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# STANDARD TERMS AND CONDITIONS FOR SALE OF REFINED PETROLEUM PRODUCTS AND MARINE FUELS

*As per 12 March 2018*

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## 1 INTRODUCTION

These Standard Terms and Conditions for Sale of refined petroleum products and marine fuels (the "**STCS**") applies to all offers, quotations, orders, agreements, services and all subsequent contracts of whatever nature concerning the Product (as defined below) from Pro Fuels AS, having its main office at Ramdalveien 6, 3128 Nøtterøy, Norway, to a Buyer (as defined below) of the Products.

## 2 DEFINITIONS

In the STCS the following definitions shall apply:

<b>"Agreement"</b>	means the agreement of sale and delivery of the Product by and between the Seller and the Buyer, consisting only of the STCS, the Confirmation and the PO, unless where otherwise is explicitly agreed in writing by the Seller.
<b>"Bunker Delivery Note"</b>	means a document issued by the Seller or the Seller's Representative (which may be the Physical Supplier) at the point of delivery describing the quantities and specification of the Product delivered to a Vessel, whether or not signed on behalf of the Buyer or the Vessel.
<b>"Buyer"</b>	means the vessel supplied and jointly and severally her master, Owner, managers/operators, disponent owners, time charterers, bareboat charterers and charterers or any party requesting offers, quotations for, ordering or contracting to buy the Product and any party on whose behalf the said offers, quotations, orders and subsequent agreements have been made. Any Products ordered by an agent, management company, charterer, broker or any other party are ordered on behalf of the Owner of the Vessel and the Owner is fully liable as a principal for payment for the Products.
<b>"Confirmation"</b>	means the Seller's confirmation of sale of the Product, listing the particular terms of each sale.
<b>"Owner"</b>	means the registered owner or bareboat charterer of the Vessel.
<b>"Physical Supplier"</b>	means the person who physically supplies the Product to the Vessel together with that person's servants, agents, successors, subcontractors and assigns. The Physical Supplier may be the Seller or any other person.
<b>"PO"</b>	means the Buyer's purchase order for the Product.
<b>"Product"</b>	means the refined petroleum products and marine fuels, and any other product, equipment or materials specified in the Confirmation.
<b>"Seller"</b>	means Pro Fuels AS, Norwegian business registration number 920 257 445, having its main office at Ramdalveien 6, 3128 Nøtterøy, Norway, including any office, branch office, affiliate or associate of the Seller.
<b>"Seller's Representative"</b>	means the Seller's representative at the place of delivery, and may include the Physical Supplier.

**"Vessel"** means the vessel, ship, barge, offshore-unit, installation, rig or on-shore tank nominated by the Buyer and stated in the Confirmation as the Vessel to where the Product is to be delivered.

### **3 AGREEMENT IN WRITING**

- 3.1 The STCS apply to all offers, quotations, orders, agreements, services and all subsequent contracts of whatever nature from the Seller, except where otherwise is explicitly agreed in writing by the Seller. Each delivery shall constitute a separate contract.
- 3.2 The Agreement constitutes the entire agreement between the parties. No prior agreements or understandings, whether verbal or written, shall apply unless specifically referenced in the Confirmation. In the event of a conflict between documents that form the Agreement the following order shall apply, with the exception of Clauses 10, 19, and 21 below, which can only be modified by a mutually signed writing between Buyer and Seller:
  - (a) The Confirmation;
  - (b) the STCS;
  - (c) the PO.
- 3.3 Other conditions, including any documents referred to in documents issued by the Buyer such as the PO, shall not apply to the Agreement unless Seller has explicitly accepted these in writing.
- 3.4 No variation of the Agreement (including the STCS), shall be binding unless explicitly accepted in writing by the Seller.
- 3.5 The Agreement shall only be binding on the Seller upon the Seller's written Confirmation. Each Confirmation shall incorporate the STCS whether or not the Confirmation includes an express reference to the STCS.
- 3.6 Agreements entered into by brokers or any other representative on behalf of the Seller shall only bind the Seller upon written confirmation from the Seller.
- 3.7 If, for whatever reason, one or more of the (sub)clauses of the Agreement (including the STCS) are held to be invalid, the other (sub)clauses hereof shall remain valid and be binding upon the parties.

