

GENERAL TERMS AND CONDITIONS FOR SALES AND DELIVERY OF MARINE BUNKER FUEL

BY VERMONT MARINE BUNKERING LIMITED

(Version dated 1 June 2023)

1. APPLICATION OF GENERAL TERMS AND CONDITIONS

- 1.1 These General Terms and Conditions shall apply to the sale and purchase of Marine Bunker Fuel by Vermont Marine Bunkering Limited as Seller to the Buyer as defined below.
- 1.2 The Seller reserves the right to revise these General Terms and Conditions from time to time provided that unless expressly agreed by the Buyer such revision shall not affect the Sales Contract as defined below entered into prior to the date of revision.
- 1.3 In these General Terms and Conditions, titles and headings are for reference only and do not affect the interpretation of the General Terms and Conditions, and reference to a “Clause” shall mean a reference to a clause in these General Terms and Conditions.

2. DEFINITIONS

- 2.1 In these General Terms and Conditions, the following capitalized terms shall have the following meanings:

“*Bunker Tankers*” mean bunker barges or tankers supplying Marine Bunker Fuel to the Vessel

“*Buyer*” means the Buyer under each Sales Contract, including the entity or entities named in the Confirmation Note, whether it is made as principals, agents, brokers and authorized representative or other relevant parties, together with the Vessel, her master, owners, operators, charterers, any party benefitting from consuming the Marine Bunker Fuel, and any other party ordering the Marine Bunker Fuel, all of whom shall be jointly and severally liable as Buyer under each Sales Contract.

“*Confirmation Note*” means a confirmation in writing from the Seller to the Buyer setting forth the particular terms of each sale of Marine Bunker Fuel

“*General Terms and Conditions*” means these terms and conditions in force as of 1 June 2023

<i>“Marine Bunker Fuel”</i>	means marine bunker oil or marine gas oil, including FO180CST (or RME180), FO380CST (or RMG380), FO500CST, MGO (or DMA), VLSFO and related products of whatever type or grade delivered by the Seller
<i>“Physical Supplier”</i>	means the person who physically supplies the Marine Bunker Fuel to the Vessel, together with that person’s servants, agents, successors, sub-contractors, assigns and/or the persons from whom the Seller buys
<i>“Seller”</i>	means Vermont Marine Bunkering Limited, a company incorporated under the laws of Hong Kong with Company Registration No. 3243830 and registered address at 2/F., Goldsland Building, 22-26 Minden Avenue, Tsim Sha Tsui, Hong Kong
<i>“Sales Contract”</i>	means the Confirmation Note, invoice, delivery note, tank measurement form and/or mass flow metre ticket (if applicable), bunker requisition form, together with the General Terms and Conditions which all constitute a complete and exclusive sale and purchase agreement of Marine Bunker Fuel between the Seller and the Buyer. A Sales Contract may relate to a single sale and purchase transaction or a series of transactions under a master agreement or term contract, in both cases these General Terms and Condition shall apply equally
<i>“Vessel”</i>	means the vessel to which a delivery of Marine Bunker Fuel is made and/or onboard which it is consumed, which shall include any on-shore tank, train, rig, helicopter, aircraft or other unit or installation supplied by the Seller.

3. INCORPORATION AND TERMS OF CONFIRMATION NOTE TO PREVAIL

- 3.1 These General Terms and Conditions are deemed incorporated in each Confirmation Note, Invoice, Bunker Delivery Note, Tank Measurement Form, Bunker Requisition Form and Term Contract.
- 3.2 In the event of any discrepancy between these General Terms and Conditions and the terms of the Confirmation Note, the terms of the Confirmation Note shall prevail.

