

**General Terms and Conditions
of Sale**

Applied by

Staatsolie Maatschappij Suriname N.V.

and

GOw2 Energy Suriname N.V.

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PART ONE: GENERAL PROVISIONS

1. General

1. These General Terms and Conditions have been deposited at the Registry of the Subdistrict Courts under CIVAR number 202503752 and at the Trade Register of the Chamber of Commerce and Industry in Suriname under number 15741 and 5909.
2. These General Terms and Conditions apply to all Sales Contracts entered into by Staatsolie Maatschappij Suriname N.V. and/or its subsidiary, GOW2 Energy Suriname N.V concerning Petroleum products.
3. These General Terms and Conditions are subdivided into the following three sections:
 - Part 1, provisions with respect to all sales;
 - Part 2, provisions with respect to F.O.B. and Ex-work Deliveries; and
 - Part 3, provisions with respect to C.I.F. and D.A.P. Deliveries.

2. Definitions and Abbreviations

In these General Terms and Conditions the following terms have the following meaning, unless explicitly stated otherwise:

Agreement	these General Terms and Conditions (including, where applicable, all integral documents such as annexes and schedules) together with the Sales Contract;
A.P.I.	American Petroleum Institute;
A.S.T.M.	American Society of Testing Materials;
Barge	the watercraft which is used to transport petroleum products by inland waterways;
Berth	a berth, dock, anchorage, single berth mooring facility, offshore location (ship-to-ship), alongside vessels or barges or any other loading or discharge location as may be indicated by the Party in question;
Business Day	unless the Sales Contract expressly provides otherwise, means a day other than a Saturday or Sunday or a national holiday in Suriname or any other country where (part of) the Agreement is executed. Where the last day for any notice to be given under the Agreement falls on a day which is not a Business Day, such notice is given (but not later than the specified time, where applicable) on the last preceding Business Day;
Buyer	Party specified in the Sales Contract;
Cargo	any specified Product to be delivered as agreed in the Sales Contract and made available by Seller for the delivery to Buyer;

C.I.F.	(Cost, Insurance, Freight) has the meaning referred to in the latest edition of Incoterms, except as modified by the Agreement; if there is any inconsistency or conflict between Incoterms and the Agreement, the Agreement prevails;
D.A.P.	(Delivered at Place) has the meaning referred to in the latest edition of Incoterms, except as modified by the Agreement; if there is any inconsistency or conflict between Incoterms and the Agreement, the Agreement prevails;
Delivery	placing the Product at the disposal of Buyer, or having it placed at the disposal of Buyer at the time and place agreed upon in the Sales Contract;
Demurrage	charges to be imposed when the time for loading and discharging the Vessel agreed in the Sales Contract is exceeded;
Discharge Terminal / Discharge Port	the port or terminal at which the Product to be delivered under the Sales Contract is or will be discharged or, where the context requires, the operator, authority or governing body of such port or terminal;
E.T.A	the estimated time of arrival;
Ex-Work	has the meaning referred to in the latest edition of Incoterms, except as modified by the Agreement; if there is any inconsistency or conflict between Incoterms and the Agreement, the Agreement prevails;
F.O.B.	(Free on Board) has the meaning referred to in the latest edition of Incoterms, except as modified by the Agreement; if there is any inconsistency or conflict between Incoterms and the Agreement, the Agreement prevails;
In/Into Tank	has the meaning referred to in Part 3;
N.O.R.	Notice of Readiness;
Layday	in the case of F.O.B. or Ex-Work deliveries referred to in Part 2, and in the case of C.I.F. and D.A.P. deliveries, it has the meaning referred to it in Part 3;
Laytime	the amount of time allowed for Buyer to load or discharge the Product at the Loading or Discharge terminal or in the Loading or Discharge Port, as specified in the Sales Contract, without extra costs;
Loading Terminal/ Loading Port	the port or terminal at which the Product to be delivered under the Sales Contract is or will be loaded or, where the context requires, the operator, authority or governing body of such port or terminal;
Product/Products	the petroleum product specified in the Sales Contract that is offered for sale;
Sales Contract	the written contract or other form of agreement in which, by reference, these General Terms and Conditions are incorporated to form the Agreement;

Seller	Party specified in the Sales Contract;
S.D.S.	the Safety Data Sheet containing information which is in compliance with material safety laws and regulations applicable in the country in which the Loading Terminal/Port and/or Discharge Terminal/Port are located;
Vessel	any tanker, ship, trawler, schooner or boat whether owned or chartered or otherwise obtained by Seller or Buyer.

3. Applicability

- 1) These General Terms and Conditions apply to all and any existing and future Agreements or, as the case may be, to legal relations and other relations that Seller enters into with Buyer, insofar as these are not departed from in the Sales Contract in writing.
- 2) These General Terms and Conditions also apply to Agreements with Seller for the implementation of which Seller involves third parties.
- 3) Any general terms and conditions in use with Buyer do not apply, unless Seller has explicitly agreed to their application in writing.
- 4) In the event one or more provisions of these General Terms and Conditions should appear to be void, invalid or impracticable, this does not prevent the application of the other provisions of these General Terms and Conditions. Seller and Buyer will then consult each other on an alternative provision that corresponds, where content and purport are concerned, as much as possible with the void, invalid or impracticable provision(s).
- 5) If there is any ambiguity about the interpretation of one or more provisions of these General Terms and Conditions, these provisions must be interpreted 'in the spirit' of these provisions.
- 6) If a situation arises between Parties that is not regulated in these General Terms and Conditions, this situation is assessed in accordance with the spirit of these General Terms and Conditions.
- 7) If Seller does not always require strict compliance with these General Terms and Conditions, or if Seller does not apply the provisions of these General Terms and Conditions to a certain extent, this does not mean that these provisions do not apply and that Seller would lose the right to require strict compliance with such provisions of these General Terms and Conditions in other cases.
- 8) Seller is authorised to amend these General Terms and Conditions and notifies Buyer of any amendment in writing. The amendments take effect 14 (fourteen) days after Buyer has received the written notification. If Buyer does not agree to an amendment, Buyer notifies Seller of this within 14 (fourteen) days after receipt of the notification.
- 9) In the event of any conflict between the Dutch language version and the English language version of the General Terms and Conditions, the Dutch language version prevails.

4. Quotations and offers

- 1) All quotations and offers from Seller are nonbinding. A quotation or offer expires if the Product to which the quotation or offer relates is no longer available.
- 2) Seller is not bound by any quotation or offer if Buyer can reasonably understand that this quotation or offer, or part thereof, contains an obvious mistake or clerical error.
- 3) The prices stated in a quotation or offer are exclusive of VAT and other government levies, any costs to be incurred in the context of the Agreement, including shipping and administration costs, unless otherwise indicated in the Sales Contract.
- 4) A composite quotation does not oblige Seller to deliver part of a Delivery at a corresponding part of the quoted price. Offers or quotations do not automatically apply to future orders.

5. Claims in respect of quality and quantity

- 1) Unless otherwise stated in the Sales Contract, the quality and quantity of the Product delivered is not inferior to or less than the quality and quantity specified in the Sales Contract.
- 2) Buyer inspects the Products delivered – or has these inspected – as soon as they are made available to Buyer. Buyer verifies whether the quality and/or quantity of the Product delivered match the quality and/or quantity referred to in the Sales Contract and meet the requirements set by Parties. Any deviations in quality and/or quantity of the Product delivered under the Sales Contract is reported to Seller, in writing, within 48 (forty-eight) hours following the Delivery of the Product. Any deviations in quality and/or quantity of the Product delivered that are discovered at a later date are reported to Seller, in writing, immediately following discovery, no later, however, than 14 (fourteen) days after Delivery has taken place.
- 3) Any claim for deviations in quality and/or quantity of the Product delivered contains a description, as detailed as possible, of the deviation in the Delivery of the Product. Buyer provides Seller with the opportunity to investigate any deviation claimed. If Buyer fails to claim any deviation or to submit a fully documented claim within the time limits set in paragraph 2 of the present article, the claim with respect to a deviation is deemed to have been waived by Buyer, and any liability on the part of Seller with respect to that deviation extinguishes.
- 4) Should Buyer submit a claim for a deviation in the Delivery of a Product in a timely manner, this does not suspend Buyer's payment obligations. In that event, Buyer is still obligated to accept and pay for the Delivery of any other Products ordered.
- 5) If it is established that the quality and/or quantity of the Product delivered deviates from the quality and/or quantity specified in the Sales Contract and the claim is filed in a timely manner, Seller may, at Seller's discretion:
 - a) replace the deviating Product within a reasonable period after it has been returned. In that case Buyer transfers the ownership of the product to Seller, unless Seller should determine otherwise; or
 - b) if returning the deviating Delivery of the Product is not reasonably possible, indemnify Buyer for the deviating Delivery.
- 6) If a claim is found to be unfounded, any costs incurred, including any costs incurred by investigating the alleged deviation in the Delivery of the Product, are at Buyer's expense.
- 7) Notwithstanding the foregoing, no claim is admitted in respect of any deviations in quantity in the Product delivered under the Sales Contract where the difference between the loaded and discharged quantity is 0.5% of the loaded quantity or less.

