. If the Marine Fuels have been commingled on board the Vessel, the Seller retains its right of maritime lien, attachment and/or claim against the Vessel and/or against such part of the commingled marine fuel as corresponds to the quantity of the Marine Fuels delivered.
- 9.3. Notwithstanding anything herein to the contrary, including but not limited to clause 19 (Law and Jurisdiction), the Seller shall have, in its sole discretion, the right to exercise its lien, as granted herein by this clause 9, by in rem action against the Vessel through arrest and/or attachment or by any other action provided for by the laws of the Country where the lien is exercised.
- 9.4. "No-Lien" stamps (or any similar notification which could prejudice Seller's rights) on any document including to the BDN, whether used by the Buyer, the Vessel (or its representatives) or any third party shall not vary the terms of the Contract, and shall in no way prejudice any right of lien, attachment and/or claim the Seller has against the Buyer, the Vessel, the Vessel's registered owner or the Marine Fuels.

10. CLAIMS

- 10.1. The quantity of Marine Fuels delivered shall be determined in accordance with Article 5.1. Any claim regarding the quantity of the Marine Fuels delivered shall be notified by telephone as well as in writing by the Buyer or the master of the Vessel to the Seller immediately when the dispute occurs and while the delivery hoses are still connected. In the event immediate verbal as well as written notice is not made, such claim shall be deemed to be waived and time-barred. A notification inserted in the bunker delivery note or in a separate protest handed to the physical supplier of Marine Fuels shall not qualify as notice under this clause and the Seller shall under no circumstances be deemed to have accepted such notice or protest handed to the physical supplier.
- 10.2. Any claim regarding the quality of the Marine Fuels delivered shall be presented in writing to the Seller as soon as an alleged quality problem has occurred or the Buyer is notified of any alleged problem and in any event no later than within seven (7) days from the date of delivery to the Vessel. However, in the event that the appointed physical supplier (if any) grants to Seller a period longer than seven (7) days in the physical supplier's own terms and conditions, then the Seller at its own discretion might grant the Buyer with that same notice period granted by the physical supplier. The foregoing notice shall be followed by a formal written notice of claim to Seller, within thirty (30) calendar days from receipt of the product, containing all details necessary to allow evaluation of the claim. Should the Buyer fail to make timely notifications of any claim regarding the quality of the Marine Fuels the claim shall be deemed waived and time-barred.
- 10.3. Buyer's rights in respect of any claim of any kind whatsoever shall in any case be conclusively deemed to have been waived and all rights in respect thereof shall be extinguished unless a suit is brought within three (3) months after delivery of the Marine Fuels to the Vessel or, if delivery has not taken place, within three (3) months of the date on which the Marine Fuels ought to have been delivered.
- 10.4. A written claim for the purposes of clauses 10.1 and 10.2 must provide a complete and comprehensive explanation of the circumstances and basis of the claim, including where applicable the quantities short and/or the discrepancies in quality, and include a full test report for a test performed on one of the official samples mentioned in the bunker delivery note performed by an independent laboratory along with copies of all correspondence with the independent laboratory and include copies of all supporting documents including the vessel's logs evidencing the matters complained of.
- 10.5. To the extent that the Buyer's test report evidence that the components detected are within the allowed tolerances in respect of reproducibility or repeatability as set out in ISO 4259, the Marine Fuels shall be deemed to be compliant and the Buyer cannot require further testing of the Marine Fuels.
- 10.6. In the event of any claim presented in accordance with Clause 10.1, 10.3 and 10.4, the Buyer shall cooperate with the Seller and make all necessary arrangements for the Seller or its representatives to investigate such claim, including but not limited to the boarding and inspection of the Vessel, the interviewing of crew and the review and copying of Vessel documents. The Buyer shall also have to take all reasonable steps and actions to mitigate any damages, losses, costs and expenses related to any claim of alleged off-specification or defective Marine Fuels. If the Marine Fuels deviate from specifications, the Buyer shall use all reasonable endeavours to mitigate the consequences hereof and shall burn the Marine Fuels if possible even if this requires employment of purification tools or other similar measures. The Buyer shall lastly have to take all reasonable steps to preserve Seller's recourse against the physical supplier of Marine Fuels or any culpable third party.
- 10.7. Buyer's submission of any claim does not relieve it of responsibility to make payment in full as required under Clause 11.
- 10.8. Any claim regarding the delay experienced by the Vessel meeting the conditions set forth at clause 6.3 shall be presented in writing to the Seller as soon as the alleged delay has occurred and in any event no later than within seven (7) days from the first day of the alleged delay, failing which any such claim shall be deemed waived and time-barred.