### **4 CONFIRMATIONS, QUOTATIONS AND PRICES**

- 4.1 Unless otherwise explicitly stated, the quotations or prices in the Confirmation is excluding VAT and based on the applicable taxes, duties, costs, charges and price level of components for the Product existing, known and relevant at the time given.
- 4.2 Any tax, VAT or other duties or other charge of whatever nature and however named, or any additional costs borne by the Seller or increases in price level whatsoever caused by any change in the Seller's contemplated source of supply or otherwise, coming into existence after the time of the Confirmation shall be added to the agreed price if necessary by issuing an additional or revised invoice.
- 4.3 If the party requesting the Product is not the Owner of the Vessel, the Seller shall have the right to insist as a precondition of sale that a payment guarantee is provided by the Owner. The Seller shall have the right to cancel any agreement with the Buyer at any time, if such payment guarantee is not received upon request thereof from the Seller to the Owner.

### **5 SPECIFICATIONS**

- 5.1 The Buyer has the sole responsibility for the nomination of the specifications, quality and the quantity of the Product, and the Seller shall not be obliged to check whether said choice is suitable for the Vessel.

- 5.2 The quality and quantity of the Product shall be as agreed between the Seller and the Buyer, and shall be set out in the Confirmation.
- 5.3 Unless where ISO Standard 8217 are referred to, local specifications shall apply.
- 5.4 Where standard specifications are being given or referred to, tolerances in accordance with ISO:4259 in respect of reproducibility or repeatability in quality are to be accepted without compensation or consequences whatsoever.
- 5.5 If the Product deviates from the Product described in the Confirmation, the Buyer shall exercise all efforts to minimize the consequences thereof. If possible, the Buyer shall consume the Product even if this requires employment of purification tools or other similar measures. The Seller shall cover reasonable costs related thereto, provided that the Seller is informed and is given the opportunity to assist.
- 5.6 In no event shall the Seller be responsible for the quality and compatibility of the Product if the Product is mixed or co-mingled with any other product(s) onboard the Vessel. The Buyer is solely responsible if the Product is mixed or blended.

## **6 QUANTITY AND MEASUREMENTS**

- 6.1 The quantity of Products sold shall be as set out in the Confirmation. Notwithstanding acceptance of the Buyer's order, the Seller's obligation to supply such quantities shall be subject to availability of Products from the Seller's source of supply at the time and place delivery is requested. Actual quantity delivered may vary in accordance with normal operational tolerances of delivery equipment.
- 6.2 The quantities of Product delivered shall be determined from the official gauge or meter of the bunkering barge or tank delivery or of the shore tank in case of delivery ex-wharf.
- 6.3 The Buyer or his representative(s) shall together with the Seller or the Seller's Representative(s) measure and verify the quantities of the Product delivered from the barge or tank(s) from which the delivery is made.
- 6.4 Should the Buyer or his representative(s) fail or decline to verify the quantities, the measurements of quantities made by the Seller or the Seller's Representative(s) shall be final, conclusive and binding and the Buyer shall be deemed to have waived any and all claims in regard to the variance.

## **7 SAMPLING**

- 7.1 The Seller shall exercise best efforts to arrange for three (3) identical samples of each grade of the Product to be drawn throughout the entire bunkering operation. If practically possible such samples shall be drawn in the presence of both the Seller and the Buyer or their respective representatives.
- 7.2 In case that drip sampling is not available onboard barge, tank truck or shore tank, samples shall be taken as a composite of each tank divided with 1/3 from each of the top/mid/bottom of the tanks.
- 7.3 The samples shall be drawn at a point closest to the receiving Vessel's manifold, as far as reasonably possible to be mutually agreed between the Seller and the Buyer or their respective representative(s). Failing such agreement, the Seller shall decide on the point the samples shall be drawn.
- 7.4 The samples shall be securely sealed and provided with labels showing the Vessel's name, identity of delivery facility, product name, delivery date and place and seal number, authenticated with the Vessel's stamp and signed by the Seller's Representative and the Master of the Vessel or his representative on behalf of the Buyer. Alternatively, the samples may be labelled, stamped and/or signed in other suitable way decided by the Seller or the Seller's Representative. If possible, the seal numbers will be inserted into the Bunker Delivery Note. By signing the Bunker Delivery Note both parties agree to the fact that the samples referred to therein are deemed valid and taken in accordance with the requirements as specified in this clause.