6. Health, Safety and Environment

Seller provides Buyer, in compliance with the requirements of any applicable laws, rules or regulations, with a copy of the current S.D.S. for the Product and any other information relating to health, safety and environmental data in connection with the Product.

7. Destination

- 1) Buyer represents and warrants that (i) it is not a sanctioned person and that none of its directors, officers, managers, employees, agents, affiliates, representatives, subcontractors, or subcontractor employees is a sanctioned person; (ii) none of the aforementioned persons is involved in any transaction with a sanctioned person or sanctioned country, or engaged in any activity or conduct otherwise prohibited or restricted under sanctions; and (iii) it is not involved in any action, lawsuit,

proceeding, or investigation by or before any government authority due to an actual or alleged violation of sanctions.

- 2) Buyer shall not directly or indirectly sell, export, re-export, transfer, or otherwise supply any Products, technologies, or services covered under this Agreement to any sanctioned person or sanctioned country.
- 3) Buyer shall immediately notify Seller if it becomes aware of any breach or violation of the provisions of this article. Seller is at all times entitled to immediately terminate the Agreement upon any breach or violation.
- 4) Seller reserves the right to terminate the Agreement, suspend deliveries, or refuse loading of Products if Buyer fails to comply with the obligations set forth in this article or if Seller reasonably suspects that Buyer will not comply with these obligations. Seller shall notify Buyer of this in writing or orally, followed by written confirmation.
- 5) Definitions:
 - a) *Government Authority*: means the government of Suriname, or any nation or other government, supranational organization (including the United Nations), and any entity exercising executive, legislative, judicial, monetary, regulatory, taxing, administrative, or police and law enforcement functions of or relating to government, including but not limited to OFAC (Office of Foreign Assets Control of the U.S. Department of Treasury).
 - b) *Sanctions*: means economic or financial sanctions or trade embargoes imposed, administered, or enforced from time to time by a sanctions authority, including sanctions under the Prohibited Nations Acts.
 - c) *Sanctions Authority*: (a) Suriname, (b) the United States, (c) the United Nations Security Council, (d) the European Union, (e) the Netherlands, (f) the Swiss State Secretariat for Economic Affairs, (g) His Majesty's Treasury of the United Kingdom, (h) the Monetary Authority of Singapore, (i) the Monetary Authority of Hong Kong, (j) Canada, or (k) the respective governmental authorities of any of the foregoing, including but not limited to OFAC.
 - d) *Sanctioned Country*: any country or territory subject to comprehensive sanctions.
 - e) *Sanctioned Person*: means (a) a Person listed on a Sanctions List maintained by a Sanctions Authority or with whom a Surinamese Person is prohibited or restricted from doing business under Sanctions; (b) a Person established, organized, or resident in a Sanctioned Country; or (c) any other Person that is 50% or more owned or controlled by a Person described in (a) or (b).

8. Taxes

Where Value Added Tax ("VAT") or a Goods and Services Tax ("GST") or a similar tax becomes payable by the Seller under the rules applicable at the Loading Port or Discharge Port, Seller issues a valid tax invoice setting out such VAT, GST or similar tax. Payment of such tax is made to Seller in addition to the price specified in the Sales Contract. Any taxes payable are paid in the same manner as provided for payment of the price specified in the Sales Contract. Such invoice may be rendered in either local currency of the country in which such tax is payable or, at Seller's option, in the invoicing currency for the Product, converted at the applicable selling exchange rate prevailing at the date of the tax point under the relevant VAT or GST rules and rules for other applicable taxes.

9. Prices

Seller's prices are based on the circumstances applicable at the time the price is offered to Buyer, unless otherwise agreed in the Sales Contract. If a circumstance on which the price of Seller is based changes (e.g. an increase in labour costs, raw materials, price based on materials, shortages, purchase prices, processing costs, government measures, etc.), Seller has the right to pass on to Buyer the costs of the

increase resulting from this. Additional transport costs resulting from emergencies or urgent Deliveries, including emergencies resulting from weather conditions, are borne by Buyer.

10. Payment

1) Full payment

Except as expressly provided elsewhere in the Agreement, payment of the full amount of all sums due under the Sales Contract is made without any discount, deduction, withholding, offset or counterclaim in the currency stated on the original invoice by wire transfer on or before the due date to the bank account designated by Seller.

2) Payment documents

Except as expressly stated otherwise in the Sales Contract, payment is made by Buyer against presentation of Seller's invoice, along with the following documentation, if applicable:

- a) Seller's invoice (pdf email);
- b) a copy of an independent inspector's report on quality/quantity (pdf email); and/or
- c) a copy of a full set of clean/original bills of lading endorsed by Buyer.

3) Seller's invoice

- a) Seller's invoice is prepared on the basis of:
 - i. the certificate(s) of quantity issued at the place of Delivery and subsequently adjusted in accordance with the report of the independent inspector at the place of Delivery;
 - ii. the bill(s) of lading;
 - iii. the certificate(s) of quality issued at the place of Delivery;all of this in accordance with the provisions in the Sales Contract.
- b) Seller's invoice is an invoice valid for tax purposes and prepared in accordance with the provisions of article 8 and submitted as a pdf file sent by email or as a hard copy sent by post, airmail or courier.

4) Provisional invoice

- a) Where the applicable, pricing mechanism and/or the availability of deliverable Product does not allow for the preparation of a final invoice prior to the payment due date, Seller may issue, and Buyer is obliged to make payment against, a provisional or proforma invoice. The provisional or proforma invoice, unless otherwise agreed between Parties, is based upon:
 - i. the pricing information available to Seller at the time it issues such provisional invoice; and/or
 - ii. the quantity specified in the bill(s) of lading; or
 - iii. the quantity specified in the Sales Contract.
- b) Payment of any balance due by either Party to the other is made immediately upon receipt of Seller's final invoice, which is prepared as soon as practicable after all the relevant pricing and/or quantity information has become available to Seller. In this context, the word "immediately" is understood to mean within 5 (five) banking days. Unless otherwise agreed in the Sales Contract, no interest is due on the difference between the provisional and final invoice.

5) Payment due date

The payment due date is as specified in the Sales Contract.

If payment is due on a Saturday, Sunday, or a national holiday (in Suriname for local payments or New York for international payments) payment must be made on the next preceding banking day.

6) Interest and debt collection

- a) Payment of an invoice is made within the agreed payment period, in the manner and currency specified by Seller, unless Seller determines otherwise in writing. Should Buyer fail to effect payment within the specified period of time, Buyer is in default (*verzuim*) by that mere fact, without any further notice of default (*ingebrekestelling*) being required.

- b) Should Buyer fail to pay any invoice in due time, interest at the rate of 1% (one per cent) per month is due, in addition to the applicable statutory interest on the invoiced amount. Interest is calculated from the moment Buyer is in default until full payment of the outstanding amount.
 - c) Seller is entitled to apply any payments made by Buyer first to cover incurred costs, next to reduce accumulated interest, and then to apply any remaining amount to the outstanding principal sum and ongoing interest.
 - d) Seller may refuse a payment offer if Buyer should designate a different allocation order for the payment. Seller may also refuse full repayment of the principal sum if the outstanding and ongoing interest, as well as collection costs, are not settled simultaneously.
 - e) Buyer is not entitled to offset any amount due to Seller.
 - f) Any dispute regarding the invoiced amount does not suspend Buyer's payment obligations. Furthermore, Buyer is not entitled to suspend any payment of any invoice for any other reason.
 - g) Should Buyer fail to meet its payments obligations or fail to meet these in time, all judicial and extrajudicial costs incurred by Seller are at Buyer's expense. Debt collection costs are calculated on the basis of the prevailing practices in the relevant jurisdiction. If debt collection costs should exceed, in all reasonableness, the costs calculated on said basis, the actual costs incurred by Seller are due. Interest is due on all outstanding debt collection costs, both on judicial and on extrajudicial collection costs.
- 7) Payment account
A payment is made by Buyer,
- a) quoting Seller's invoice number; and
 - b) Buyer's name;
 - c) to Seller's bank, account name and account number as specified in the Sales Contract.
- 8) Payment security
If payment security is not provided for in the Sales Contract, Seller is entitled, at any time before the payment due date, provided always that Buyer is given at least 2 (two) banking days' notice thereof, to demand that payment be made:
- a) by means of an irrevocable documentary letter of credit, in accordance with the provisions of article 10.9; or
 - b) by the method prescribed in the Sales Contract; or
 - c) by an advance payment in accordance with the provision of article 10.4.
- 9) Letter of credit (L/C policy)
- a) Where, under the Sales Contract or by virtue of the provisions of article 10.8, the total amount is to be paid by means of an irrevocable documentary letter of credit or supported by a standby letter of credit in favour of Seller (both herein referred to as an "L/C"), Buyer undertakes that such L/C is opened with or confirmed by a first-class international bank acceptable to Seller (the "Bank") in accordance with the provisions specified in the Sales Contract.
- 10) Non-compliance with payment obligations
- a) Any failure, either in whole or in part, by Buyer to comply with any such obligation to provide security, including the payment security obligation referred to in article 10.8, is seen as an imputable failure by Buyer to meet its obligations (*toerekenbare tekortkoming*). On the occurrence of such failure, and for as long as such failure continues, Seller may, at any time by giving notice to Buyer, and without any liability whatsoever for any costs, loss or damage (including liabilities to third parties) incurred by Buyer, forthwith:
 - i. terminate the Agreement for imputable breach (*ontbinden*) and claim damages; or
 - ii. without prejudice to the right to terminate the Agreement, suspend or cancel delivery of all or any Deliveries of the Product.
 - b) Buyer is liable for all and any costs, loss and damage incurred by Seller as a result of Buyer's failure to meet its obligations, including but not limited to any Demurrage payable by Seller in respect of the Vessel or other vessels waiting at the Loading Terminal/Port or Discharge Terminal/Port. Termination for imputable breach (*ontbinding*) hereunder is without prejudice to