11. PAYMENT

- 11.1. Payment shall be made by Buyer as directed by Seller and shall include the amount of any taxes payable by Seller in relation to the sale of Marine Fuels.
- 11.2. Unless otherwise agreed, payment shall be made by bank transfer into Seller's bank account as stated in the Bunker Confirmation and/or invoice within a period of thirty (30) days from the date of the delivery. Delivery documents may be provided to Buyer at its request, payment shall however not be conditional upon Buyer's receipt of such documents.
- 11.3. In the event the Buyer is requested to make payment to a bank account other than the one stated in the Bunker Confirmation and / or invoice, the Buyer shall obtain oral and written confirmation from its usual contact person within the Seller's organization prior to effecting any payment. If for any reason the Buyer receives payment information from anyone purporting to represent the Seller or purporting to be part of Seller's organisation, which deviates from the account information previously received from the Seller, the Buyer must immediately contact its usual contact person within the Seller's organisation both by telephone and e-mail to ensure that the new bank account information is correct. If payment is made to an account other than the one designated in the Bunker Confirmation not verified in accordance with this clause and the funds are not received in the Seller's account, payment has not occurred.
- 11.4. Overdue payments shall at Seller's sole discretion be subject to an interest charge running from the due date of payment at the rate of two per cent (2%) per thirty days (30) period compounded or the maximum rate permitted under applicable law, the Seller remaining



entitled to the reimbursement of any other damage/cost including but not limited to the attorney fees, the costs and expenses which may be incurred by Seller with respect to collection, legal or other actions necessary at any time in Seller's opinion for the protection of its interest and the enforcement of its rights hereunder.

- 11.5. Should Marine Fuels be ordered by a broker or agent then such broker or agent as well as the Buyer shall be bound by and liable for all obligations as fully and as completely as if they were themselves the Buyer whether such principal shall be disclosed or undisclosed and whether or not such broker or agent purports to contract as brokers or agents only but in all such cases the said broker or agent shall not have any right against the Seller.
- 11.6. The Owner and/or the Manager(s) of the Vessel receiving delivery of Marine Fuels under these General Terms and Conditions of Sale and Delivery, shall be responsible for the performance of all of Buyer's obligations hereunder. If delivery of Marine Fuels is contracted for by an agent or Manager of the Owner or by the Operator or Charterer of the Vessel, then such agent, Manager, Operator or Charterer, as well as the Owner, shall be fully liable for the obligations of the Buyer, whether such Owner is disclosed or undisclosed.
- 11.7. Notwithstanding any agreement to the contrary, payment will be due immediately and the Seller shall be entitled to cancel all outstanding stems and/or withhold future deliveries if, in the sole discretion of the Seller, Buyer face a situation which is deemed to adversely affect Seller's assessment of the financial position of the Buyer (such as liquidation/bankruptcy, arrest of assets including -but not limited to- the Vessel, failure to pay Seller's invoices at their time of maturity etc.). If it has been agreed that payment shall be made by instalments, and if Buyer falls either wholly or in part into arrears in respect of two consecutive instalments, the entire remaining balance shall become due for payment forthwith.
- 11.8. When paying, Buyer shall not be entitled, without the Seller's consent in writing, to offset any amounts against Seller, whether or not these claims are connected and whether or not they arise out of the Contract.
- 11.9. Seller has the right to offset any claims, for whatever legal grounds against claims the Buyer may have against Seller, its holding or subsidiary companies, affiliates, associated or related companies.
- 11.10. Payment shall be deemed to have been made in the case of a direct payment to Seller on the date of receipt of good funds at Seller's address or, in any other case, on the date the payment is credited to Seller's account at a bank designated by Seller. If payment falls on a non business day, that is, a week-end or other day on which Buyer's or Seller's bank is closed, then payment shall be made on or before the preceding business day.
- 11.11. In case any of the circumstances mentioned in clause 16.1 occur, Buyer, Owners, Charterers and any other parties to the Contract will be deprived of the benefit of any agreed term of payment and will become immediately jointly liable towards the Seller for the payment of the contractual price.
- 11.12. In case the Buyer fails to effect payment at the time and in the manner prescribed under these General Terms and Conditions of Sale and Delivery, Buyer will be automatically deprived of the benefit of any agreed term of payment which may be applicable to any other contracts subject to these Conditions entered with Seller and shall be therefore bound to effect payment of any prices or other amounts due under such contracts immediately, upon simple request of Seller.