7.5 Two (2) samples shall be retained by the Seller or Seller's Representative for forty-five (45) days after delivery of the Product, or if requested by the Buyer in writing, for as long as the Buyer reasonably requires. The other sample shall be retained by the receiving Vessel.

## **8 TESTING**

8.1 In the event of a dispute concerning the quality of the Product, one (1) of the samples retained by the Seller with a seal number reflected on the Bunker Delivery Note, shall be forwarded for testing to an independent laboratory mutually appointed by the Buyer and Seller. Failing agreement on mutual appointment, the Seller appoints the independent laboratory.

8.2 The testing shall be limited to analysis of the disputed properties, which must be amongst the properties that formed part of the Bunker Delivery Note. The costs and expenses charged by such independent laboratory shall be borne by the Seller in the event that the independent laboratory determines the disputed properties to be non-conforming, or by the Buyer in the event that the independent laboratory determines the disputed properties to be conforming.

8.3 The seal must be breached only in presence of both parties unless one/both in writing have declared that they will not be present, and both parties shall have the right to appoint independent person(s) or institute(s) to witness seal breaking. If any of the seals have been removed or tampered with by an unauthorized person, such sample(s) shall be deemed to have no value as evidence. The faulty party, either the Seller or the Buyer, shall pay for cost and expenses that occur as a result of the tampering.

8.4 Analysis results of the Seller's or the Seller's Representative's drawn samples will be the sole binding evidence for the quality of the Product supplied to the Vessel. No samples subsequently taken shall be allowed as (additional) evidence.

## **9 DELIVERY**

9.1 The time of delivery, as given by the Seller, is given as an approximate time, unless it has been otherwise explicitly agreed in writing between the parties. The time of delivery will only be binding upon the Seller when all information necessary for the Seller to comply with its obligations under the Agreement have been properly delivered to the Seller in reasonable time before the delivery.

9.2 The Buyer, unless otherwise agreed in writing, must give not less than seventy-two (72) hours approximate notice of delivery, which is to be followed by forty-eight (48) hours and twenty-four (24) hours notices. The last notice must specify the exact place of delivery. The notices of delivery must be given to the Seller.

9.3 If delivery is required outside normal business hours or on local weekends, Saturday, Sunday or national holidays, the extra costs and expenses incidental to such delivery shall be reimbursed by the Buyer at cost.

9.4 The Seller is entitled to deliver the Product in special part deliveries, in which case each part delivery shall be construed as a separate delivery.

9.5 The Vessel shall be bunkered as promptly as the circumstances permit. The Seller shall not be liable for any costs or losses, including but not limited to demurrage, paid or incurred by the Buyer or for any loss, damage or delay of the Vessel of any nature whatsoever due to congestion at the loading terminal, prior commitments of available barges or tank trucks or any other reason.

9.6 The Buyer shall ensure that the Vessel provides a free, safe and always afloat and accessible side for the delivery of the Product and that all necessary assistance as required by the Seller or the Seller's Representative(s) is rendered in connection with the delivery. Seller shall be under no obligation to make deliveries when, in Seller's sole opinion, a free, safe and always afloat and accessible side for the delivery of the Product is not available. If possible, the Vessel shall provide segregated tankage to receive the contracted quantity of the Product.

9.7 The Buyer shall ensure that the Vessel is in possession of all certificates required to comply with all relevant regulations pertaining to delivery of the Product.