any right of action that Seller may have or to any of claim accrued on or before the date of termination that Seller may have.

11) Other charges

Unless otherwise agreed, payment of any other costs, expenses or charges which arise under the provisions of the Agreement is made against presentation of Seller's invoice therefor and is forthwith settled by Buyer on or before the date specified therein.

11. Retention of title

- 1) Notwithstanding the provisions in Parts II and III of these General Terms and Conditions regarding the transfer of title and ownership, all Products delivered by Seller under an Agreement remain the property of Seller until Buyer has fulfilled all its obligations under the Agreement(s) entered into with Seller.
- 2) Products delivered by Seller which, pursuant to paragraph 1 of this article, are subject to retention of title and may neither be resold nor be used as a means of payment. Buyer is not authorised to create charges (*pandrechten*) on the Products subject to the retention of title or in any other way encumber these Products.
- 3) Buyer is always bound to do everything in its power, insofar as this can be reasonably expected, to safeguard Seller's ownership rights (*eigendomsrechten*).
- 4) If third parties attach the Products delivered subject to a retention of title or wish to establish or assert rights thereto, Buyer immediately informs Seller of this.
- 5) Buyer undertakes to insure the Products delivered subject to a retention of title and to keep these insured against fire, explosion and water damage as well as against theft and to make the policy of this insurance available, on first request, for inspection by Seller. Should the insurance company pay following a claim arising from damage to the Products delivered subject to a retention of title, Seller is entitled to the insurance proceeds paid by the insurer. To the extent necessary, Buyer undertakes, in advance, vis-à-vis Seller to cooperate with all that may be required or desirable in that context.
- 6) Should Seller wish to exercise its ownership rights referred to in this article, Buyer grants, in advance, its unconditional and irrevocable permission to Seller and third parties to be designated by Seller to enter all those places where Seller's property is located and to retrieve that property. Any costs incurred thereby are at Buyer's expense.

12. Confidentiality

- 1) Confidentiality is maintained with respect to the Agreement and all related documents, together with any information exchanged between Parties concerning the Agreement and related documents. Neither Party may disclose such information to any third party or make public announcements regarding the Agreement. The Party disclosing such confidential information is referred to as the "Disclosing Party" and the Party receiving such confidential information as the "Receiving Party".
- 2) The Receiving Party observes confidentiality with respect to all of the Disclosing Party's data, documents, models, working drawings and/or other auxiliary materials ("Information") that become known or that are disclosed to the Receiving Party, whether orally or in writing, in connection with the implementation of the Agreement.
- 3) The following applies for the Information referred to in article 12.2:
 - a) the Disclosing Party retains title to all of this Information. The Receiving Party is neither allowed to alienate or to encumber the Information or to dispose of it as if the Receiving Party were the owner or in any other way, nor is the Receiving Party allowed to assume any commitments vis-à-vis third parties on the Disclosing Party's behalf, nor is the Receiving Party allowed to enter into any kind of agreement with third parties with respect to the Information;
 - b) this Information is only used by the Receiving Party for the implementation of the Agreement;

- c) this Information is not provided by the Receiving Party to any third parties without the Disclosing Party's prior permission in writing. The Receiving Party only makes this Information available to those of its employees, representatives, subsidiaries, contractors, insurers, or legal or financial advisors who have a 'need-to-know' and insofar as this is required for the implementation of the Agreement. The Receiving Party informs the parties referred to in the previous sentence about the confidential nature of the Information.
- 4) The Information is not considered to be confidential if the Receiving Party can demonstrate, in writing, that the Information:
 - a) is part of or has become part of the public domain without the Agreement being or having been breached and without any wrongful conduct on the Receiving Party's part;
 - b) was known to the Receiving Party prior to its being made available under the Agreement;
 - c) has been lawfully acquired by the Receiving Party from a third party who is not bound by comparable confidentiality provisions;
 - d) has been developed by the Receiving Party fully independently, i.e. without it having been made available by the Disclosing Party;
 - e) is available through a publicly available product.
- 5) If the Receiving Party is obliged to disclose the Information pursuant to any provision in applicable national or international laws and regulations or by virtue of any legal proceedings in which the Information is required, the Receiving Party promptly notifies the Disclosing Party of this and the Receiving Party enables the Disclosing Party to take the required measures to try and safeguard the confidentiality of the Information as much as possible.
- 6) Upon termination of the Agreement, the Information, where applicable, is returned to the Disclosing Party in the same condition it was in when provided to the Receiving Party, except for wear and tear due to regular use.
- 7) Should third parties want to create or enforce any rights with respect to the Information provided to the Receiving Party or should third parties attach such Information, the Receiving Party notifies the Disclosing Party immediately of this and takes any action required to prevent third parties from creating or enforcing such rights or, as the case may be, to prevent that such Information is attached or, if it is attached, to see to it that the attachment is lifted.
- 8) Neither Party is allowed to use the other Party's name for promotional purposes without prior consent in writing.
- 9) This article remains in full force, even after termination or expiration of the Agreement.

13. New and changed regulations

- 1) Buyer acknowledges and agrees that Seller is entering into the Agreement in reliance on the laws, rules, regulations, decrees, agreements, concessions, and arrangements in effect as of the date of the Agreement ("Regulations") that directly or indirectly affect the Delivery of Products under the Agreement. These Regulations include, but are not limited to, those concerning the production, acquisition, gathering, manufacturing, transportation, storage, trading, or supply of Products to the extent they impact Seller or Seller's supplier(s).
- 2) The Parties agree that if, at any time during the term of this Agreement, any Regulations are changed or new Regulations become effective whether by law, decree, regulation, or in response to the insistence or request of any governmental or public authority or any person acting on behalf of such entities, Parties renegotiate, in good faith, the provisions of the Agreement.
- 3) If Parties do not agree on the new price(s) or provisions within 15 (fifteen) days after the date of Seller's notice, Seller has the right to terminate the Agreement with immediate effect at the end of the 15-day period. Any Products delivered during this 15-day period are sold and purchased at the price(s) and on the provisions specified in the Sales Contract without any adjustment in respect to the

new or changed Regulations, unless such amendment is of a mandatory judicial nature from which no deviation is permitted.