12. SAFETY AND ENVIRONMENTAL PROTECTION

- 12.1. Buyer shall be responsible for users' compliance with all health and safety requirements relating to Marine Fuels supplied and shall best assure that any user avoids frequent or prolonged contact with or exposure to the Marine Fuels both during and subsequent to delivery. Seller or Seller's supplier accepts no responsibility for any consequence arising from failure to comply such health and safety requirements or arising from such contact or exposure.
- 12.2. In the event of any leakage spillage, overflow of bunkers causing or likely to cause pollution occurring at any stage, the Buyer and the Vessel shall, regardless as to whether Buyer or Seller is responsible, immediately take such action as is necessary to effect clean up and failing prompt action Buyer (which hereby warrants that it has been authorized by Vessel's Owners) authorizes Seller to take whatever measures Seller deems fit to effect clean up at Buyer's expenses. Buyer warrants that the Vessel at all material times will be in compliance with all national and international regulations. It shall be the responsibility of the Master of the Vessel to notify Seller of any special conditions, difficulties, peculiarities, deficiencies or defects with respect to the Vessel or any part thereof which might adversely affect the delivery of Marine Fuels. Seller has the right to refuse to deliver of Marine Fuels to the Vessel if it is probable that such delivery will result in adverse consequences of any kind whatsoever.

13. ASSIGNMENTS

- 13.1. Seller may assign all or any its rights and obligations hereunder. Any assignment by Buyer without Seller's written consent shall be void.

14. LIABILITY

- 14.1. Seller's liability arising out of the Contract howsoever caused and including the negligence of the Seller, its servants, sub-contractors or agents and whether based in tort or contract and including claims for quality and pollution shall be limited to the lesser between the amount of US\$ 500,000 and the price of that part of the Marine Fuels giving rise to the claim on which the Seller's liability is based. As such, where a Contract provided for the supply of two grades of Marine Fuels and liability arises from one grade being off-specification then only the Price for the off-specification Marine Fuels shall be taken into account in calculating the limit of the Seller's liability. In any case, the Seller shall have no liability unless and until the Seller has received full payment from the Buyer of all sums due under the Contract.
- 14.2. Seller shall under no circumstances be liable for any consequential loss howsoever arising out of the Contract, whether direct or indirect and whether or not foreseeable at the time of formation, including, without limitation, cost and losses from delay, detention, demurrage, charter hire, loss of freight, crew wages, pilotage, towage, port charges, or any loss of profits or any increased cost or expenses for obtaining replacement of the Marine Fuels. In no event shall the Seller be liable for indirect, special, incidental, exemplary, punitive or for any consequential damage, loss or cost.



- 14.3. Seller's supplier of Marine Fuels and all employees, representatives or agents of Seller and of such Seller's suppliers will have the benefit of any and all rights stipulated for the Seller under these conditions with respect to exclusion of liability and with respect to indemnification of Seller thereof.
- 14.4. In the event that suppliers of any other person who may benefit from Seller stipulation in this connection would be held liable, the total liability shall be limited to an amount equal to the net price of the delivery involved and in any event Seller shall have no liability for any incidental, consequential or special damages (including but not limited to loss of revenue) arising.
- 14.5. Where a date of delivery is indicated, the obligation of the Seller shall be to deliver as soon thereafter as is practicable having regard to congestion affecting the Seller's delivery facilities or the facilities of its suppliers or agents or to the prior commitment of bunkering barges or other delivery vehicles. However, such date is not guarantee and time shall not be of the essence in respect thereof or of any other obligation on Seller part contained in these conditions. Seller shall not be liable to make good any damage or loss whether arising directly or indirectly out of delays in delivery of Marine Fuels.
- 14.6. The Buyer shall indemnify the Seller against any liability incurred by the Seller in respect of the Buyer's failure to comply with applicable Government or local Regulations at the port such as those related to fire or in respect of any loss of Marine Fuels or damage to any property caused by the Buyer's Vessel during berthing, bunkering and/or unberthing.
- 14.7. Buyer shall indemnify and hold Seller and Seller's Supplier harmless from and against any and all claims, demands, suits or liabilities for damage to property or for injury or death of any person arising out of or in any way connected with fault of Buyer or its agents or servants in receiving, using, storing, or transporting Marine Fuels delivered hereunder.
- 14.8. Any liability for damage to the vessel shall in any event be reduced by 20% (twenty) percent of the invoice value of spare parts required to repair such damage, for each year or fraction thereof in which the part to be replaced has been in use with the obligation for the Buyer to provide the Seller with relevant evidences.
- 14.9. The Seller and the Buyer recognize the risks inherent in ship-to-ship operations and that the decision to proceed with such operations in the sound discretion of the masters of the vessels involved.