- 9.8 The receiving Vessel shall moor, unmoor, hoist bunkering hose(s) from the barge(s) (or other supplying equipment) respectively lower hose(s) whenever required by the Seller or the Seller's Representative, free of charge, and in any way requested to assist barge(s) or other supplying equipment to a smooth supply. The Buyer shall make and be responsible for all connections and disconnections between the delivery hose(s) and the Vessel's bunker intake manifold/pipe and ensure that the hose(s) are properly secured to the Vessel's manifold prior to commencement of delivery.
- 9.9 In the case that the Vessel is not able to receive the delivery promptly, the Buyer shall reimburse the Seller for reasonable demurrage and other costs to the barging/supplying facilities.
- 9.10 Delivery shall be deemed completed and all risk, including loss, damage, deterioration, depreciation, evaporation, or shrinkage as to the Product delivered shall pass to the Buyer from the time the Product passes the receiving Vessel's rail through lines/delivery hoses provided by the Seller or the Seller's Representative.
- 9.11 The Buyer agrees and acknowledges that in order for the Seller to offer the Product to the Buyer over the applicable delivery period, the Seller has entered into or may enter into one or more transactions with third parties, including derivative and/or hedging transactions using financially settled instruments with third parties or physical products purchase and sale transactions with the Seller's Physical Supplier. In the event that the Buyer does not purchase the entire quantity of Product from the Seller as contracted, the Seller may suffer losses as a result of exposure under the foregoing transactions. As such, the Buyer agrees to purchase and accept delivery of the full quantities contracted, and to do so within the designated delivery period. In the event that the Buyer purchases less than the full contracted quantity for any reason, or purchases such quantities outside the designated delivery period(s), regardless of fault or causation and without regard to force majeure, then, without prejudice to other rights and remedies the Seller may have against the Buyer, the Buyer shall be liable to the Seller for all damages incurred, including those incurred by the Seller as a result of having entered into the foregoing transactions or having to enter into any replacement transactions, and any and all costs of maintaining, terminating and/or reestablishing any hedge or related trading positions or transactions (and discounted to present value or bearing interest, as appropriate), in each case as determined by the Seller in a commercially reasonable manner, as well as the costs of storing, transporting or disposing of the Product quantities not purchased by the Buyer and any related administrative and legal fees. The Seller may in addition charge a reasonable cancellation fee.

## **10 TITLE**

- 10.1 Title to the Product shall pass to the Buyer upon payment for the full value of the Product delivered. Until such time as payment is made, on behalf of themselves and the Vessel, the Buyer agree that they are in possession of the Product solely as bailee for the Seller.
- 10.2 Until payment has been received by the Seller, the Seller has a lien over the Vessel and the Product for the full value of the Product delivered, plus any costs incurring in connection with debt collection and further associated costs.
- 10.3 In the event that the Product have been mixed with other products onboard the Vessel, the Seller shall have title to and the right of lien to such part of the mixed products as corresponds to the quantity or net value of the Product delivered.
- 10.4 In case the Product, in part or full, are no longer present or can no longer be identified or distinct from other products, the Seller has the right to attach the Vessel and/or sister ship and/or any other assets of the Buyer wherever situated in the world without prior notice. Where title in and to the Product delivered has passed to the Buyer and/or any third party before full payment has been made to the Seller, the Buyer shall grant a pledge in such Product to the Seller. The Buyer shall furthermore grant a pledge in any other products (bunkers) present in the respective Vessel, including any mixtures of the delivered Product and other products (bunkers). Such pledge will be deemed to have been given for any and all claims, of whatever origin and of whatever nature that the Seller may have against the Buyer.

- 10.5 This clause 10 is without prejudice to such other rights as the Seller may have under the laws of the governing jurisdiction against the Buyer and the Vessel in the event of non-payment.