14. Circumstances beyond Parties' control (*overmacht*)

- 1) Neither Party is liable for any failure or delay in the performance of its obligations under the Agreement if, and insofar as, such failure to meet its obligations or such delay is caused, directly or indirectly, by circumstances beyond its control (*niet-toerekenbare tekortkoming, overmacht*). Circumstances beyond a Party's control are understood to include acts of God, acts of a public enemy, unplanned shutdown of Seller's refinery (whether full shutdown or partial), compliance with any order or request of any government authority, acts of war, rebellion, sabotage or damage resulting therefrom, embargoes or other import or export restrictions, fires, floods, explosions, accidents, breakdowns of manufacturing or refining equipment of Seller's supplier, riots, strikes, or other concerted acts of workmen, whether direct or indirect, breakdown of or damage to a ship, failure or interference with supply from Seller's supplier's present sources, breakdown, damage, expropriation, or confiscation of the facilities used for the production, transportation, receiving, handling, or delivery of the Product sold or of the crude petroleum from which such product is manufactured, or government intervention in any form, or any other cause beyond or any other situation beyond the control of the affected Party. For clarity's sake: Buyer's obligations regarding Laytime and liability for Demurrage are not subject to circumstances beyond Buyer's control under this article.
- 2) Either Party informs the other Party, in writing, of such circumstances beyond its control within 24 (twenty-four) hours upon their occurrence. For the duration of the force majeure (*overmacht*) situation, Seller is at any time entitled to suspend, alter or cancel its obligations. In the event the force majeure period continues for more than 1 (one) month, either Party is entitled to terminate the Agreement for non-imputable breach (*ontbinden*) by means of a written notification to the other Party, on the understanding that if Seller has met its obligations in part, it is entitled to a pro rata payment of the sales price, unless agreed otherwise in the Sales Contract. Neither Party is liable for any damage, loss, delay, or negligence in performance that is the result of circumstances beyond its control, unless agreed upon otherwise in the Sales Contract.
- 3) In case of circumstances beyond Parties' control, the Party unable to perform is obliged to remove or remedy the cause of the interruption as rapidly as may be practical, provided however, that the Party removing or remedying such causes, is not required to settle strikes, lockouts or other labour disturbances or claims by any government or governmental agency or authority beyond its control by acceding to any demands when in the discretion of that Party it would be inadvisable to accede such demands.
- 4) If any circumstances beyond Seller's control occur, Seller is entitled, at any time thereafter and for as long as the event continues, to withhold, suspend, reduce, or cancel Delivery as Seller, in its absolute discretion, may determine. Any additional quantity of Product that would have been delivered, if not for the withholding, reduction, suspension, or cancellation due to any circumstances beyond Seller's control, is no longer deliverable under the Agreement.
- 5) Seller is not obligated to acquire the Product from other sources or suppliers to cover shortages, deficiencies, or delays resulting from a circumstance beyond Seller's control. Seller is free to allocate its remaining availability as it sees fit at its absolute discretion. Buyer is obliged to accept and pay for any Product tendered for delivery, even if it is less than the full quantity agreed on in the Sales Contract. Seller is not required to allocate any subsequently acquired additional Product of the same grade and quality to Buyer.
- 6) Nothing in this article 14 relieves Buyer of any of its accrued payment obligations to Seller under the Agreement by the due date.

15. Liability

- 1) Seller can exclusively be held liable for direct damage caused by non-performance of the Agreement and/or non-compliance of Products with the Agreement that can be fully imputed to Seller. Direct damage is exclusively understood to mean: reasonable costs incurred by assessing the cause and the extent of the damage, insofar as establishing this relates to assessing the damage in the context of the Agreement, possible costs incurred, within reason, to make Seller's defective performance meet the provisions of the Agreement, insofar as these costs can be attributed to Seller, and reasonable costs incurred to prevent or limit direct damage as referred to in this article.
- 2) Any liability for indirect damage is expressly excluded. Indirect damage is explicitly, but not exclusively, understood to mean: trading loss, lost profits, immaterial loss, demurrage, consequential damage and other forms of financial loss, including all and any claims by third parties, in the widest sense of the word. Seller is not liable for any damage of whatever nature caused by Seller's relying on incorrect or incomplete information provided by Buyer.
- 3) Seller's liability for non-performance of the Agreement and/or non-compliance of Products delivered under the Agreement:
 - a. can exclusively arise after Buyer has served Seller, immediately following Delivery of the Product, or in the event of non-observable defectiveness, immediately following discovery thereof, with a written notice of default (*ingebrekestelling*) and has allowed Seller a reasonable period of time to remedy the shortcoming, with due observance of the specific time limits as referred to in article 5 with respect to quality and quantity claims; and
 - b. lapses if the Products are used in a way the Products were not intended for and/or the Products are not suitable for.
- 4) Buyer indemnifies Seller against any form of liability that Seller may have vis-à-vis third parties in relation to Products delivered or to be delivered by Seller. Buyer reimburses Seller for any expenses, within reason, incurred by Seller to defend third-party claims.
- 5) In the event Seller itself can rely on a defence against a liability claim by Buyer under the Agreement regarding conduct of any third party contracted by Seller, this party is entitled to raise this defence itself, as if it were party to the Agreement.
- 6) Unless stipulated otherwise pursuant to mandatory legal provisions, Seller's liability is always limited to the lowest amount of:
 - a) the invoiced amount or, in absence thereof, the value of the Delivery agreed upon; or
 - b) where Delivery takes place in instalments, the invoiced amount or, in absence thereof, the value of the relevant Delivery; or
 - c) the amount covered by the insurance if and insofar as Seller is insured against the relevant liability.
- 7) Buyer is and remains fully responsible, at any time, for the reliability and safety of its own installations, mechanisms and property.
- 8) Any liability of Seller vis-a-vis Buyer lapses if the Products delivered to Buyer are mixed with other products, the Products are processed or are no longer identifiable in any other way.
- 9) The limitations of liability included in this article do not apply if the damage or loss can be attributed to Seller's wilful intent or gross negligence.
- 10) With due observance of article 15.1 and without prejudice to the specific time limits referred to in the Agreement with respect to Demurrage, claimed deviations in quality and quantity and all other provisions that stipulate performance within a specific period of time – which provisions continue to apply in full – any claim that arises under the Agreement is to be filed within 1 (one) year following the date the Product was delivered, or in the event the Product is completely lost following the date on which the Product should have been delivered. If the claim is not filed within this period of 1 (one) year, the claim is deemed to be statute-barred (*verjaard*) and all and any liability or alleged

liability on the part of Seller is deemed to have definitively extinguished, unless provided otherwise in the Sales Contract.

16. Suspension and termination (*ontbinding*)

- 1) Seller is entitled to suspend the performance of its obligations under the Agreement or to terminate the Agreement out of court and with immediate effect for imputable breach (*ontbinden*) if:
 - a) Buyer fails to fulfil its obligations under the Agreement, or fails to fulfil them in full or in time;
 - b) circumstances come to Seller's attention, after the Agreement is entered into, that provide a valid reason to expect that Buyer will fail to fulfil its obligations;
 - c) Buyer was requested to provide security for the performance of its obligations under the Agreement at the time the Agreement was entered into, and this security has not been provided or not to a sufficient extent;
 - d) it is no longer reasonable, due to delay on the part of Buyer, to expect Seller to execute the Agreement under the provisions initially agreed upon.
- 2) Furthermore, Seller is entitled to terminate the Agreement if circumstances arise of such a nature that performance of the Agreement becomes impossible or if circumstances arise that make it unreasonable to expect that the Agreement should remain unchanged.
- 3) If the Agreement is terminated, for whatever reason, Seller's claims, if any, against Buyer are immediately due and payable. If Seller suspends performance of its obligations, it retains its rights as these exist under the law and under the Agreement. If Seller suspends or terminates the Agreement, it is never liable to compensate any damage, loss or costs that may arise out of this in whatever way.
- 4) In the event of (an application for) liquidation, suspension of payment, insolvency, attachment, debt restructuring, or any other circumstance that prevents Buyer from freely disposing of its assets, Seller is entitled to terminate the Agreement out of court and with immediate effect.
- 5) If termination as referred to in paragraphs 4 and 5 can be imputed to Buyer, Seller is entitled to compensation of damages, including reimbursement of all and any costs incurred directly or indirectly.
- 6) If Buyer cancels the order, in full or in part, for Delivery of a Product, the costs incurred by the Product being prepared for Delivery are recovered, in full, from Buyer, including the costs involved in the ordering, the replacing and the Delivery of that Product and the working hours reserved for the Delivery.

17. Right of resale

Where Buyer fails to take delivery of any quantity of the Product to be delivered under the provisions of the Sales Contract, and such failure is not excused through any other provision of the Agreement, Seller is entitled (but not obliged), in addition to any other legal remedies it may have, to sell the Product that is part of such Delivery at Buyer's expense, upon issuing a 7 (seven) days' notice to Buyer. The price obtained is deemed conclusively to be the best price that Seller could obtain.

18. Notices

- 1) Any notice or communication between Parties may be given, in any of the following manners, to the address of the other Party specified and referred to in the Sales Contract, and it is deemed effective:
 - a) on the date of delivery if delivered in person or by courier;
 - b) on the date of transmission if sent by email, provided it is sent to the email address specified for this purpose in the Sales Contract or otherwise notified by the receiving Party. It is understood that email messages are valid only upon actual receipt, and proof of receipt lies with the sender,

which can be evidenced by a delivery receipt automatically generated upon delivery at the recipient's domain;

- c) 5 (five) Business Days after the posting date if sent by registered post, unless the date of delivery falls on a non-Business Day or the notice is delivered after 15:00 Surinamese time on a Business Day, in which case it is deemed effective on the next Business Day.
- 2) Any changes to the designated contacts or addresses specified in the Sales Contract must be promptly communicated by courier, email, or registered post to the other Party.
- 3) Notices are not considered valid if communicated via instant messaging.

