



GRAM MARINE PTE LTD

GENERAL TERMS AND CONDITIONS FOR THE SALE OF MARINE BUNKER
FUELS, LUBRICANTS AND OTHER PRODUCTS,

EFFECTIVE FROM SEPTEMBER 2016

1. APPLICATION

Except as otherwise expressly agreed in writing between the Seller and the Buyer, the following terms & conditions shall apply to all sales by Gram Marine PTE LTD (Seller) to any buyer (Buyer).

A copy of these General Terms and Conditions (“these Conditions” or “this Agreement”) shall be distributed to Buyer in connection with the first sale. Thereafter, these terms of sale shall be incorporated by reference in to each separate transaction, by Telex, facsimile, E-mail or otherwise.

A copy of these Terms and Conditions, the same are made known also by circulation at the internet site of the Seller (www.grammarine.com) which the Buyer is called to and assumed to have visited before entering a sale contract.

In the event of any conflict between these Terms and Conditions and any other agreement (customary or not) the first will prevail. These Conditions apply to all offers, quotations, orders, agreements, sales, deliveries, services and all subsequent contracts of whatever nature, except where otherwise has been expressly agreed in writing by the Seller.

2. DEFINITIONS

1. “Agreement” shall mean the confirmation agreement and order of bunkers or lubricants and these General Terms and Conditions.

2. “Buyer” shall mean, the party as identified in the Confirmation Fascimile, Telex or E-mail to whom the Seller contracts to sell Goods and in any event the registered and/or actual owner of the Vessel and (as the case may be) the manager of the Vessel, her demise charterer and any other party which has contracted with the Seller for the particular supply of Goods and is stated as a buyer in the Seller’s Nomination Confirmation. The manager of a Vessel shall, unless otherwise advising the Seller in writing before the latter dispatches its Nomination Confirmation, be deemed as acting both for himself and as the agent for the owner of the Vessel. The Buyer warrants that the Seller will have and may assert a maritime lien over the Vessel for the price of any Goods sold and delivered to the Receiving Vessel. If the Agreement is made or negotiated by or through an agent or agents for a principal so that the principal is the Buyer, then that agent or those agents expressly agree with the Seller that they shall be liable not only as agents but also jointly and severally as principals. The agent or agents shall be liable in full, as if they were themselves the principal, and they shall be deemed to be included within the term “Buyer” herein.

3. “Delivery Date” shall mean the date on which the Goods are to be delivered to the Vessel.

4. “Delivery Port” shall mean the port, berth, dock, anchorage, submerged line, single point or single berth mooring facility, off shore location or any other loading or discharge place as may be indicated by the Buyer, at which the Seller agrees to supply the Goods.



5. “Goods” shall mean bunkers (bunker fuel, marine diesel and/or gas oil), marine lubricants and other products purchased by the Buyer in connection with the receiving Vessel.

6. “Nomination Confirmation, Telex or Facsimile or E-mail” shall mean the relevant written instrument dispatched by the Seller via courier, fax or e-mail and containing confirmation of the order and the relevant terms of the sale agreement. An order may not be in writing. In any event every order of the Buyer shall be deemed confirmed in the terms of the respective Nomination Confirmation (see 3.3 below).

7. “Parties” shall mean the Buyer and the Seller.

8. “Seller” shall mean GRAM MARINE PTE LTD.

9. “Supplier” or “Physical Supplier” shall mean the person or entity which actually delivers the Goods or from whom the Seller obtains the Goods for resale to the Buyer at the Delivery Port.

10. “Vessel” or “Receiving Vessel” shall mean the Vessel named in the Nomination Confirmation, Telex or Facsimile or E-mail to which the Goods purchased by the Buyer are to be delivered. It includes the Receiving Vessel’s Owners, Operators, Managers, Master and Crew

3. NOMINATIONS / CONFIRMATIONS

3.1 The Buyer shall nominate each individual requirement to the Seller giving full details (such to include: full style of Buyer, Vessel, port, agent’s name, approximate date of delivery, grades, quantities in metric tones, together with any other special instructions) and the maximum notice possible. In any case, orders are to reach the Seller, in writing, not less than two (2) working days prior to Vessel’s arrival at the Delivery Port.