## **11 PAYMENT**

- 11.1 Unless otherwise stated in the Confirmation, payment of the Product shall be made by the Buyer immediately upon delivery. Promptly upon delivery the Seller shall issue its invoice, but the Buyer's liability to pay the Seller shall not be dependent upon the issue of an invoice. The Seller may send the invoice by email.
- 11.2 Payment shall be made in full, without set-off, counterclaim, deduction and/or discount free of bank charges to the bank account indicated by the Seller on the respective invoice(s).
- 11.3 Notwithstanding any agreement to the contrary, payment will be due immediately in case of bankruptcy, liquidation or suspension of payment or comparable situation of the Buyer, or arrest or assets and/or claims of the Buyer, or in case of any other situation, which in the sole discretion of the Seller, is deemed to adversely affect the financial position of the Buyer.
- 11.4 Payment shall be deemed to have been made on the date payment is credited to the bank account designated by the Seller. If payment falls due on a non business day, the payment shall be made on or before the business day nearest to the due date. If the preceding and the succeeding business days are equally near to the due date, then payment shall be made on or before the preceding business day.
- 11.5 Any delay in payment shall entitle the Seller to interest at the rate of two (2) per cent per month or any part thereof without prejudice to any rights or remedies available to the Seller. The Seller may also charge a reasonable administration fee.
- 11.6 Payments made by the Buyer shall at all times be credited in the following order: (1) invoices in their order of age, also if not yet due, (2) interest and administrative fee, and (3) costs.
- 11.7 All costs incurred by the Seller in connection with the collection of overdue payments, whether made in or out of court and in general all costs in connection with breach of the Agreement by the Buyer, shall be for the sole account of the Buyer.
- 11.8 The Seller shall at all times be entitled to require the Buyer to grant the Seller what the Seller deems to be proper security for the performance of all its obligations under the Agreement. Failing immediate to provide such security upon request, the Seller shall be entitled to stop any further deliveries of Product or further execution of any agreement(s) between the parties until such time as the Buyer has provided the required security.
- 11.9 If at any time the reputation, standing, creditworthiness, liquidity or solvency of the Buyer or any subsidiary, parent, associate or affiliate thereof should give the Seller reasonable cause for concern, or if any amount due remains outstanding for a period of seven (7) days from the original due date, the Seller may without prejudice to all other rights and remedies which it may have give notice to the Buyer that credit facilities from the Seller to the Buyer are withdrawn or suspended as the case may be and all sums outstanding and/or due for payment at a future date shall thereupon fall due for immediate payment.

## **12 CLAIMS**

- 12.1 Claims concerning the quantity of the Product are waived by the Buyer unless i) noted in writing on the Bunker Delivery Note at the time of delivery or, in ports where such notation on the Bunker Delivery Note is not permitted, presented at the time of delivery to the Physical Supplier's personnel in a separate letter of protest, and ii) notified by telephone as well as in writing to the Seller immediately that the claim occurs and (if possible) while the delivery hoses are still connected. In the event immediate notices (verbal as well as in writing) are not made, such claim shall be deemed to be waived and barred. A notification inserted in the Bunker Delivery Note or in a separate protest handed to the Physical Supplier of the Product shall not qualify as notice to the Sellers. The Seller shall under no circumstances be deemed to have accepted such notice or protest handed to the Physical Supplier.

- 12.2 Claims concerning the quality of the Product shall be notified to the Seller in writing promptly after the circumstances giving right to such claim have been or reasonably should have been discovered. If the Buyer do not notify the Seller of any such claim within seven (7) days of delivery, any such claim shall be deemed to be waived and barred.
- 12.3 The Buyer shall be obliged to make payment in full and fulfil all other obligations in accordance with Agreement, whether or not they have any claims or complaints.
- 12.4 The Buyer will take all reasonable steps to preserve the Seller's recourse against the Physical Supplier of the Product or any culpable third party.
- 12.5 In any case, claims of the Buyer shall be time barred unless legal proceedings have been initiated before the competent court as set forth in clause 21 hereof within twelve (12) months after the date of delivery or the date that delivery should have commenced pursuant to the Confirmation.