4. NOMINATIONS

- 4.1 The Buyer shall nominate the Vessel in writing at least seven (7) calendar days in advance of the Vessel's estimated date of arrival and shall advise: (i) the port of delivery; (ii) the grade(s) of Marine Bunker Fuel and quantities required; (iii) the estimated date of arrival of the Vessel; and (iv) any other information required by the Seller. If a quotation is required by the Buyer, the price quoted by the Seller is only valid for the Vessel and the estimated date of arrival specified in the Buyer's nomination.
- 4.2 Each sale of Marine Bunker Fuel shall be confirmed by a Confirmation Note. An order for Marine Bunker Fuel shall be binding on the Seller only upon acceptance of the nomination by the Seller issuing the Confirmation Note.
- 4.3 If a purchase of Marine Bunker Fuel is contracted for by a broker, an agent or a manager for a principal, each such broker, agent or manager shall be bound by and be fully liable for the obligations of the Buyer. Furthermore, delivery shall always take place for the account of the registered owners and for the account of the current charterers of whom shall be jointly and severally liable for the payment of the delivery as Buyers. The Buyer warrants that it is authorized as agent to order the Marine Bunker Fuel for delivery to the Vessel, and that the Seller has a lien in the Vessel for its claim.
- 4.4 Any remark, notice or any stamp made in the Bunker Delivery Note or similar document is deemed to be invalid and cannot waive the Seller's maritime lien on the Vessel.

5. MARINE BUNKER FUEL GRADE, QUALITY AND QUALITY CLAIMS

- 5.1 The Buyer shall be responsible for the selection and acceptance the grade of the Marine Bunker Fuel to be delivered to the Vessel. The quality of each grade of the Marine Bunker Fuel shall be the usual quality of that grade being sold by the Seller at the time and place of delivery. The Buyer shall have the sole responsibility for any determination of compatibility of the Marine Bunker Fuel purchased from Seller with marine fuel already on board of the Vessel. There are no guarantees or warranties, express or implied, of merchantability, fitness or suitability of the Marine Bunker Fuel for any particular purpose or otherwise, which extends beyond this subsection.
- 5.2 The Seller warrants that the Marine Bunker Fuel delivered under the Sales Contract meets the specifications for the product as set forth in the Confirmation Note and/or Sales Contract, subject to any variance as agreed by the parties prior to delivery. Unless otherwise specified in the Sales Contract, the Marine Bunker Fuel delivered shall be of the quality generally offered by the Seller at the time and place of delivery, for the particular grade or grades ordered by the Buyer.
- 5.3 The Buyer shall be responsible to keep the delivered Marine Bunker Fuel segregated from any Marine Bunker Fuel(s) on board the Vessel or from a different delivery to the Vessel. In no event shall the Seller be responsible for the quality and compatibility of the Marine Bunker Fuel delivered if the Seller's product is mixed or comingled with any other product(s) on board the receiving Vessel. The Buyer shall be solely

responsible for any losses caused by mixing or comingling the Marine Bunker Fuel with any other fuel, including any damage the Marine Bunker Fuel may cause on other products on board the receiving Vessel.

- 5.4 If the Marine Bunker Fuel deviates from specifications, the Buyer shall use all reasonable endeavours to mitigate any damages, losses, costs and expenses related to the alleged claim of alleged off-specification or defective Marine Bunker Fuel and shall burn the Marine Bunker Fuel if possible even if this requires employment of purification tools or other similar measures.
- 5.5 In the event that the Buyer has any claim regarding the quality of the Marine Bunker Fuel delivered, he shall formally present such claim in writing to the Seller as soon as an alleged problem has occurred or the Buyer is notified of any alleged problem and in any event no later than twenty-one (21) days from the date of delivery to the Vessel. Should the Buyer fail to make timely written notification of any claim to the Seller regarding the quality of the Marine Bunker Fuel in accordance with this Clause, the claim shall be deemed waived and barred and the Buyer's right to such claims would be extinguished. A notification inserted in the Bunker Delivery Note or in a separate protest handed to the Physical Supplier of the Marine Bunker Fuel shall not qualify as notice under this Clause 5.5 and the Seller shall under no circumstances be deemed to have accepted such notice of protest handed to the Physical Supplier.