15. CANCELLATION

- 15.1. If subsequent to the Bunker Confirmation, the Buyer cancels the order, even in part, for any reason whatsoever including circumstances entirely outside of Buyer's control, then Seller without prejudice to any other rights it may have, shall be entitled to recover any cancellation fees imposed by the Physical Supplier or by the other local suppliers; a fee of \$ 6,00 per metric ton of Marine Fuels to which cancellation refers and any difference between the contract price of the undelivered Marine Fuels and the amount received by the Seller upon resale to another party (or, if another buyer cannot be found, any market diminution in the value of the Marine Fuels as reasonably determined from available market indexes) whichever is greater; as well as all costs and damages arising from any underlying physical or derivative paper contracts which Seller has entered into in order to effect supply. Buyer agrees that cancellation fee as well as the associated costs are an inherent part of Seller's provision and necessary to operation of the Vessel and is secured by an in rem maritime lien against the Vessel, and accept to pay these amounts within 7 days from the issue date of Seller's invoice.

16. TERMINATION

- 16.1. Notwithstanding anything to the contrary expressed or implied elsewhere herein, the Seller, without prejudice to its other rights, may at its sole discretion terminate the Contract forthwith on notifying the Buyer either orally (confirming such notification in writing) or by notice in writing in the event that a liquidator (other than for the purpose of amalgamation or reconstruction), trustee in bankruptcy, receiver, manager or other similar entity is appointed in respect of the assets and/or undertaking of the Buyer or any of its associated companies, or the Buyer or any such associated company enters into an arrangement or composition with its creditor, or any similar appointment, arrangement or composition is made under any applicable Law or if the Seller has a reason to anticipate any such appointment, arrangement or composition.
- 16.2. Seller may terminate this Contract in whole or in part, at its own discretion upon the breach of any provision hereof by Buyer.
- 16.3. Seller reserves the right to recover from Buyer all damages and costs (including but not limited to loss of profit) resulting from any breach of them of the Contract.
- 16.4. In case the Buyer fails to effect payment at the time and in the manner prescribed under these General Terms and Conditions of Sale and Delivery, Seller, without incurring in any liability, shall have the right to terminate any other Contracts subject to these Conditions entered with Buyer.

17. FORCE MAJEURE

- 17.1. In the case of extraordinary events which are beyond the control of the Seller and which are unforeseeable in spite of the necessary care and which do not allow the Seller, with due consideration of its other delivery obligations, to make contractual deliveries or which would allow the Seller to make such deliveries only at economically unreasonable conditions, Seller shall be entitled for the duration of such obstruction to restrict or discontinue the deliveries -or in the case of prolonged obstruction- to withdraw from the Contract or terminate it without notice. This shall apply without limitation for instance in the case of war or warlike conditions and their consequences, unrest, sabotage, operational disturbances, labor dispute, measures by Law or order of the authorities, obstructions or delay in transportation, disturbance in the supply of Seller with crude oils, in particular by events in the area of the crude oil producing Countries. The same shall also apply if Seller is forced by market conditions to change its source of resources in such a way that Seller can no longer reasonably be expected to continue deliveries. The quantity of Marine Fuels which has not been delivered for the reasons stated in this clause 17.1 shall be deducted from the quantity of Marine Fuels to be sold and purchased under this Contract. Failure to deliver or accept delivery of Marine Fuels which is excused by, or results from the operating of this Clause 17.1 shall not extend the term of this Contract.
- 17.2. Seller shall be entitled to recover from the Buyer all additional costs including, but not limited to acquisition and transportation costs as a result either direct or indirect from the consequences of such extraordinary events.
- 17.3. Under no circumstances, however, shall Buyer be excused under this paragraph of Buyer's obligation to make payment for all amounts due on account of Marine Fuels previously delivered hereunder.