3.2 Should an order be received by the Seller at a shorter notice, the Seller will make any endeavor to arrange prompt delivery but in such cases, without responsibility for any consequent delays to the Vessel.

3.3 The Seller’s written Nomination Confirmation dispatched by the Seller prior to delivery and which has not been contested in writing by the Buyer by 18:00 hours GMT time on the day of such dispatch (if same has been dispatched before 12:00 noon GMT) or by 10:00 a.m. gmt time on the next day (if same has been dispatched after such time), or well before the delivery of the Goods to the Vessel, whichever the earliest, shall be conclusive evidence of the order for the Goods placed by the Buyer, the identity of the latter and the price and other details/terms of delivery thereof.

3.4 All orders accepted by the Seller, shall be maintained for 2 days from the nominated delivery date, except if otherwise advised in the relevant Nomination Confirmation and the Seller may cancel same thereafter if Goods have not been booked as their price has changed. In any such case, the Buyer shall be liable for all and any costs incurred by the Seller.

4. NOTICE OF ARRIVAL TO DELIVERY PORT



4.1 The Buyer must give to the Seller / Physical Supplier at least *five (5)* working days prior written notice of the deliveries desired, specifying the vessel, the estimated date, time of arrival location and method of delivery and grade and quantity of the Goods requested. Any deliveries are subject to weather permitting, Vessels' priority, if any, and working hours. If Vessel arrives out of working hours, unless otherwise is agreed, all extra costs are for Buyer's account. Working hours are the ones indicated in the local port regulations.

Notice must be given during the Seller's normal business hours, Monday to Friday inclusive, 06:00 – 16:00 GMT. Notice given outside these hours will be deemed to have been given at 08:00 a.m. on the first working day thereafter. Furthermore, it is in all circumstances and on all occasions the responsibility and duty of the Buyer to ascertain and where appropriate to comply with:

- a) the precise requirements of the Physical Supplier and any other person, body or authority in respect of the giving of notice of the Vessel's time of arrival at the Delivery Port;
- b) the exact location of the Delivery Port;
- c) any particular requirements to enable delivery of the Goods to be effected as efficaciously as possible.

It is the responsibility and duty of the Buyer to instruct its agent at the Delivery Port to timely liaise with the Physical Supplier so as to ensure compliance with these provisions.

4.2 The Seller shall not be liable for any delay which is caused by any reason whatsoever save for the proven gross negligence of the Seller/its executives or the intensive action thereof. Indicatively only, the Seller shall not be liable for any delay caused by strike, lock out or other actions of its employees or those of the port, refinery, barge, etc., shortage of the Goods, placement of the Vessel on a waiting list, non tendering or tendering of inaccurate/insufficient notices under clause 4.1 hereinabove, weather conditions, bureaucracy, formalities of any kind, etc.

4.3 In any event the Seller shall, under no circumstances, be liable for any loss of hire, income and/or profit or other consequential damages of the Buyer and the total liability of the Seller shall not exceed the proven actual running costs of the Vessel for the period of any delay for which the Seller may be liable (exclusive of any loan/finance servicing costs and any other expenses not directly connected to the actual running of the Vessel).

5. DELIVERY AND OBLIGATIONS OF THE PARTIES

5.1 Delivery of the Goods to the Vessel shall be deemed completed and the risk of the Goods will pass onto the Buyer as the Goods pass the flange connecting the Seller's delivery facility with the receiving facility provided by the Buyer. Thereafter the Buyer shall assume all risks, including for loss, damage, deterioration, depreciation, evaporation or shrinkage as to the Goods delivered. However, the ownership of the Goods shall remain with the Seller and shall pass to the Buyer only after the sale price and any additional charges related to the sale and delivery which are due and payable by the Buyer shall have been fully paid (see clause 9 below). Connection and disconnection of delivery hoses are at the sole risk of the Buyer. Any deliveries are subject to weather permitting, vessels' priority, if any, and working hours. If the Vessel arrives out of working hours, unless otherwise agreed, all extra costs are for Buyer's account. Working hours are those indicated in the local port regulations; Seller/Supplier shall not be liable for any loss or demurrage due to congestion of the terminal or to lack of



availability of barges for the Goods to be delivered or to barge's pumping rate in supplying the Goods. Deliveries off shore are in any case also subject to the delivering barge's captain confirmation that weather conditions permit delivery in conformity to port regulations on off shore bunkering. In case the Goods cannot be delivered because of the Port Authority regulations or the barge's captain refusal, Seller/Supplier will not be responsible for non-delivery or delay in the delivery of the Goods.