19. Trade controls and boycotts

Notwithstanding anything to the contrary herein, nothing in the Agreement is intended, and nothing herein should be interpreted or construed, to induce or require either Party hereto to act or refrain from acting (or agreeing to act or refrain) in any manner which is inconsistent with, penalised or prohibited under any laws, regulations or decrees of Suriname or with other official government rules or regulations applicable to such Party, which laws and regulations relate to foreign trade controls, export controls, embargoes or international boycotts of any type.

20. Anti-bribery and anti-corruption

- 1) Parties undertake to comply with all applicable laws and regulations that prohibit, prevent and criminalise acts of corruption and related criminal or unlawful conduct in all their operations and relations, regardless of whether these acts are or this conduct is performed in the context of the Agreement or otherwise and regardless of the form or extent of such acts and conduct.
- 2) Parties undertake to impose the obligations referred to in paragraph 1 of this article on their employees, representatives, contractors and directors and warrant that any third party engaged or contracted by them in the context of the implementation of the Agreement is bound by contract to the obligations referred to in paragraph 1 of this article.

21. Dispute resolution and governing law

- 1) The Agreement, the relation between Parties and possible disputes between them are exclusively governed by and interpreted in accordance with the laws of Suriname.
- 2) Every complaint that arises from or is related to the Agreement is reported to the other Party, in writing, as soon as possible but at the latest within 30 (thirty) days after the event giving rise to the complaint has occurred, unless the complaining Party can demonstrate that it could not report this complaint, in all reasonableness, at an earlier date.
- 3) Parties try and settle any dispute caused by a complaint by means of negotiations between those representatives of Parties that are authorised to take decisions in the matter.
- 4) If a complaint is made by either Party, the non-complaining Party is never entitled to postpone or refuse to perform Deliveries and/or to postpone or refuse to make payments to which that complaint does not relate.
- 5) Disputes with that cannot be resolved within 60 (sixty) days following the receipt of the written notification referred to in paragraph 2 of this article are solely and exclusively resolved by means of arbitration.
 - a) Arbitration will be conducted in accordance with the regulations laid down by the Surinamese Arbitration Institute (*Surinaams Arbitrage Instituut*). Arbitration proceedings take place in Paramaribo, Suriname. The language used in the arbitration proceedings is the Dutch language, unless agreed upon otherwise.

- b) One single arbitrator will be appointed if Parties agree on one in writing. If Parties do not agree on one single arbitrator, each Party chooses one arbitrator and those two arbitrators appoint a third arbitrator.
 - c) The decision of the arbitrator(s) is final and binding to Parties.
- 6) Nothing in this article may be construed to prevent either Party from applying to the competent court in Paramaribo, Suriname, to file for preliminary relief (*voorlopige voorziening*).

22. Miscellaneous provisions

- 1) Any amendments of and/or addenda to the Agreement, technical specifications and/or documents pertaining to the Agreement exclusively take effect if laid down in a (private) deed or any other document signed by both Parties.
- 2) Nothing in the Agreement, whether expressly stated or implied, grants Buyer the right to use any trademark of Seller created on any of the Products delivered under the Agreement. Similarly, Buyer's trademarks may not be used in relation to Seller's Products.

PART TWO: F.O.B. and Ex-work Delivery

23. Vessel

- 1) Title and risk of loss
Title, ownership and risk of loss in respect of the Product to be sold and delivered to Buyer pass from Seller to Buyer when the Product passes the flange of the inlet manifold of Buyer's Vessel at Seller's Loading Port. All Buyer's connections for loading the Product are leak proof.
- 2) Nomination
 - a) Each Vessel is nominated by Buyer to Seller in writing. The nomination specifies:
 - i. the name of the Vessel, summer deadweight, draft, length and flag;
 - ii. the grade(s) and approximate quantity to be loaded;
 - iii. the E.T.A. of the Vessel;
 - iv. the destination(s) of the Vessel;
 - v. such other information as may be required by the Loading Terminal operator from time to time;
 - vi. full written document instructions regarding the bills of lading and such other customary loading documentation which may be required by Buyer;
 - vii. details of any other cargo on board;
 - viii. confirmation that the Vessel complies with the requirements to load the Cargo;
 - ix. proof of export if and insofar as applicable.
 - b) The nomination is not effective unless it is received by Seller no later than 5 (five) Business Days prior to the first day of the Laydays. Notwithstanding the foregoing, if the nomination is received by Seller after such 5th (five) Business Day and is accepted by Seller, it is effective, Buyer is however liable for all costs resulting from any delays in loading the Product under the Agreement that are due directly to the failure by Buyer to nominate in a timely manner. Any such delays do not count as time allowed to Seller for loading, nor do such delays count as Demurrage where Demurrage should be due for the Vessel. If the Agreement is entered into 5 (five) Business Days or fewer prior to the first day of the Laydays, the nomination must have been received by Seller, at the latest 2 (two) Business Days prior to the first day of the Laydays.
- 3) Arrival of Vessel
 - a) Buyer arranges for its Vessel to report its E.T.A. to Seller, at least 72, 48 and 24 hours prior to its arrival and otherwise in accordance with the standard reporting procedure as applicable from time to time at the Loading Terminal in question or as agreed on in the Sales Contract. If Buyer's Vessel fails, for any reason, to report its E.T.A. as set out in the previous sentence of this paragraph, loading is consequently delayed. Any extra costs incurred, including Demurrage and any other damage or loss, are at Buyer's expense; the provisions of article 23.13 apply.
 - b) By no later than 2400 hours (local time) on the last day of the Laydays the Vessel has:
 - i. arrived at the Loading Terminal in question (or the usual waiting place), and it is in all respects ready to commence loading the Product to be delivered under the Agreement; and
 - ii. tendered a valid N.O.R.
 - c) Once a valid N.O.R. has been tendered, Buyer accepts Delivery of the Product. Buyer or its representative notifies Seller or its representative of any change(s) in the E.T.A., the Laydays, however, are only revised after Seller's explicit consent in writing.
- 4) Berth utilisation
All additional charges incurred as a result of excess Berth utilisation and caused by Buyer or Buyer's representative are at Buyer's expense.
- 5) Shifting and lightering

- a) Seller is entitled to shift the Vessel from one Berth to another. All costs, including but not limited to any loss and damage for delays, are at Seller's expense if such shifting takes place at Seller's initiative and are at Buyer's expense in all other situations.
 - b) Seller may deliver to the Vessel from a barge, subject always to Buyer's rights. Any costs incurred by such Delivery are at Seller's expense. Seller is obliged to notify Buyer of the place of Delivery to the Vessel when the N.O.R. is tendered. The place of Delivery so notified is deemed the Berth for the purpose of articles 23.3 sub a) and 23.9 to 23.13 and all references therein to the Berth are construed accordingly.
- 6) Vacation of Berth
- Buyer's Vessel vacates the Berth as soon as the loading hoses have been disconnected, provided that the Vessel's departure is not delayed awaiting Loading Terminal documents, unless such documents can be delivered to the Vessel at a suitable anchorage or where early departure procedure ("E.D.P.") is applied and where the tide allows the Vessel to vacate the Berth safely. If the Vessel fails to vacate the Berth due to a cause within the control of the Vessel and/or Buyer, any damage or loss suffered by Seller resulting from such failure is to be compensated by Buyer to Seller. For the avoidance of doubt, it is agreed that for the purpose of this article any technical failure or breakdown on the part of the Vessel is a cause within the control of the Vessel and/or Buyer.
- 7) Quality and quantity
- a) The quality of the Product delivered by Seller to Buyer is based on Seller's shore tank figures, unless otherwise agreed in the Sales Contract.
 - b) Measurement of quantity at the Loading Port is in accordance with the latest A.P.I. standard and is based on Seller's shore tank figures or, if available, Seller's flowmeter reading. The certificate of quality and quantity – or any other equivalent document in that respect – issued for the Product in the shore tank in accordance with the above is conclusive and binding on both Parties for invoicing purposes, except in cases of manifest error or fraud; however, it is without prejudice to the rights of either Party to submit a claim.
- 8) Independent inspection
- a) Either Party may appoint a mutually acceptable independent inspector at the Loading Terminal. The appointment is notified in writing to the other Party. Unless otherwise provided for in the Sales Contract, all costs incurred are shared equally between Parties and the inspector's report is made available to both Parties.
 - b) In addition to the independent inspector appointed or should Parties fail to mutually agree on an independent inspector, either Party may, at its own expense, appoint a representative at the Loading Terminal, subject to prior agreement of the Loading Terminal operator, if required.
 - c) The independent inspector issues a report establishing the quality and quantity of the Product(s). This report is final and binding on Parties for all claims and/or disputes regarding quality and/or quantity.
- 9) Laydays
- Laydays are understood to mean the day or range of days (issued in accordance with standard practice at the Loading Terminal) for which:
- i. Buyer's nominated Vessel tenders a valid N.O.R. at the Loading Terminal; and
 - ii. Seller has a sufficient quantity of the Product to be delivered under the Sales Contract available at the Loading Terminal so as to enable loading to commence and continue uninterruptedly.
- 10) Loading
- On receipt of the N.O.R., Seller commences loading as soon as reasonably practicable, even if this means that loading is effected or completed outside the Laydays.
- 11) Time allowed
- The time allowed to Seller for loading the quantity of the Product to be delivered under the Agreement is in accordance with the Sales Contract.
- 12) Laytime