18. RESALE AND EXCHANGE

- 18.1. Buyer undertakes that Marine Fuels supplied under the Contract will be used solely for the bunkering requirements of the Vessel to which they are delivered.

19. SANCTIONS COMPLIANCE

- 19.1. Buyer warrants that the nominated Vessel and, if the above Vessel is a bunker barge or lighter, the Vessel(s) which will ultimately consume the Marine Fuels delivered under the Contract, is/are not designated in any sanctions list issued by the United Nations, United States, and/or European Union; and/or owned 50% or more -also in the aggregate- or controlled by any person or entity designated in any sanctions list issued by the United Nations, United States, and/or European Union.
- 19.2. The Buyer warrants and represents that the Vessel is employed at all times in full compliance with all trade sanctions, foreign trade controls, export controls, non-proliferation, anti-terrorism and similar laws, regulations, decrees, ordinances, orders, demands, requests, rules or requirements issued or enacted by the United States of America, the United Nations and/or the European Union.
- 19.3. The Seller is entitled to terminate the Contract at any time without liability in case there are reasons to believe that the delivery of Marine Fuels to the Vessel might be in breach of any current sanction. In this case, the Seller shall be entitled to charge the Buyer with cancellation fees in accordance with clause 15.1.
- 19.4. In respect of any Marine Fuels to be supplied by Seller, Seller affirms that the Marine Fuels do not contain any crude oil or petroleum products that Seller knows, or has reasonable cause to suspect, to have originated in or been exported from sanctioned countries. Seller provides no warranty, express or implied, with respect to the ultimate origin of the products being provided to buyer.
- 19.5. Seller and all its offices and dedicated agencies abide by international trade sanctions regulations, including those of the United Nations, United States, and European Union.
- 19.6. Seller warrants that, to the best of its knowledge, the Marine Fuels to be supplied to the Vessel are not sourced by any country or countries that are on any sanctions lists issued by the United Nations, United States, and/or European Union nor owned or controlled by any person or entity designated in any sanction list issued by the United Nations, United States, and/or European Union.

20. WAIVER

- 20.1. Failure by either party at any time to enforce any of these conditions shall not be considered as a waiver by such party of such provisions or in any way affect the validity of these conditions.

21. MISCELLANEOUS

- 21.1. The supply by Seller of Marine Fuels and every quotation, pro-forma invoice, order confirmation, price list or other similar document relating to Marine Fuels are made or issued solely subject to these conditions and no representation or warranty collateral or otherwise shall bind Seller and no statement made by any representative by or on behalf of Seller shall vary these Conditions unless such representation warranty or statement shall be made in writing and signed by a Director of Seller and shall be stated to be made specifically in pursuance of this clause 21.
- 21.2. Seller shall not be bound by any conditions of business of Buyer unless such conditions are expressly accepted by Seller by a Statement made in writing signed by a Director of Seller and stated to be made specifically in pursuance to clause 21. Where there is any variance between these Conditions and the Buyer's Conditions of business these Conditions shall prevail.
- 21.3. The Contract embodies all the terms and conditions and supersedes and cancel in all respects all previous agreements or conditions and undertakings, if any, whether such will be written or oral.
- 21.4. No oral explanation or oral information by the parties hereto, or any of them, shall alter the meaning or interpretation of these conditions.
- 21.5. Seller's offers and estimates of costs are to be understood as being conditional and subject to availability and alteration and shall include only such services as are expressly specified.
- 21.6. The Contract shall be deemed to be made with effect from the date that Seller provides to Buyer notice or reconfirmation of Buyer's order for Marine Fuels. This same provision shall also apply with regard to additions and alterations to the Contract.
- 21.7. Save where otherwise expressly provided for in the Contract specifications all particulars notified to the Buyer (e.g. Analytical Data) and all documents to which access has been given shall be deemed to contain only those approximate values customary in the trade. Seller reserves the right to make alterations to such particulars or documents of the Marine Fuels. This same provision shall apply also to changes in the quality of Marine Fuels, in so far as these do not involve basic alteration. For this purpose, it is not basic alteration if the altered quality will not affect or is generally so regarded in the trade as not effecting its ordinary and customary use.
- 21.8. Agreed commercial terms shall be deemed to have the meaning contained in the most recent version of Incoterms.
- 21.9. In the case of imported Marine Fuels the Contract shall be deemed to be concluded subject to the provision that Seller is granted any export or import licenses which may be necessary. Without prejudice to clause 3 above Buyer shall indemnify Seller for any such expenses incurred in connection with the securing or delay in securing of the aforementioned licenses.
- 21.10. The Seller and the Buyer warrant and undertake that in connection with the sale and purchase of Marine Fuels under the Contract they will each respectively comply with all applicable laws, regulations, rules, decrees and/or official government orders and requirements of the United States, the European Union, the United Kingdom, Denmark, and any other relevant jurisdiction relating to anti-money laundering and anti-bribery.