5.2 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 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 such representative. the acceptance of the aforesaid signed receipt in good faith by the Seller shall bind the Buyer.

5.3 If Buyer fails to take delivery of the Goods or any part thereof, Seller shall be entitled to the reimbursement of all costs and damages caused and, at Buyer's risk and expenses, to transport the Goods back and then store them or to sell at a degraded form at the lower price than applicable under the contract without prejudice to the Seller's other rights under this contract for damage or otherwise.

5.4 Buyer shall make at his risk all connections and disconnection of the delivery hose to Buyer's vessel or barge, shall render all other necessary assistance and equipment to receive promptly all deliveries hereunder and shall obtain all necessary permits, licences and approvals required to enable Supplier to execute the delivery.

5.5 Seller shall not be liable for any demurrage or loss incurred by Buyer due to congestion affecting Seller's/Supplier's delivery facilities, prior commitments of available barges or to any delay in delivery. Buyer shall be liable for all demurrage or additional expenses incurred by Seller if Buyer causes delays to Seller's/Supplier's facilities in effecting delivery. Buyer shall also pay any charges for mooring, unmooring and port dues, if incurred. In addition, Buyer shall be liable for any expenses incurred by Seller/Supplier resulting from Buyer's failure to take delivery of the full quantity of the Goods ordered by Buyer.

5.6 In event the Receiving Vessel arrived earlier or later than the date of delivery as stated in the Confirmation Telex or she is unable or refuse to receive the Goods, the Goods will be delivered on a best endeavour basis. The Seller/Supplier is under no obligation whatsoever to effect prompt delivery and any guarantee or warranty given expressly or impliedly as to prompt delivery is hereby expressly excluded. Seller/Supplier reserves the right to claim the Buyer and the Receiving Vessel for all losses, additional expenses, charges arising there-from including, without limitation, demurrage at Supplier's established rates and any increase in the price of the Goods.

5.7 Seller may elect to discontinue operations at any delivery location for any reason without obligation to Buyer.

6. QUANTITY MEASUREMENTS

6.1 The quantity of the Goods delivered shall be determined from the gauge or meter of the shore tank or the barge effecting delivery at the election of the Supplier. Adjustment in volume owing to difference in temperature shall be made in accordance with ASTM-IP Petroleum Measurement Tables or the methods of any other recognized standards authority at the discretion of the supplier.



6.2 The Buyer may be present or represented by its properly accredited representative when such measurement are taken but if Buyer is not present or represented then the determination of quantity made by the Supplier shall be deemed to be correct.

6.3 In the event the quantity of the Goods 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 prior agreed.

6.4 In respect of the quantity agreed upon, the Seller shall be at liberty to provide, and the Buyer shall accept a variation of 10% from the agreed quantity, with no other consequence than a similar variation to the corresponding invoice from the Seller.

6.5 The Seller will not accept a claim for short delivery based upon figures obtained by measuring Goods in the Receiving Vessel's tanks. The Buyer must provide formal written remarks by the Captain on the bunker receipt, prior to the ship's sailing, indicating the assumed different quantity loaded

7. QUALITY AND SAMPLING

7.1 Goods to be sold shall be the regular commercial grade of Bunker Fuel Oil and/or Intermediate Bunker Fuel and/or Marine Diesel Oil and/or Light Marine Diesel Oil and/or Marine Gas Oil which may be offered at the time and place of delivery by the Seller or its appointed Suppliers or authorized agents.

7.2 The Buyer shall have sole responsibility for the selection and acceptance of the Goods for use in the vessels to which such Goods are delivered.

7.3 In case a particular grade is not available, the Seller shall discharge its obligations by supplying another similar product or one of another brand name, provided that such substitute product is suitable for the known purposes of the Buyer.