### **13 LIABILITY**

- 13.1 The Seller's total liability for all claims arising out of or relating to the performance or non-performance of the Agreement (including but not limited to product quality claims) shall be limited to the lower of USD 500,000 (UnitedStatesDollarsFiveHundredThousand), or the invoice value of the Product supplied.
- 13.2 The Seller shall not be liable for any physical injury or damage to the Vessel, delay of delivery of the Product, loss of profit, loss of use or loss or production whatsoever and whether arising directly or indirectly from the performance or non-performance of the Agreement, and whether or not the same is due to any breach of contract, negligence or any other fault on the part of the Seller, the Seller's Representative or any of their subcontractors, representatives, servants or agents. Futhermore, the Seller shall not be liable for any consequential loss or damage for any reason whatsoever, whether or not the same is due to any breach of contract, negligence or any other fault on the part of the Seller, the Seller's Representative or any of their subcontractors, representatives, servants or agents.
- 13.3 Any exclusions or limitations of liability under this Agreement shall apply regardless of the negligence or breach of duty, and to the widest extent possible pursuant to mandatory law. Rights, obligations and remedies under this Agreement are sole and exclusive and shall be to the exclusion of any other rights, obligations and remedies or liabilities, expressed or implied, at law, tort or otherwise. Every exclusion or limitation of liability under this Agreement and every right, exemption from liability, defense or immunity of whatever nature applicable to the Seller or to which it is entitled hereunder shall also be available and shall extend to protect the Seller's Representative, and any of subcontractors, representatives, servants or agents of the Seller.
- 13.4 The Buyer shall be liable towards the Seller and undertakes to indemnify the Seller for any and all damages, costs and/or losses suffered or otherwise incurred on the Seller due to a breach of contract and/or fault or neglect of the Buyer, its agents, servants, subcontractors, representatives, employees and the officers, crews and/or other people whether or not onboard of the Vessel. The Buyer furthermore undertakes to hold the Seller harmless in case any third party institutes a claim of whatever kind against the Seller with direct or indirect relation to the Agreement. Third party shall mean any other (physical or legal) person/company than the Buyer.
- 13.5 If the purchase of Products is contracted for by the Buyer's agent, then such agent, as well as the Buyer as principal, shall each be bound by and be fully liable for obligations of the Buyer in the transaction.

### **14 FORCE MAJEURE**

- 14.1 The Seller shall not be liable for any loss, damage or delay to fulfil any term of the Agreement due to any circumstance howsoever arising which are not within the control of the Seller or the Seller's Representative, to the extent such are caused by an act of God, act of third party, fault or failure of bunkering barge or supplying equipment (including their master or crew), strike, lockout or labour dispute or any reasonable apprehension, government act, public disorder, request or restriction, storage or any limitation restriction or interruption to existing or contemplated

sources of supply of Product including changed market conditions or the means of supply, including but not limited to failure to deliver the Product by the Physical Supplier.

- 14.2 If the Seller seeks to invoke force majeure, the Seller shall notify the Buyer in writing within two (2) days of the occurrence of any such event/condition.
- 14.3 In the event performance is prevented or delayed by force majeure, the Seller may cease or reduce deliveries in any manner as it may determine in its sole discretion.
- 14.4 In the event that the Seller, as a result of force majeure, can only deliver alternative supply, the Seller may, but is under no obligation to, offer the alternative supply and the Buyer must accept delivery thereof and pay the applicable price, including any additional costs of performance.
- 14.5 The Seller shall not be obliged to make any deliveries omitted due to force majeure at any later time.
- 14.6 Nothing in this clause 14 shall be deemed to excuse the Buyer from its obligation to make payments for the Product delivered.
- 14.7 If the Buyer exercises reasonable diligence, the Buyer shall not be liable for failure to receive any particular delivery if prevented therefrom by force majeure. The Buyer shall however indemnify the Seller and the Seller's Representative for any damage caused by the Buyer, the Buyer's agent or employees in connection with deliveries hereunder.