6. QUANTITIES, MEASUREMENTS AND QUANTITY CLAIMS

- 6.1 The quantities of Marine Bunker Fuel delivered shall be determined from the official gauge or meter of the delivery Bunker Tankers (barge) at the Seller's election or the shore-meter in the case of ex-wharf delivery, measured and calculated according to the ISO-ASTM-API-IP petroleum measurement tables. Quantity measured on official gauge or meter (or the shore-meter in the case of ex-wharf delivery) is therefore considered as conclusive and binding to both the Buyer and the Seller.
- 6.2 The gauging and calculating shall where possible be performed in the presence of both the Seller and the Buyer or their respective representatives. The absence of the Buyer or its representatives during all or any part of the gauging and calculation process shall not prejudice the validity of the calculations. If the Buyer or its representatives is not or do not wish to be present at the time of measurement, then any complaint of wrong measurement shall be deemed to be waived.
- 6.3 The Buyer expressly undertakes not to make any endorsement, complaint/comment (including but without limitation any "No-lien" clausung) on the Bunker Delivery Note when presented for signature by the Buyer's representative(s), any such insertion shall be invalid and of no effect whatsoever.
- 6.4 Any claim as to quantity of the Marine Bunker Fuel delivered shall be notified verbally by the Buyer or the master of the Vessel to the Seller immediately during delivery of the Marine Bunker Fuel; and shall be presented by the Buyer to the Seller in writing within twenty-one (21) days from the date of delivery enclosing the Buyer's copy of the Tank measurement Form or a copy thereof certified by the Buyer, failing which any such claim shall be deemed to be waived and barred. A notification inserted in the

Bunker Delivery Note and Tank Measurement Form or in a separate protest handed to the Physical Supplier of the Marine Bunker Fuel shall not qualify as notice under this Clause 6.4 and the Seller shall under no circumstances be deemed to have accepted such notice of protest handed to the Physical Supplier.

7. BUYER'S DUTIES IN THE EVENT OF CLAIMS AND TIME LIMITATIONS

- 7.1 In the event of any claim presented in accordance with Clauses 5 and 6 above or otherwise, the Buyer shall:
- i. 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. Failure to provide timely boarding and inspection and copying shall constitute a waiver and bar of any such claim; and
 - ii. take all reasonable steps and actions to mitigate any damages, losses, costs and expenses related to any claim, in particular in accordance with Clause 5.4 above.
- 7.2 The Seller shall not be liable to pay damages if the Buyer has failed to safeguard the Seller's recourse against the Physical Supplier of the Marine Bunker Fuel or any other wrongdoer, or has failed to ensure the existence of the necessary evidence.
- 7.3 Any claims against the Seller in respect of this Sales Contract shall be brought before the relevant court in accordance with Clause 25 below within one (1) year of the date of delivery of the Marine Bunker Fuel, failing which such claims shall be time-barred.

8. PRICE

- 8.1 The Buyer shall pay for the Marine Bunker Fuel at the price agreed in the Confirmation Note as set forth in Seller's invoice(s) (hereinafter the "Invoice"). In addition, the Buyer shall pay the costs of the delivery irrespective of whether the delivery takes place from a terminal facility, barge, lorry, or other method of delivery. The delivery costs shall be set forth in the Invoice. Unless otherwise agreed, the final volume stated in Seller's or its representative's delivery documentation is to be considered final in respect of the quantity to be invoiced.
- 8.2 Unless otherwise stated in the Confirmation Note or Invoice, all prices quoted are in United States Dollars.
- 8.3 The final unit price per metric tons shall be rounded to two (2) decimal places with the third decimal place to be increased to the next digit whenever the fourth decimal place is five or greater than five.
- 8.4 All prices are excluding VAT and/or taxes and/or charges. The Seller is entitled, at any time, to charge additional VAT and/or taxes and/or charges.