7.4 Where standard specifications are given, tolerance of 5% in quality are to be accepted by the Buyer without any liability on the part of the Seller. Moreover, local specifications supersede any other specifications which may be agreed to by the Seller in good faith.

7.5 In case where the Buyer mixes the Goods with other products existing in the tanks of the Vessel, no quality claims shall be made or allowed against the Seller.

7.6 Representative official and binding samples of the bunkers supplied are those only taken at delivering barge's manifold/hose connection during the delivery by dripping method. Three (3) such samples shall be taken and sealed/signed/stamped by Supplier's and Buyer's representatives (in the latter case by an officer of the Vessel); one to be kept by the Buyer, one for Marpol for fuel oil, and one by the Supplier/Seller.

7.7 No complaint as to the quality or the quantity of the Goods nor any claim in relation thereto shall be admissible unless notified to the Seller in writing within fourteen (14) running days from the date of delivery, such notification to include (otherwise it will be invalid) the alleged deficiency and the description of any damage caused. Following the lapsing of the said fourteen (14) days all quality and quantity claims relating to the particular delivery shall be inadmissible as groundless and in any event time-barred.

7.8 In case of a dispute as to quality the only conclusive evidence/proof shall be the result of the joint (between Seller and Buyer) analysis of the aforesaid official samples (sealed,



signed and stamped by both parties) which will take place at the port of supply at a mutually accepted first class laboratory.

7.9 If it is alleged that any equipment or machinery has been damaged by the defective Goods, full details must be given to the Seller immediately and the specific item of the equipment or machinery must be preserved and made available for inspection on demand, at any reasonable time or times, by the Seller and or its representative. If inspection is required to be carried out on board the Vessel by the Seller, Buyer shall allow the Seller or its representative unhindered access onboard the Vessel to carry out an inspection.

7.10 Clause 6.5 hereinabove applies, mutatis mutandis, in case where the Buyer alleges any issue relevant to the quality of the Goods.

8. PRICES

8.1 The price for the Goods is that stated in the Nomination Confirmation. In the event that the price specified in the Nomination Confirmation is related to a posted price, then the actual price charged and payable shall be based on the posted price ruling on the Delivery Date at the Delivery Port.

8.2 The Buyer agrees to pay for any changes raised in respect of taxes, freight, barge, vehicle, wagon or clean up costs including overtime or other like payments; insurance; pilotage; port dues and any and all other like costs and expenses incurred by or charged to the Seller or the Physical Supplier. Such charges, costs and expenses will be passed on to the Buyer at the rates charged to the Seller as and when they are advised to the Seller and together with the price of the Goods shall for all purposes constitute the total price due from the Buyer to the Seller for the Goods supplied.

8.3 The prices quoted for any deliver of Goods, unless otherwise stated in any written quotation or confirmation of the Seller, are:

(a) valid only for the date(s) of the expected delivery of the Goods as same appear(s) in the relevant quotation or confirmation or -in the lack thereof- as provided by the Buyer and agreed by the Seller. Outside such date(s), the Seller shall notify in writing the Buyer of the availability or not of the Goods and the new price thereof.

(b) wharfage, barging and/or pipeline dues (as may be applicable at the place of delivery), overtime, any environmental surcharges, as well as any and all taxes or other charges imposed on any Goods shall be paid extra by the Buyer together with the price of the Goods.

(c) Any increase in the prices of the Goods following agreement of such price and before delivery, due to the change of the legislation or of the refinery prices or of the market conditions, shall be added to the price and paid by the Buyer to the Seller together with the original price.

9. PAYMENT – RETENTION OF OWNERSHIP

9.1 Unless otherwise expressly agreed, the Buyer will pay the respective invoice(s) of the Seller within thirty (30) running days from delivery in the currency stipulated by the Sellers in the Nomination Confirmation.



9.2 In the event of the Buyer not making payment in full by the due date, the Buyer shall be charged and obliged to pay to the Seller default interest/late payment charges at the rate of 2% per month on the principal amount due from the due date of payment to the date of actual full payment of the principal, without prejudice to the Seller's right to claim full payment forthwith. The Buyer hereby agrees and accepts that the quantum of the default interest/late payment charges as calculated hereinabove in this sub-clause, is not a penalty, but constitutes the agreed damages suffered by the Seller as a result of the latter being deprived of the timely payment of the principal amount (inclusive of, but not limited to, the element of interest), without prejudice to all other rights and entitlements of the Seller under the present Terms and Conditions or under the applicable Law or otherwise.