## **15 TERMINATION AND BREACH**

- 15.1 The Seller shall have the option to i) immediately terminate the Agreement in full or in part, ii) store the Product in whole or in part for the account and risk of the Buyer and to charge the Buyer the expenses thereby incurred, or iii) take any other measures which the Seller deems appropriate (without prejudice to its rights of indemnification), without any liability on the side of the Seller, and iv) make use of any other remedy available under law, in any one (but not limited to) of the following cases:
  - (a) when the Buyer, for whatever reason, fails to accept the Product in part or in full at the place and time designated for delivery;
  - (b) when the Buyer fails in part or in full to comply with its obligations to pay any amount due to the Seller and/or provide security as set out in the Agreement;
  - (c) when, before the date of delivery, it is apparent in the opinion of the Seller that the financial position of the Buyer entails a risk for the Seller;
  - (d) in case of force majeure lasting more than seven (7) days;
  - (e) the Buyer's breach of any provisions of the Agreement;
  - (f) any application being made or any proceedings being commenced, or any order or judgement being given by any court, for
    - i. the winding up, dissolution, liquidation or bankruptcy of the Buyer (otherwise than for the purpose of reconstruction or amalgamation) or if a receiver or administrator is appointed, or if the Buyer suspends payment, ceases to carry on business or make any special arrangement or composition with its creditors; or
    - ii. the appointment of a receiver, liquidator, trustee, administrator, administrative receiver or similar functionary of the Buyer of all or a substantial part of its assets (otherwise than for the purpose of a reconstruction or amalgamation); or

any act being done or event occurring which, under the applicable law thereof, has a substantially similar effect to any of the said acts or events described above.

## **16 SPILLAGE, ENVIRONMENTAL PROTECTION**



- 16.1 If a spill occurs while the Product is being delivered, the Buyer shall promptly take such action as is necessary to remove the spilled Product and mitigate the effects of such spill. Without prejudice to the generality of the foregoing the Seller is hereby authorised in its full discretion at the expense of the Buyer to take such measures and incur such expenses (whether by employing its own resources or by contraction with others) as are necessary in the judgment of the Seller to remove the spilled Product and mitigate the effects of such spill. The Buyer shall cooperate and render such assistance as is required by the Seller in the course of the action.
- 16.2 All expenses, claims, costs, losses, damages, liability and penalties arising from spills shall be covered by the party that caused the spill by a negligent act or omission. If both parties have acted negligently, all expenses, costs, claims, losses, damages, liability and penalties, shall be divided between the parties in accordance with the respective degree of negligence. The burden of proof to show the Seller's negligence shall be on the Buyer. The Buyer shall give the Seller all documents and other information concerning any spill or any program for the prevention thereof, that are required by the Seller, or are required by law or regulation applicable at the time and place of delivery.

## **17 SANCTIONS**

- 17.1 The Buyer warrants that at the date of entering into the Agreement and continuing until delivery of the Product and payment by the Buyer to the Seller in full:
- (a) It is not listed on the US OFAC Specially Designated Nationals List;
  - (b) it is not covered by any US, UN-and/or EU sanctions;
  - (c) it is not covered by any sanctions of any other jurisdiction and/or administration;
  - (d) it is not subject to any sanction, prohibition or restriction is imposed on any specified persons, entities or bodies including the designation of any specified vessels or fleets under UN Resolutions or trade or economic sanctions, laws or regulations of the EU or the US which prohibit or render unlawful any performance under the Agreement;
  - (e) the Buyer is purchasing the Product as principals and not as agent, trustee or nominee of any person with whom transactions are prohibited or restricted under sub-clause (a)-(d);
  - (f) that the Vessel is not a designated vessel and is not and will not be chartered to any entity or transport any cargo contrary to the restrictions or prohibitions in sub-clause (a) - (d) above.
- 17.2 The Buyer must inform the Seller immediately if the Buyer becomes aware of or has reasons to believe that the Buyer is or will become in breach of the warranty in clause 17.1.
- 17.3 If at any time during the performance of the Agreement the Seller becomes aware that the Buyer is in breach of the warranty in clause 17.1, the Seller shall comply with the laws and regulations of any government to which the Buyer or the Vessel is subject and follow any orders or directions which may be given by any regulatory or administrative body, acting with powers to compel compliance. In the absence of any such orders, directions, laws or regulations, the Seller may terminate this Agreement immediately. The Seller may also immediately terminate the Agreement for the account and risk of the Buyer if at any time the Seller, in its sole discretion, has reasonable grounds to believe that the Vessel, the charterer, owners, operators, managers or officers of the Vessel, or any other person or entity in any way related to the Agreement or the delivery is or are subject to the sanctions set out in clause 17.1.
- 17.4 Notwithstanding anything to the contrary in this clause, the Seller shall not be required to do anything which constitutes a violation of the laws and regulations of any state to which the Seller is subject.
- 17.5 The Buyer shall be liable to indemnify the Seller against any and all claims, including return of any payment, losses, damage, costs and fines whatsoever suffered by the Seller resulting from any breach of warranty in this clause 17 (including duty to inform pursuant to clause 17.2) and in accordance with the Agreement.