- a) Except as otherwise provided in the Sales Contract or in this article 23.12 and provided always that Buyer has complied with article 23.2 sub a), Laytime commences:
 - i. 6 (six) hours after a valid N.O.R. is tendered to Seller or its representative by the master of the Vessel (or the master's representative) after the Vessel's arrival at the Loading Terminal, or
 - ii. if the Vessel moves directly to the Berth, when the Vessel is securely moored at the Berth, whichever is the earlier.
- b) If the N.O.R. is tendered for the Vessel before the first day of the Laydays, Laytime commences at 0600 hours (local time) on the first day of the Laydays or on commencement of loading, whichever is the earlier. If the N.O.R. is tendered for the Vessel after the last day of the Laydays and it is accepted for loading by Seller, at its sole and absolute discretion, Laytime only commences on commencement of loading, without prejudice to any of Seller's other rights.
- c) Time ceases to run upon final disconnection of the loading hoses after loading the Cargo has been completed. However, time starts running again 2 (two) hours after the hoses have been disconnected if the Vessel is delayed in its departure due to circumstances that can be attributed to Seller and continues running until the termination of such delay.
- d) Any delay arising out of or in connection with any of the following situations is not counted or included in calculating the time taken by Seller to load the Cargo or the time in respect of which Seller is liable for Demurrage (whether or not the Vessel is already on Demurrage):
 - i. awaiting tide, tugs, pilot, daylight, moderation of weather or sea state prior to berthing;
 - ii. awaiting immigration, customs or pratique;
 - iii. entering the port until the Vessel is securely moored at the Berth;
 - iv. preparing for and handling or shifting of ballast, liquid waste as bilge, slop or other substances or bunkering unless concurrent with cargo operations;
 - v. restrictions imposed by the owner, charterer or master of the Vessel;
 - vi. any breakdown of the Vessel's equipment or failure to comply with the requirements of the supplying Vessel with respect to equipment on board;
 - vii. cleaning and inspection of the Vessel's cargo tanks;
 - viii. time spent complying with any of the regulations and other requirements referred to in article 23.2;
 - ix. any other delay attributable to the Vessel, Buyer or agents of Buyer; or
 - x. any onboard strike, lockout, stoppage or restraint of labour by members of the crew.

13) Delays

In the event of any delay of any kind or for any reason whatsoever, whether in connection with the scheduling of the Vessel's turn to load (including any change in such scheduling), provision of a Berth for the Vessel, berthing or loading of the Vessel or otherwise howsoever without limitation, and provided always that the Vessel is eventually loaded pursuant to article 23.10, any rights of Buyer against Seller, however these may arise and whether or not they arise under the Agreement, are limited, in all circumstances whatsoever, to a claim for payment of Demurrage, and Buyer is not entitled to complain, directly or indirectly, of any delay except for the purpose of founding a claim to such Demurrage.

14) Demurrage

- a) If the Cargo is not loaded within the time allowed under articles 23.9 to 23.13, the time so allowed is extended by the excess time; however, Demurrage is due to Buyer by Seller, subject always to article 23.2 sub a) and in the same currency as is set out for payment of the Product delivered under the Sales Contract, in respect of the excess time at the appropriate rate per day (or pro rata for part of a day) as specified below. Seller's liability for Demurrage is absolute and not subject to the provisions of article 14, but in the event of delay directly attributable to fire or explosion or the breakdown or failure of equipment, act of war, civil commotion, arrest or restraint, the rate of Demurrage is to be reduced by one half for the period of such delay.
- b) The appropriate rate of Demurrage is either:

- i. the rate, if any, specified in the Sales Contract; or
 - ii. the applicable single voyage rate specified in the charterparty agreement; or
 - iii. where the charterparty agreement does not specify a single voyage rate or where, in Seller's sole opinion, the single voyage rate specified in the charterparty agreement is not representative of the market rate, the market rate current on the date Laytime as meant above commences for a Vessel of the size and type used for a single voyage charter from the Loading Terminal to the Discharge Port.
- c) If Parties fail to agree upon such rate within 30 (thirty) days, the rate is determined at the request of either Party, by The London Tanker Brokers Panel Ltd. (or its successors in title), whose decision thereon is final and binding and whose costs are paid for by the applicant.
 - d) Any Demurrage claim is notified to Seller in writing within 30 (thirty) days following the date the loading hoses were disconnected. The claim is supported by documentation, including, but not limited to, the time computation, the N.O.R., the Vessel's port log, statement of facts and, where applicable, evidence of the charterparty rate, together with any other documentation that Seller may reasonably require. Any such documentation not then available is provided to Seller within 90 (ninety) days of the disconnection of loading hoses. If Buyer fails to give such notice or provide such documentation within the above respective time limits, Buyer's claim is deemed to have been waived and any liability of Seller for Demurrage is extinguished.
 - e) Notwithstanding the provisions of this article 23, should the Sales Contract specify that Laytime and Demurrage are determined in accordance with the applicable charterparty's terms and conditions, Buyer is not entitled to recover Demurrage from Seller except to the extent that Seller can recover and does actually recover such Demurrage under the charterparty agreement, in which case, however, Seller is not obliged to pay any amounts in excess of that amount.

24. Road Tank Wagon (R.T.W.) or Bulk Tank Containers (B.T.C.)

- 1) Title and risk of loss
 - a) Delivery of the Product by Seller to Buyer takes place Ex Work at the Loading Terminal on to an R.T.W. or B.T.C. provided or procured by Buyer. Notwithstanding any right of Seller to retain the documents referred to in article 10 until payment, title, ownership and risk of loss in respect of the Product delivered under the Sales Contract pass to Buyer as the Product passes the R.T.W. or B.T.C. permanent hose connection at the Loading Terminal.
 - b) Any damage or loss to the Product during loading, if caused by the R.T.W. or B.T.C. or its driver, is at Buyer's expense. Any claim made by Seller against Buyer in respect of damage or loss to any facilities at the Loading Terminal caused by Buyer's R.T.W. or B.T.C. is borne by Buyer.
- 2) Nomination
 - a) Acceptance of R.T.W. and B.T.C.
 - i. Seller has the right to refuse, on any reasonable ground, to accept any R.T.W. or B.T.C. nominated by Buyer. Seller is not liable for any damage or loss, direct or indirect, which Buyer may suffer as a result of Seller's exercising such right.
 - ii. Seller is deemed to have reasonable grounds for rejecting or refusing any R.T.W. or B.T.C. pursuant to this article if the R.T.W. or B.T.C., either at the time of nomination or subsequently at any time up to the time of loading, is not approved by any internal vetting system operated by Seller.
 - b) Arrival of R.T.W. or B.T.C.
 - Buyer arranges for its R.T.W. or B.T.C. to report its arrival time to Seller, at least 1 (one) Business Day prior to its arrival date.
- 3) Quality and quantity
 - a) The quality of the Product delivered by Seller to Buyer is based on Seller's shore tank figures at the Loading Terminal.

- b) Measurement of quantity at the Loading Terminal takes place in accordance with the latest A.P.I. standard and is based on Seller's flow meter reading or as agreed otherwise in the Sales Contract. Where Seller's flow meter figures are not available, Seller's shore tank figures or any other international accepted measurement method is used.

PART THREE: C.I.F. and D.A.P. DELIVERIES

25. Vessel

1) Title and risk of loss

Delivery of the Product by Seller to Buyer takes place in bulk and is shipped by Seller (as applicable) to the Discharge Port(s) agreed on. Title, ownership and risk of loss with respect to the Product to be sold and delivered to Buyer pass from Seller to Buyer as the Product passes the inlet manifold flange of Seller's Vessel at the Discharge Port. All Buyer's connections for discharging the Product are leak proof.