- 8.5 Notwithstanding any agreement to the contrary, the Sellers reserve the right, by giving notice to the Buyers in writing at any time before actual delivery of the Marine Bunker Fuel and on or after acceptance of any order, to increase the price of the Marine Bunker Fuel to reflect any increase in the cost to the Sellers (arising from, but not limited to any foreign exchange fluctuation, currency regulation, alteration of duties, significant increase in costs of materials) caused by:
- i. a change in delivery date such that the receiving Vessel's anticipated arrival date or final arrival date is delayed beyond seven (7) calendar days from the agreed date of delivery;
 - ii. any change in quantity as requested by the Buyer; or
 - iii. any change caused by any delay caused by any instructions of the Buyers or failure of the Buyers to give the Seller adequate information or instructions;

and the Buyers shall be bound by and pay such increased price. In addition to the Seller's right to re-adjust the price in the above circumstances, the Seller shall also have the option to cancel the Sales Contract without incurring any liability whatsoever.

9. PAYMENT

- 9.1 Unless otherwise stated in the Confirmation Note and/or Invoice, the Buyer shall fully pay the Seller for the Marine Bunker Fuel delivered in accordance with the Invoice within thirty (30) calendar days after the commenced pumping date (the commenced pumping date being counted as day one), notwithstanding any disputes or claims the Buyer may allege.
- 9.2 Payment shall be made in full, free of bank charges, without discount or deduction, without withholding, and without set-off for any claim or counterclaim of any nature whatsoever.
- 9.3 If the payment due date of any Invoice falls on a day which is not a business day in Hong Kong, payment shall be made on the business day immediately preceding the due date.
- 9.4 Payment shall be made to the Seller by bank transfer, according to the payment instructions contained in the Seller's Invoice or any copy hereof forwarded by fax, electronic mail or by any other means. The Seller shall be under no obligation to provide any accompanying documents with the Invoice such as a bunker delivery note or other documents.
- 9.5 If the Buyer fails to pay any Invoice at the time of maturity set forth in these General Terms and Conditions or on the Invoice, the Buyer shall pay interest on any overdue payment at 2 (two) percent monthly interest, from the time of maturity of the Invoice to the actual payment date. The interest rate will be charged monthly from the date of maturity, without prejudice to any other right or claim of the Seller. Interest will be added to the principal as it falls due.

- 9.6 In the event that any Invoice is not paid in due time, the Seller shall be entitled, at its sole discretion, to specify any particular Invoice or part thereof to which any subsequent payment(s) shall be applied, including, but not limited to, payment covering interest charges, legal fees and other charges.
- 9.7 Notwithstanding any agreement to the contrary, payment under outstanding Invoices will be due immediately upon the occurrence of any of the following events:
- i. bankruptcy, liquidation or suspension of payment or comparable situation of the Buyer;
 - ii. arrest of assets of the Buyer;
 - iii. if the Buyer fails to pay any amount under any Invoice to the Seller at the time of maturity set forth in such Invoice;
 - iv. if the Buyer fails to comply with any other obligation pursuant to the Sales Contract, including, but not limited to, the Buyer's failure to take delivery of Marine Bunker Fuel in full or in part; or
 - v. 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.

In any of the foregoing situations, whilst reserving its rights to recover from the Buyers all damages and costs resulting from such situations, the Seller shall also be entitled to:

- (a) cancel the Sales Contract;
- (b) store the Marine Bunker Fuel in full or in part for the Buyer's account and risk;
- (c) demand that the Buyer complies with its obligations pursuant to the Sales Contract; and/or
- (d) make use of any other remedy available under the law.

10. DELIVERY

- 10.1 The Buyer (or its agent, the identity of which the Buyer shall inform the Seller in the Nomination) shall give the Seller and/or Seller's nominated representatives written notice of the delivery required in the following manner:
- i. the exact location of the receiving Vessel as designated by the Buyer and approved by the Seller at least seventy-two (72) hours (exclusive of Saturdays, Sundays and public holidays of the delivery port) before delivery;
 - ii. the approximate time of tendering at least forty-eight (48) hours (exclusive of Saturdays, Sundays and public holidays of the delivery port) before delivery; and
 - iii. any other necessary information as per the Seller's requests.