## **18 ANTICORRUPTION**

- 18.1 The Buyer acknowledges that the Agreement, any actions related to the Agreement as well as any interaction with third parties related to the Agreement are covered by certain anticorruption laws and regulations, including but not limited to the U.S. Foreign Corrupt Practices Act, the UK Bribery Act or similar local regulation in countries relevant for the Agreement or the delivery of the Product. The Buyer declares to comply with all applicable anticorruption laws and regulations and agrees that the Buyer has not, and will not, offer, promise, pay, or authorize the payment of any money or anything of value, or take any action in furtherance of such a payment, whether by direct or indirect means, to any public official or private individual to influence the decision of such person in the performance of his duties to a government or to his company. Any breach of this clause will void the Agreement and in the sole discretion of the Seller any other contract between the parties, making any claims for delivery or any other obligation of the Seller under this Agreement void. The Buyer is liable for all and any costs or losses incurred by the Seller due to such breach and/or the Agreement becoming void as a consequence.

## **19 LIENS AND VESSEL ARREST**

- 19.1 The Product supplied to the Vessel is sold and delivered on the credit of the Vessel, as well as on the promise of the Buyer to pay therefore, and the Buyer agrees and warrants that the Seller shall have and may assert a maritime lien against the Vessel and may take such other action or procedure against the Vessel and any other vessel or asset beneficially owned or controlled by the Buyer, for the amount due for the Product and the delivery thereof. The laws of the United States, including but not limited to the Commercial Instruments and Maritime Lien Act, shall always apply with respect to the existence of a maritime lien, regardless of the jurisdiction in which Seller takes legal action. Nothing in this Agreement shall be construed to limit the rights or legal remedies that the Seller may enjoy against the Vessel or the Buyer in any jurisdiction.
- 19.2 The Seller shall not be bound by any attempt by any person to restrict, limit or prohibit its lien or liens attaching to a vessel unless notice in writing of the same is given to the Seller in the initial order for Product and before the Seller sends its Confirmation to the Buyer. Any notice of such restriction given by Buyer, its agents, ship's personnel or other person later than in the initial order shall not effect a modification of the Agreement (including the STCS) except that any granting of credit by the Seller is rescinded on receipt of the notice, with full payment then due.

## **20 ASSIGNMENT**

- 20.1 The Buyer may not assign any of their rights under the Agreement without the Seller's prior written consent.

## **21 LAW AND ARBITRATION**

- 21.1 These STCS and all Agreements are governed by the general maritime law of the United States of America and disputes shall be determined by arbitration in London by a sole arbitrator (if neither the claim nor any counterclaim exceeds the sum of USD 100,000), or by two arbitrators and an umpire (if the sum of USD 100,000 is exceeded), according to the LMAA Rules 2017. The laws of the United States, including but not limited to the Commercial Instruments and Maritime Lien Act, shall always apply with respect to the existence of a maritime lien, regardless of the country in which the Seller takes legal action. In case of breach of contract by the Buyer, the Seller shall be entitled to take such legal action in any court of law in any state or country which the Seller may choose and which the Seller finds relevant in order to safeguard or exercise the Seller's rights in pursuance of an Agreement. The Seller shall be entitled to assert its rights of lien or attachment or other rights, whether in law, in equity, or otherwise, in any jurisdiction where the Vessel may be found.
- 21.2 The 1980 United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.

END OF STANDARD TERMS AND CONDITIONS OF SALE.