9.3 If at any time before the delivery the financial standing of the Buyer appears to the Seller (in its absolute discretion) to have become impaired or unsatisfactory, the Seller may require cash payment or security to be provided by the Buyer prior to delivery, failing which the Seller may cancel the delivery without any liability on the part of the latter or its subcontractors.

9.4 The owner and/or Manager(s) of the vessel and the vessel receiving delivery of the Goods under these General Terms and Conditions of Sale, shall be responsible for the performance of all of Buyer's obligations hereunder. If delivery of the Goods 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.

9.5 If any time the Buyer has failed to make any payment or give any security required (whether in terms of this clause or not), the Seller shall, in addition to any other remedy, be entitled to suspend or terminate deliveries (insofar as they have not already taken place) and to assert all its rights against the vessel. The Seller may also procure that any other deliveries be suspend or terminated. In the event of such suspension or termination the Buyer shall have no recourse against the Seller in respect of such suspension or cancellation and shall have the sole responsibility of the payment of all charges and/or the expenses which shall accrue for/in relation with the collection of the amounts of such invoices (lawyer fees, court fees, bailiff fees etc.)

9.6 All Goods supplied/delivered shall remain the property of the Seller until the Buyer has fully made all the payments for them to the Seller. Until such time the Buyer shall hold the Goods as bailee, store them in such a way so that they can be identified as Seller's property; they shall however remain on the Vessel at Buyer's sole risk and expense and without any cost for the Seller, until such full payment and the Buyer shall insure them against all risks, the Seller having also the right to receive the relevant insurance proceeds directly from the insurers.

The Buyer's right to possess the Goods during such period shall cease if:

- a) the Buyer has not paid for the Goods in full by the expiry of any credit period agreed; or
- b) the Vessel is arrested for the purpose of or in any way becomes the object of an auction, judicial, Court or other kind of compulsory sale; or
- c) the Buyer is declared bankrupt or makes any proposal to its creditors for reorganization or other voluntary arrangement or seeks such protection from any Court; or
- d) a receiver, administrator or liquidator is appointed in relation to the Buyer.



Upon the cessation of the right to possess the Goods, the Buyer shall at its own time and expense make the Goods available to the Seller allowing it to repossess same and remove them from the Vessel at a suitable place, without prejudice to all other rights of the Seller, who shall always be entitled to also claim and receive any removal expenses and all other losses and expenses whatsoever.

The Buyer hereby grants to the Seller and its agents irrevocable authority to board the Vessel or enter any other premises where the Goods are stored for the purpose of repossessing same.

8.7 The Buyer or any other party is not entitled to place any markings on the delivery notes or delivery receipts as to non-liability on its part to pay for the Goods, unless such marking has been agreed in writing between the Seller and the Buyer in advance of the delivery. Any such marking placed without agreement shall have no validity or effect whatsoever; where such marking is placed before the completion of the delivery of the Goods, the Seller has the right to withhold or interrupt the supply/delivery, with all relevant delay being for the exclusive account of the Buyer.

10. WAIVER

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.

11. CLAIMS AND DISPUTES

11.1 The Buyer shall be deemed to have waived any claim against the Seller or the Supplier relating to the quantity, quality or price of any Good delivered hereunder, unless the Seller receives notice in writing of a complaint within **7 days** of the delivery and receives full details of the claim, with supporting documents within **60 days** of delivery.

11.2 The Buyer agrees with the Seller that, in the event of the non-delivery of the Goods or delivery of the Goods not complying as to grade quantity or quality or any other manner with the terms stipulated herein or otherwise agreed between Buyer and Seller:

- a. the amount of damages that the Buyer can claim from the Seller shall be limited to damages actually recovered by the Seller against the supplier,
- b. the Buyer's rights to recover damages from the Seller where the damage complained of arose solely through the direct fault of the Seller while the Goods were in the ownership of the seller provided that any such claim shall not exceed the invoice value of the Goods.