- 10.2 The master of the receiving Vessel shall ensure that the Vessel has a free side clear of obstructions to allow safe and proper mooring of the Bunker Tankers to deliver the Marine Bunker Fuel, and render all necessary assistance which may reasonably be required to moor and unmoor the Bunker Tankers. The receiving Vessel shall moor, unmoor, hoist bunker hose(s) from the barge(s), and in any way requested to assist barge equipment to a smooth supply. The Buyer shall be responsible for all connections and disconnections between the delivery hose(s) and the receiving Vessel's bunker intake manifold/pipe and ensure that the hose(s) are properly secured to the receiving Vessel's manifold prior to the commencement of delivery. The Buyer shall be responsible to ensure that the bunker manifold of the Vessel into which the Marine Bunker Fuel is deposited is suitable in all respects and complies with all relevant regulations and that the manifold is capable of receiving the full quantity of Marine Bunker Fuel ordered by the Buyer.
- 10.3 The Buyer warrants that it will comply with all applicable laws; regulations and customs at the delivery port and that the Vessel shall have a competent and efficient master, officers and crew. The Buyer shall also ensure that the Vessel will be in full compliance with all applicable international conventions, all applicable laws, regulations and/or other requirements of the country of the port and/or place of delivery and all applicable regulations and/or requirements of any terminal or facilities in such port or place where the Vessel shall be supplied.
- 10.4 The Buyer shall also instruct the master of the Vessel as follows:
- i. to be fully aware of the Seller's General Terms and Conditions;
 - ii. to be fully aware of the communication and emergency shut-down procedures; and
 - iii. to advise the Seller in writing, prior to delivery, of the maximum allowable pumping rate and pressure.
- 10.5 In the event the delivery is requested outside normal working hours or normal working days and is permitted by local port regulations to be so delivered, the Buyer shall pay all overtime and additional expenses incurred in connection therewith; alternatively, the Buyer shall reimburse the Seller for all such overtime and additional expenses incurred by the Seller.
- 10.6 Before commencement of the delivery, authorized personnel of the receiving Vessel shall sign on the Bunker Requisition Form, Tank Measurement Form, and any other related document upon gauging before pumping. Upon completion of delivery and prior to disconnecting the transfer hose, authorized personnel shall sign on the Tank Measurement Form and Bunker Delivery Note to indicate receipt of delivery of the Marine Bunker Fuel.
- 10.7 Once the Confirmation Note has been issued, any changes or cancellation to delivery by the Buyer would entitle the Seller to charge including but not limited to barging and storage costs, and price difference. If the Buyer for whatever reason is unable to receive the full quantity of Marine Bunker Fuel ordered and rendered, the Seller shall have the right to invoice the Buyer any loss incurred including but not limited to the loss incurred by having to transport the Marine Bunker Fuel back to the storage or by having to sell

the Marine Bunker Fuel in a degraded form at a lower price than that applicable to the grade originally nominated by the Buyer.

- 10.8 The Buyer shall be responsible for any and all demurrage, detention or additional expenses incurred by the Seller if the Buyer or the Vessel fails to receive the Marine Bunker Fuel at the time for delivery or for any other reason. In addition, if the Vessel fails to take delivery of the Marine Bunker Fuel or any part thereof, the Buyer shall compensate the Seller for any loss or damage which the Seller may suffer as a result of such failure, including but not limited to any loss of profit on any resale of the Marine Bunker Fuel, and the Buyer shall bear the risk of the return transport, storage or selling of the Marine Bunker Fuel.
- 10.9 In case of delay or failure to deliver the Marine Bunker Fuel the Seller shall not be liable to the Buyer or any other entity for any claim, loss or damage unless such delay or failure to deliver is caused by the Seller's negligence.

11. PASSING OF RISK

- 11.1 Risk in the Marine Bunker Fuel, including loss, damage, deterioration, evaporation, or any other condition or incident related thereto shall pass to the Buyer at the time the Marine Bunker Fuel passes the flange connecting the delivery facilities provided by the Seller. The Buyer warrants that representatives from the Vessel shall be responsible for ensuring that the Marine Bunker Fuel is received in a safe way.