2) Nomination

a) Each Vessel is nominated by Seller to Buyer in writing. The nomination specifies:

- i. the name of the Vessel, date/certificates of construction, summer deadweight, draft, length and flag;
- ii. the grade(s) and approximate quantity to be loaded;
- iii. the E.T.A. of the Vessel;
- iv. the destination(s) of the Vessel;
- v. proof of export for Vessel if applicable;
- vi. such other information as may be required by the Loading Terminal operator from time to time;
- vii. full written document instructions regarding the bills of lading and such other customary loading documentation which may be required by Buyer;
- viii. details of any cargo on board;
- ix. confirmation that the Vessel complies with the requirements to load the specific Cargo.

b) Buyer notifies Seller, within 7 (seven) Business Days or such other period as may be specified in the Sales Contract after receipt of Seller's nomination of full written instructions regarding the particulars and destination of the bills of lading and such other customary Loading Terminal documentation which may be required by Buyer. For the avoidance of doubt: Buyer is liable for all costs resulting from any delays in loading the Product under the Agreement due to failure by Buyer to supply such information in a timely manner. Seller has the right to issue its own instructions if Buyer fails to provide instructions.

c) All costs, including but not limited to Demurrage, arising directly out of any failure by Buyer to comply with the provisions in this article are at Buyer's expense.

3) Acceptance of Vessel

Buyer gives notice of accepting or rejecting any Vessel nominated by Seller within 1 (one) Business Day of receipt of Seller's nomination.

4) Substitution of Vessel

a) Seller may or, where he is required to fulfil its obligations under the Agreement, is obliged to substitute the nominated Vessel by another Vessel, provided always that

- i. the size of the substitute Vessel and the quantity to be loaded do not differ materially, unless Buyer has given prior consent in writing, from the size of the Vessel previously nominated and the quantity specified in the nomination; and
- ii. Seller informs Buyer in writing of the name of the substitute Vessel at the latest than 3 (three) days before the intended Loading Days.

5) Regulations at Discharge Port

a) All restrictions at the Discharge Port with respect to maximum draft, length, deadweight, displacement, age, flag and the like, the procedures relevant to health and safety of the crew and to Vessel operations, all applicable governmental, local and port authority regulations and any other applicable requirements, of whatever nature and howsoever communicated, that are in force at the Discharge Port apply to Seller's Vessel.

- b) Upon Seller's written request, Buyer provides all information regarding restrictions at the Discharge Port and such other Discharge Port requirements that are readily available to it.
- 6) Pumping
Seller warrants that the Vessel will maintain 100 PSI at the ship's railing, provided shore facilities permit discharge within such time or at such pressure. Time lost as a result of the Vessel being unable to discharge the Cargo as stated above does not count as Laytime or time on Demurrage.
- 7) Delivery details (C.I.F. deliveries)
As soon as possible after the Delivery has been completed, Seller notifies Buyer of the actual quantity or quantities delivered.
- 8) Arrival, Berth and discharge
 - a) Arrival of Vessel
Seller arranges for its Vessel to report its E.T.A. to the Discharge Port, at least 24 (twenty-four) hours prior to its arrival.
 - b) Berth
 - i. Buyer provides a Berth to Seller, or causes this to be provided, free of charge and to be indicated by Buyer or its representative, which the Vessel can safely reach and leave when fully laden and where it can lie and discharge always safely afloat.
 - ii. Buyer provides and maintains in good working order – at all material times and at no expense to Seller – connections, pipelines, tankage facilities necessary for the discharging of Seller's Vessel or causes these to be provided and maintained.
- c) Discharge
Buyer arranges for each Vessel to be discharged as expeditiously as possible.
- d) Shifting
Buyer has the right to shift the Vessel from one Berth to another. All costs, including but not limited to delay, are at Buyer's expense if such shifting takes place at Buyer's initiative and are at Seller's expense in all other situations.
- e) Lightering and Transshipment
Vessels are not compelled to lighter at the Discharge Port, but if any lightering is undertaken at Buyer's request, the costs incurred are at Buyer's expense and all time expended in connection with such lightering counts as Laytime for the purpose of calculating liability for Demurrage under the provisions of article 25.5.
Any lightering or ship-to-ship transfer operations are carried out in accordance with the procedures set out in the ICS/OCIMF Ship-to-Ship transfer guides. The receiving Vessel is subject to Seller's prior acceptance, which is not unreasonably withheld.
- 9) Quality and quantity
The quality and quantity of the Product delivered under the Sales Contract are determined by measurement, sampling and testing carried out at the Discharge Port, at the time of discharge, by an independent inspector jointly agreed upon by Buyer and Seller. All costs incurred for contracting the independent inspector are shared equally between Parties and the inspector's certificates of quality and quantity are made available to both Parties. Buyer ensures that the independent inspector has full access to the facilities at the Discharge Port necessary to enable the inspector to perform his duties.
 - a) Independent inspection
 - i. For the purpose of determining the quality of the Product, the inspector carries out or witnesses tests on a composite sample of the Product taken by the inspector, or taken in his presence, from the Vessel's tanks at the Discharge Port immediately prior to commencement of discharge and in accordance with the test method(s) referred to in the specification of the Product set out in the Sales Contract, or, where no test method is set out, in accordance with the most current A.P.I. and A.S.T.M. measurement standards at the time of delivery.
 - ii. The independent inspector proceeds, for the purpose of determining the quantity of the Product, as follows:

- where the Product is delivered from Seller's Vessel directly into static shore tanks (that is shore tanks to or from which no product is being pumped other than the Product being delivered under the Sales Contract) the gross quantity of the Product so delivered is determined by the independent inspector by reference to Discharge Port meter measurements taken or witnessed by the independent inspector. Meters are proved prior to discharge by or in the presence of the independent inspector. Where metering facilities are not available, or where in the opinion of the independent inspector the meters did not perform, or where the meters were not proven prior to discharge, the gross quantity of the Product delivered under the Sales Contract is determined by reference to shore tank gauging taken or witnessed by the independent inspector; or
- where the Product is delivered from Seller's Vessel directly into active shore tanks (that is shore tanks where Product is being pumped out of the tank during the discharge of the Product under the Sales Contract) and where no correctly functioning or proven Discharge Port meters are available, the gross quantity of the Product delivered under the Sales Contract is determined by the independent inspector by reference to the Vessel's discharged figures as adjusted by its Vessel Experience Factor ("V.E.F").

b) Outturn deliveries

For the purpose of determining the compliance of the Product with the quality and quantity provisions of the Sales Contract, quality is determined at the Loading Terminal and quantity measurement is carried out at the Discharge Port.

10) Title and risk of loss

C.I.F. deliveries

Title, ownership and risk of loss in respect of the Product to be sold and delivered under the Agreement pass from Seller to Buyer when the Product passes the Vessel's inlet manifold flange at the Discharge Terminal.

11) Laydays and indicative discharge dates

- a) Where Laydays are specified in the Sales Contract, these are understood to mean the day or range of days for which Seller's nominated Vessel tenders a valid N.O.R. at the Discharge Terminal and discharge commences as soon as reasonably practicable, even if this means discharge takes place or is completed outside the Laydays or outside any other period specified in the Sales Contract.
- b) Where Laydays are specified in the Sales Contract and if Seller also expressly or implicitly provides Buyer with a date or range of dates within which a nominated Vessel arrives at the Discharge Port, these dates are indicative only and set by Seller as an honest assessment without any guarantees. Seller does not assume any responsibility for the Delivery of the Product at the Discharge Port within such arrival date range. Laytime starts as set out in article 25.13, except where it is specified in the Sales Contract that the arrival date range is to be used for Demurrage purposes.
- c) Where no Laydays are specified in the Sales Contract and Seller expressly or implicitly provides Buyer with a date or range of dates within which a nominated Vessel arrives at the Discharge Port, Seller is not in breach of any of its obligation and is deemed to have fulfilled its obligation(s). Laytime starts as set out in article 25.13.