22. LAW AND JURISDICTION

- 22.1. The Contract and all claims and disputes arising under or in connection with the Contract shall be governed by English law except that the General Maritime Law of the United States of America and the Commercial Instruments and Maritime Lien Act ("CIMLA"), 46 U.S.C. 31301 et seq. (referred to collectively as the "General Maritime Law of the United States") shall always apply to any determination of the



existence of a maritime lien, attachment or any other maritime claim, regardless of the country in which the Contract is made, where the Marine Fuels are delivered or where the Company commences any legal action against the Buyer. No term of the 1980 United Nations Convention on Contracts for the International Sale of Goods (CISG) shall apply to the Contract.

- 22.2. Subject to clause 22.3 the parties irrevocably and exclusively agree that:
unless the Seller is Fratelli Cosulich Bunkers (S) Pte Ltd; Fratelli Cosulich Bunkers (HK) Ltd. or Fratelli Cosulich (HK) Ltd, any dispute arising out of or in connection with the Contract shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause. The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.
In cases where the claim or any counterclaim does not exceed the sum of USD 10,000 (or such other sum as the parties may agree) the arbitration shall be referred to a sole arbitrator. In all other cases the reference shall be to three arbitrators. A Party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other Party requiring the other Party to appoint its own arbitrator within fourteen (14) calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other Party appoints its own arbitrator and gives notice that it has done so within the fourteen (14) days specified. If the other Party does not appoint its own arbitrator and give notice that it has done so within the fourteen (14) days specified, the Party referring a dispute to arbitration may, without the requirement of any further prior notice to the other Party, appoint its arbitrator as sole arbitrator and shall advise the other Party accordingly. The award of the sole arbitrator shall be binding on both Parties as if the arbitrator had been appointed by agreement.
Nothing herein shall prevent the Parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.
(b) if the Seller is Fratelli Cosulich Bunkers (S) Pte Ltd; Fratelli Cosulich Bunkers (HK) Ltd. or Fratelli Cosulich (HK) Ltd, any dispute arising out of or in connection with this Contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by the Singapore International Arbitration Centre ("SIAC") in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force, which rules are deemed to be incorporated by reference in this clause. The seat of the arbitration shall be Singapore. The Tribunal shall consist of three arbitrators. The language of the arbitration shall be English.
- 22.3. Nothing in this Clause or this Contract shall (or shall be construed so as to) limit the right of the Seller to take any action and/or commence proceedings in any jurisdiction against the Buyer, the Vessel or the Vessel's owner to obtain, maintain and/or enforce security for any claim arising out of or in connection with the Contract; and/or to take any action and/or commence proceedings and/or continue proceedings against the Buyer, the Vessel or the Vessel's owner in any jurisdiction in order to determine the substantive merits of any claim and/or any dispute arising out of or in connection with the Contract, and nor shall the taking of any action or proceedings in any one or more jurisdictions preclude the taking of any action or proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.
- 22.4. If any procedure of any nature whatsoever is instituted in connection with any controversy arising out of the Contract or to interpret or enforce any rights under the Contract, the prevailing party shall have the right to recover from the losing party its reasonable costs and attorney's fee incurred in such proceeding.