12. RETENTION OF TITLE

- 12.1 The Seller retains the legal and equitable title to the Marine Bunker Fuel delivered to the Vessel until the Invoice has been paid in full in so far as the Seller has this right according to the law of the place of delivery or according to the law of the Vessel's flag state or according to the law at the location where the Vessel is found.
- 12.2 Prior to the Seller receiving the price and all amounts due referred to in sub-Clause 12.1 hereof, the Buyer shall hold the Marine Bunker Fuel and/or the price and/or the proceeds of sale as bailee and/or trustee for the Seller without prejudice to the Seller's right to assert a maritime lien, attachment or claim against the Vessel.
- 12.3 In the event that the Buyer fails to make payment in accordance with Clause 9, the Seller has the right to demand immediate return of the Marine Bunker Fuel and any party who consumes the Marine Fuel shall be liable to Seller in conversion.

13. ARREST OF VESSEL

- 13.1 The Marine Bunker Fuel 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 Marine Bunker Fuel and the delivery thereof.

- 13.2 No acceptance of any other or additional security measures by the Sellers shall operate as a waiver of this Clause 13. Where the Buyer is not the owner of the receiving Vessel, the Buyers, hereby, expressly warrants that he has the unrestricted authority of the owner of the receiving Vessel to pledge the Vessel as credit under this clause, and that the owner of the receiving Vessel has been given notice of this clause.
- 13.3 The Seller is entitled to rely on any provisions of the law of the flag state of the Vessel, the place of delivery or where the Vessel is found and shall, among other things, enjoy the full benefit of the local rules granting the Seller maritime lien in the Vessel and/or providing for the right to arrest the Vessel. Nothing in the Sales Contract shall be construed to affect or prejudice the right of the Seller to take action and/or commence proceedings in any jurisdiction to enforce its rights of lien (including but not limited to maritime lien recognized under the laws of United States) on the Vessel or to otherwise obtain security by seizure, attachment or arrest of assets for any amount owed to the Seller.

14. SAMPLING

- 14.1 The Seller or its representatives shall arrange for four (4) representative samples of each grade of Marine Bunker Fuel delivered by each Bunker Tankers, to be drawn throughout the transfer of such grade of Marine Bunker Fuel at the time of delivery of the Marine Bunker Fuel. Unless otherwise agreed between the Seller and the Buyer prior to entering into the Sales Contract, the samples shall be drawn from a point and in a manner chosen by the Seller or its representatives in accordance with the procedures set out in the IMO Resolution MEPC.182(59) Guidelines for the Sampling of Fuel Oil for Determination of Compliance with MARPOL 73/78 Annex VI or any subsequent amendments thereto.
- 14.2 The sampling shall where possible be performed in the presence of both the Seller and the Buyer or their respective representatives, but the absence of the Buyer or its representatives during all or any part of the sampling process shall not prejudice the validity of the samples.
- 14.3 On completion of sampling, the four (4) samples of Marine Bunker Fuel drawn by the Seller or its representatives shall be sealed and labelled indicating the Vessel's name, delivery facility, product name and date of sampling and signed by the Seller or the Seller's representative and the master of the receiving Vessel or its authorized representative. The sample with seal number marked on Bunker Delivery Note are considered as the only valid trading samples.
- 14.4 Two of the samples shall be retained by the Seller or its representatives after delivery of the Marine Bunker Fuel to the receiving Vessel for approximately ninety (90) days. The other two samples shall be retained by the receiving Vessel.
- 14.5 In the event of a dispute concerning the quality of the Marine Bunker Fuel, the results of analysis of the Seller's or its representative's drawn samples performed by an

independent laboratory mutually appointed by the Buyer and Seller shall be conclusive to determine the quality of the Marine Bunker Fuel supplied. Analysis results of the Seller's or its representative's drawn samples will be the sole binding evidence for the quality of the Marine Bunker Fuel supplied to the Vessel.