12. FORCE MAJEURE

12.1 Neither the Seller nor the Supplier, shall be liable for any failure to fulfill their obligations (other than the payment of money) hereunder if fulfilment has been delayed, hindered, interfered with, curtailed or prevented by:

- a. any circumstances whatsoever whether or not foreseen which are not within the immediate control of the Seller or the Supplier. or,
- b. Any curtailment, failure or cessation of the supply of the Goods to be delivered or of the petroleum from which such Goods are derived or of any of the Seller's or Suppliers sources of supply (whether the Goods to be delivered are to be obtained or derived from such a source or not) or,



c. compliance with any order, demand or request of any international, national, port, transportation, local or any other authority or agency or of any body or person purporting to be or to act for such authority or agency, breakdown of or accident to plant, machinery or facilities, or weather conditions or,

d. breakdown of or accident to plant, machinery or facilities or,

e. any strike, lock-out or labor dispute (whether or not the Seller or the Supplier is a party thereto or would be able to influence or procure the settlement hereof) war, hostilities or any local or national emergency (or the threat or apprehension of any of the foregoing events).

12.2 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.

13. ASSIGNMENT

The Seller may assign all or any of its rights and/or obligations hereunder by giving written notice to the Buyer. Any assignment by Buyer without Seller's written consent shall be void.

14. SELLER'S LIABILITY

Without prejudice to any other provision in these terms and conditions.

14.1 Seller shall not be liable for, and Buyer shall indemnify Seller against, any losses, claims, demands, costs or expenses arising out of any action taken by any third party against the Seller in connection with the supply of Goods under this Contract, whether or not the Seller is in breach of any of its obligations under this Contract.

14.2 If any liability on the part of the Seller to Buyer shall arise under this Contract for any loss or damage of whatever nature, such liability will be limited to 5% of the price of the goods delivered hereunder to Buyer or, where the claim relates to a failure to supply, to the fixed sum of US\$ 5,000 and in no event shall Seller's liability hereunder howsoever arising extend to any claim for indirect consequential or economic losses or damages.

14.3 Seller's supplier of Goods 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 or 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 or of revenue) arising.

14.5 Where a date of delivery is indicated the obligation of the Seller's shall be to deliver as soon as thereafter as is practicable having regard to congestion affecting the Seller's delivery facilities of 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 Sellers 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 Goods.

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 bunkers or damage to any property caused by the Buyer's vessel during berthing, bunkering or/and numbering.

14.7 Buyer shall indemnify and hold 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 the Goods delivered hereunder.

15. INDEMNITY

The Buyer will indemnify the Seller and the Supplier against any claims losses (whether civil, administrative, penal or other), costs, (including costs as between Attorney or Solicitor and Client), damages, liabilities, fines, penalties and expenses incurred or sustained arising out of or in connection with the delivery of Goods against a nomination except to the extent that such claims, losses, costs, damages, liabilities and expenses arise through the negligent act or omission of the Seller or the Supplier.

16. AMENDMENTS AND REPRESENTATION

The Buyer is hereby notified that no employees of the Seller have authority to make or accept any alteration or amendment to the terms contained herein or to make any representation binding upon the Seller.

17. CANCELLATION / TERMINATION

17.1 The Seller shall have the option, charging also the Buyer with all the expenses incurred (including but without limitation the damages which the Supplier suffered), to immediately cancel the agreement in full or in part, or to preserve the Goods in whole or in part for the account and risk of the Buyer, or to 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, in any one of the following cases, set out indicatively below:

- a) when the Buyer, for whatever reason, fails to accept the Goods 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 herein;
- 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) when, in case of force majeure, the Seller is of the opinion that the execution of the agreement shall be impossible.
- e) When the Buyer goes into bankruptcy or liquidation or becomes subject to any other form of insolvency procedures.



17.2 The Seller may terminate any agreement with the Buyer in whole or in part, in its full discretion, upon the breach of any provisions hereof by the Buyer and in all other circumstances stated elsewhere in these Conditions.

17.3 Termination will come into effect upon the written notice of the Seller to the Buyer indicating the grounds of the notice of termination.