- 14.6 If the Seller and the Buyer cannot agree on an independent laboratory to perform mutual analysis or if the Buyer fails to reply to the Seller's notice on jointly agreeing on an independent laboratory within seven (7) days from receipt of such notice, the Seller can at its sole discretion decide which laboratory to perform the analysis, which shall be final and binding for the Buyer and all parties involved for the purposes of being binding evidence for the quality of the Marine Bunker Fuel supplied to the Vessel.

15. LIABILITY

- 15.1 The Seller's liability for any damage whatsoever arising under the Sales Contract whether caused by negligence or not, whether based in tort or contract and whether falling on the Buyer or third party shall be limited to the value of the Marine Bunker Fuel as set out in the Invoice.
- 15.2 The Seller shall under no circumstances be held liable for any consequential losses whatsoever, including, without limitation, delay, detention, demurrage, charter hire, crew wages, pilotage, towage, port charges, lost profits or increased cost or expenses for obtaining replacement fuel.

16. SAFETY AND ENVIRONMENTAL PROTECTION, POLLUTION PREVENTION AND RESPONSIBILITY

- 16.1 It shall be the sole responsibility of the Buyer to ensure that the Vessel, its crew and those responsible for its operation and management observe and comply with all health, safety and environmental laws and regulations with regard to the receipt, handling and use of the Marine Bunker Fuel. The Buyer warrants that the Vessel is in compliance with all national and international trading and pollution regulations.
- 16.2 In the event of a spill or discharge or Marine Bunker Fuel escaping during the loading or discharging of the receiving Vessel occurring before, during or after the delivery of the Marine Bunker Fuel, the Buyer shall, in addition to any other obligations imposed by law, be responsible for immediately notifying the appropriate governmental authorities and take or arrange whatever action is necessary to respond and clean-up such spill or discharge, and shall pay all costs and expenses in connection therewith. If the Buyer fails to take such prompt action, the Buyer hereby expressly authorizes the Seller, the supplier and others appointed by the Seller, to take such action on behalf of the Buyer at the Buyer's risk and expense, and the Buyer shall indemnify and hold the Seller, the supplier, and others harmless against any damages, expenses, claims, or liabilities, of whatever nature, regardless of whether the incident was the result of any defect in the receiving Vessel or its equipment or any fault or act of neglect of the master, crew, agent or representative of the Buyer, unless such spill or discharge is proven to be solely caused by the Seller's negligence.

17. FORCE MAJEURE

- 17.1 The Seller shall not be required to make delivery, and shall not be liable for any loss or damage against the Buyer or any third party of whatever nature resulting from any delay or failure in performance under the Sales Contract:
- i. caused by any circumstance beyond the Seller's reasonable control; or
 - ii. if the supply of source of the Marine Bunker Fuel from any facility of production, distribution, storage, transportation or delivery contemplated or intended by the Seller's supplier is disrupted, unavailable or inadequate due to war or war-like situations, riots, strikes, lock-outs, labor disputes, unrest, sabotage, congestion, governmental order or intervention, demands or requests of any international, national, port, transportation, local or other authority or agency or of any body of persons purporting to be or to act for such authority or agency, unavailability of barges or other means of transport or stem, weather, act of God, changed market conditions, or similar situations.
- 17.2 In the event of a failure of performance as provided in this Clause 17, the Seller may, but is under no obligation, to source, procure or obtain alternative Marine Bunker Fuel or product, and in such case the Seller shall be entitled to receive from the Buyer payment of any additional costs of performance.
- 17.3 The Buyer shall have no right of cancellation of the Sales Contract in the event of a failure of performance caused by the events as provided in this Clause 17.

18. WAIVER

- 18.1 The failure by the Sellers to enforce any right against the Buyers shall not be considered as a waiver of that right. Any waiver by the Sellers of any of its rights hereunder or under any Sales Contract in any particular instance, shall not prejudice its rights to enforce the same strictly and in full on any subsequent occasion. In particular, the granting by the Seller of any additional time to make payment or waiving or reducing of any financial or other charge shall not prevent the Seller at any time thereafter from relying upon its strict contractual rights.