17.4 Termination will be without prejudice to any other remedy (including compensation for damages) to which the Seller is entitled to by contract or by law. Termination will be without prejudice to the rights and obligations already arisen

18. TAXES AND OTHER CHARGES

Should any kind of tax (including but without limitation VAT), due, stamp duty, surcharge, freight, insurance premium, pilotage, port dues or other kind of additional expense be imposed or incurred by the Seller at any time in relation to the Goods or their delivery, same shall be borne by the Buyer who shall be obliged to forthwith pay same directly or to reimburse the Seller, as the case may be.

19. MARITIME LIEN

Where Goods are supplied to a Vessel, in addition to any other security, the agreement is entered into and the Goods are supplied upon the faith and credit of the Vessel. It is agreed and acknowledged that the sale of Goods to the Buyer and/or their acceptance on the Vessel create a maritime lien over the Vessel for the price of the Goods, such maritime lien afforded to the Seller over the Vessel. In any event any applicable law shall not prejudice the right of the maritime lien of the Seller afforded hereunder or by any other applicable Law, be it of the place of delivery, of the flag of the Vessel, of the place of jurisdiction, and/or of an arrest of the Vessel, or otherwise howsoever.

20. ENVIRONMENTAL PROTECTION

In the event of any leakage spillage or overflow of Goods whilst they are delivered to the Vessel, causing or likely to cause pollution occurring at any stage, the Buyer shall, regardless as to whether Buyer or Seller is responsible, immediately take such actions as are necessary to effect clean up and failing prompt action, the Buyer hereby authorizes the Seller to take whatever measures the latter deems fit (whether by employing its own resources or by contracting with others) as are necessary in the judgment of the Seller. The Buyer shall cooperate and render such assistance as is required by the Seller in the course of such actions. All relevant expenses, claims, losses, damages, liability and penalties arising in relation to spills shall be borne by the Buyer. The burden of proof to show any liability of the Seller shall be solely on the Buyer. The Buyer shall have available and give the Seller all documents and other information concerning any spill or any program for the prevention thereof, as required by the Seller, or by Law or by any regulation applicable at the time and place of delivery, to effect clean up at Buyer's expense. The Buyer warrants that the Vessel at all material times will be in compliance with all national and international regulations and shall ensure that its employees comply fully with all requirements, obligations and recommendations relating to the handling and use of the Goods delivered hereunder. It shall be the responsibility of the Captain of the Vessel to notify the Seller of any special conditions, difficulties, peculiarities, deficiencies or defects with respect to the Vessel or any part thereof that might adversely affect the delivery of Goods. The Buyer shall fully indemnify and keep the Seller harmless against any liability, claim or proceedings whatsoever arising out of or in connection with any



failure by the Buyer to comply with its obligations under this clause. The Seller has the right to refuse to deliver Goods to the Vessel if it is probable that such delivery will result in adverse consequences of any kind whatsoever.

21. BROKERS AND AGENTS

If the nomination is made by a broker or agent acting for or on behalf of the Buyer, whether such agency is disclosed or undisclosed then such broker / agent shall be liable, as well as the buyer, not only as agent but also as principal for the performance of all obligations of the Buyer.

22. MISCELLANEOUS

22.1 The supply by Seller of goods and every quotation, pro-forma invoice, order confirmation, price list or other similar document relating to goods are made or issued solely subject to these conditions and no representation warranty collateral or otherwise shall bind the Seller and no statement made by a representative by or on behalf of Seller shall vary these Conditions unless such 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 article.

22.2 No oral explanation or oral information by the parties hereto, or any of them, shall alter the meaning or interpretation of these conditions.

22.3 The Seller shall be entitled to recover from Buyer all losses, costs and expenses incurred as a consequence of cancellation for whatever reason.

23. LAW AND JURISDICTION

Except as otherwise expressly agreed to in writing this Contract shall be governed by the laws of United States of America and all parties hereto accept the exclusive jurisdiction of the Courts of United States of America in relation to any claim which may arise in connection with this Contract save that the Seller shall be entitled to bring proceedings against the Buyer in the Courts of the jurisdiction where the Buyer resides or carries on business or in the Courts of the jurisdiction where delivery of the goods was or ought to have been effected.

24. ARBITRATION

At the option of the Seller any disputes or differences arising out of or in connection with this Contract shall be referred to arbitration by a sole arbitrator in London. 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.