19. INSURANCE

- 19.1 The Buyer is responsible for effecting and maintaining in forth adequate insurance which will fully protect the Buyer, the Seller, their agents, brokers and authorized personnel and all third parties from all risks, hazards and perils associated with or arising from the Sales Contract and the actual delivery of the Marine Bunker Fuel.

20. CANCELLATION

- 20.1 Notwithstanding the Seller's right to cancel any Sales Contract in accordance with Clause 8.5 and Clause 9.7 above, the Seller may treat any other breach by the Buyer of any term of the Sales Contract as a breach of a condition and it may at its discretion thereupon accept the breach, treat the Sales Contract as repudiated, and reserve its rights to claim loss and damages arising from such breach.
- 20.2 Products that have been ordered by the Buyer and confirmed by the Seller in the Seller's Confirmation Note cannot be cancelled except with the written agreement of the Seller. In the event of any cancellation by the Buyer without written agreement of the Seller or in the event of the receiving Vessel failing to take delivery of part or all of the Marine Bunker Fuel stated in the Confirmation Note, the Seller shall have the right to claim against both the Buyer and the Vessel for all losses and damages suffered, including the loss of profits, expenses and charges incurred.

21. NOTICE

- 21.1 Unless otherwise provided, all notices, statements and further relevant communications, to be sent and or submitted hereunder by both parties, shall be only considered sufficiently transmitted and received if in writing and sent by post, fax or email to the previously designated address by Seller and Buyer. In case of any eventual change on the designated address, it shall be necessary to notify in writing, not less than 15 (fifteen) days, the other party

22. ASSIGNMENT

- 22.1 The Seller may assign its obligations and rights hereunder in whole or in part, in which event any such assignee shall enjoy and be entitled to exercise against the Buyer any and all rights herein conferred upon the Seller.
- 22.2 The Buyers shall not assign any of its rights and obligations hereunder unless expressly agreed to in writing by the Seller.

23. COLLECTION AND INDEMNITY

- 23.1 The Buyer shall be liable for any cost and expense however incurred by the Sellers and shall indemnify the Sellers against any claims, losses, market price losses, costs, damages, liabilities, fines, penalties and expenses however incurred or sustained arising out of or in connection with the cancellation of the Sales Contract in accordance with Clause 8.7, Clause 9.5 or Clause 20 above.
- 23.2 The Buyer agrees to pay any and all expenses, legal fees and court costs incurred by the Seller:
- i. to collect and obtain payment of any amount due to the Seller, including but limited to legal fees and court costs associated with collection of any non-

payment or underpayment of Invoices, enforcing a maritime lien, attachment, right of arrest, or other available remedy in law, equity or otherwise; and

- ii. to recover any damages or losses suffered by the Seller as a result of any breach by the Buyer of any provision of the Sales Contract.

23.3 All rights and remedies of the Seller are cumulative and election of one remedy shall not exclude another.

24. SEVERANCE

24.1 If any term or provision or any part thereof in these terms and conditions shall be held to be illegal and unenforceable under any enactment or rule of law, such term or provision or part thereof shall, to the extent, be deemed not to form part of these conditions and the enforceability of the remainder of these terms and conditions shall not be affected thereby.

25. GOVERNING LAW

25.1 The Sales Contract, including these General Terms and Conditions, shall be governed by and construed in accordance with the laws of Hong Kong Special Administrative Region and the parties hereby agree to submit to exclusive jurisdiction of the Hong Kong Courts.

25.2 Nothing in this Clause 25 shall, in the event of a breach of the Agreement by the Buyer, preclude the Seller from taking any such actions against the Buyer, any third party, or the Vessel in such jurisdiction as the Seller shall in its sole discretion deem fit for the purpose of securing payment of any amount due to the Seller. In such circumstances the proceedings shall be governed by the law (substantive and procedural) of such jurisdiction, which includes but not limited to United States law.