12) Insurance

a) *C.I.F. deliveries*

Seller undertakes to procure and pay for insurance against marine risks to the full value of the Cargo under the Agreement. Such insurance operates from the time risk passes to Buyer at the Loading Terminal until the Product passes the Vessel's permanent hose connection at the Discharge Port.

b) *D.A.P. deliveries*

The responsibility for securing insurance, whether against marine or other risks, rests completely with Buyer. Seller reserves the right to refuse at any time:

- i. to direct any Vessel to undertake or to complete the voyage to the Discharge Port if such Vessel is required in the performance of the Agreement:

- to transit or to proceed to or to remain in waters so that the Vessel concerned would be involved in a breach of any Institute Warranties (if applicable) or, in Seller's opinion, would risk its safety or be likely to suffer loss or damage; or
 - to transit or to proceed to or to remain in waters where there is war (*de facto* or *de jure*) or threat of war;
 - ii. to direct any Vessel, before loading is commenced, to undertake the voyage to the intended Discharge Port if such Vessel is required in the performance of the Agreement to transit waters which, in Seller's reasonably held opinion, would involve abnormal delay; or
 - iii. to undertake any activity in furtherance of the voyage which, in the opinion of the Vessel's master, could place the Vessel, its Cargo or crew at risk.
- 13) Laytime
- a) The time allowed to Buyer for the discharge of the quantity of the Product to be delivered is in accordance with the provisions and specifications in the Sales Contract.
 - b) Laytime commences Berth-no-Berth:
 - i. either 6 (six) hours after a valid N.O.R. is tendered to Buyer or its representative by the master of the Vessel (or the master's representative) after the Vessel's arrival at the Discharge Port; or
 - ii. if the Vessel moves directly to the Berth, when the Vessel is securely moored at the Berth, whichever is the earlier.
 - c) Time ceases to run upon final disconnection of the discharging hoses after the Cargo has been discharged. However, time starts running again 2 (two) hours after the hoses have been disconnected if the Vessel is delayed in its departure due to causes attributable to Buyer or Buyer's receiver and continues to run until such delay ends.
 - d) A valid N.O.R. may be tendered at any time after the Vessel has arrived at the customary anchorage or waiting place in the Discharge Port or, if the Vessel moves directly to the Berth, when the Vessel is securely moored at the Berth.
 - e) Any delay arising out of or in connection with any of the following situations is not counted or included in calculating the time taken by Buyer to discharge the Cargo or the time in respect of which Buyer is liable for Demurrage (whether or not the Vessel is already on Demurrage):
 - i. awaiting tide, tugs, pilot, daylight, ice, moderation of weather or sea state prior to berthing;
 - ii. awaiting immigration, customs or pratique;
 - iii. entering the port until the Vessel is securely moored at the Berth;
 - iv. preparing for and handling or shifting of ballast, liquid waste as bilge, slop or other substances or bunkering unless concurrent with cargo operations;
 - v. restrictions imposed by the owner, charterer or master of the Vessel;
 - vi. any breakdown of the Vessel's equipment or failure to comply with the requirements of the Discharge Port with respect to equipment on board;
 - vii. time spent complying with any of the regulations and other requirements referred to in article 25.5;
 - viii. any other delay attributable to the Vessel, Seller or agents of Seller; or
 - ix. any onboard strike, lockout, stoppage or restraint of labour by members of the crew.
- 14) Demurrage
- a) If the Cargo is not discharged within the time allowed in accordance with article 25.13, Demurrage is due to Buyer by Seller, in the same currency as is prescribed for payment of the Product delivered under the Sales Contract, in respect of the excess time at the appropriate rate per day (or pro rata for part of a day) as specified below, always provided that, if by reason of its own deficiencies, the Vessel cannot maintain an average pumping rate as specified in the Sales Contract from the time pumping is started, any additional time used solely by reason of such deficiencies is deducted in calculating the Laytime (if any) in respect of which Buyer is liable for Demurrage under the Agreement. Buyer's liability for Demurrage is absolute and not subject to the provisions of article 25.15; however, in the event of delay directly attributable to, among others, fire or explosion or the breakdown or failure of equipment, plant or machinery at the

Discharge Port – not resulting from want of due diligence by Buyer – act of war and/or civil commotion, the rate of Demurrage is reduced by one half for the period of such delay.

- b) The appropriate rate of Demurrage is either:
 - i. the rate, if any, specified in the Sales Contract; or
 - ii. the applicable single voyage charterparty rate;
 - iii. where the charterparty agreement does not specify a single voyage rate or where, in Seller's sole opinion, the single voyage rate specified in the charterparty agreement is not representative of the market rate, the market rate current on the date Laytime as meant above commences for a Vessel of the size and type used for a single voyage charter from the Loading Terminal to the Discharge Port. If Parties fail to agree upon such rate within 30 (thirty) days, the rate is determined at the request of either Party, by The London Tanker Brokers Panel Ltd. (or its successors in title), whose decision thereon is final and binding and whose costs are paid for by the applicant.
 - c) Any Demurrage claim must be notified to Buyer in writing within 30 (thirty) days following the date the discharging hoses are disconnected, with full supporting documentation, including but not limited to, the time computation, the N.O.R., the Vessel's port log, statement of facts and, where applicable, evidence of charterparty rate, together with any other documentation that Buyer may reasonably require. Any such documentation not then available is provided to Buyer within 180 (one hundred and eighty) days after the discharging hoses have been disconnected. If Seller fails to give such notice or provide such documentation within the above respective time limits, Seller's claim is deemed to have been waived and any liability of Buyer for Demurrage is extinguished.
- 15) Time allowed and damages for delay under Indicative Discharge Date Contracts
- a) Should the Vessel arrive at the Discharge Port at such a time that Laytime pursuant to article 25.13 commences at a time within the indicative discharge date range given by Seller, the time allowed and Demurrage for delay is computed in all respects in accordance with article 25.14.
 - b) Should the Vessel arrive at the Discharge Port at such a time that Laytime commences at a time prior to the indicative discharge date range given by Seller, the time does not count against Buyer whether as time allowed for discharge or as Demurrage until 00.01 hours (local time) on the first day of the indicative discharge date range or when discharge commences, whichever is the earlier.
 - c) Should the Vessel arrive at the Discharge Port after the last day of the indicative discharge date range given by Seller, article 25.13 is modified to the extent that Laytime commences Berth-to-Berth 36 (thirty six) hours after the N.O.R. is tendered or when discharge commences, whichever is the earlier.

26. Via pipeline in respect of Into Tank deliveries

- 1) Title and risk of loss
If Delivery of the Product takes place Into Tank, title, ownership and risk of loss in respect of the Product to be sold and delivered under the Sales Contract pass to Buyer when the Product passes the inlet manifold flange of Buyer's receiving storage tank.
- 2) Nomination
 - a) In case of forward Deliveries the following applies:
 - i. prior to the following month, Buyer sends a nomination before the 10th (tenth) day of each month.
 - ii. Seller confirms Buyer's nomination within 5 (five) Business Days.
 - b) In case of one-time Deliveries, nominations are made in accordance with the standard operating procedures.
- 3) Quality and quantity

- a) The quality and quantity of the Product delivered under the Sales Contract are determined respectively by measurement, sampling and testing in accordance with the most current A.P.I. and A.S.T.M. measurement standards at the time of delivery.
- b) Except as specifically provided for in the Sales Contract or unless otherwise agreed, the quantity is determined in accordance with the following procedures:
 - i. in case of an Into Tank Deliveries, the quantity is determined by using proven meters (if available) at the flange of the inlet manifold of Buyer's tank(s);
 - ii. if proven meters are unavailable, measurement is taken by manual measurement of Buyer's tank(s).
- c) Except as specifically provided for in the Sales Contract or unless otherwise agreed, the quality is determined in accordance with the following procedures:
 - i. in case of Into Tank Deliveries, the quality is determined in accordance with test results run on a volumetrically correct composite of samples drawn from Seller's tank(s);
 - ii. if Seller's tank(s) are active, the quality is determined in accordance with test results run on a volumetrically correct composite of samples drawn from Buyer's tank(s).

27. Road Tank Wagon (R.T.W.) or Bulk Tank Containers (B.T.C.)

- 1) Title and risk of loss
Delivery of the Product by Seller to Buyer takes place to the agreed Discharge port(s). Title, ownership and risk of loss in respect of the Product to be sold and delivered to Buyer pass from Seller to Buyer as the Product passes the outlet manifold flange of Seller's R.T.W. or B.T.C. at Discharge Port(s). All Buyer's connections for the Product discharging must be leak-proof.
- 2) Nomination
The nomination is not effective unless it is received by Seller at the latest 5 (five) Business Days prior to the first day of the Laydays. Notwithstanding the foregoing, if the nomination is received by Seller after the 5th (fifth) day and it is accepted by Seller, it is effective. Buyer is liable, however, for all costs incurred by any delays in discharging the Product delivered under the Sales Contract that are directly attributable to Buyer's failure to nominate in a timely manner and any such delays do not count as time allowed to Seller for discharge. If the Sales Contract is entered into 5 (five) Business Days or fewer prior to the 1st (first) day of the Laydays, the nomination must have been received by Seller, at the latest 2 (two) days prior to the first day of the Laydays.
- 3) Berth utilisation
All additional costs incurred as a result of excess Berth utilisation and caused by Buyer or Buyer's representative are at Buyer's expense.
- 4) Time allowed
The time allowed to Seller to discharge the quantity of the Product to be delivered under the Agreement to each R.T.W. or B.T.C. is in accordance with the Sales Contract.
- 5) Quality and quantity
 - a) The quality of the Product delivered by Seller to Buyer is based on Seller's R.T.W. or B.T.C. figures.
 - b) Measurement of quantity is in accordance with the latest A.P.I. standard and is based on Seller's flow meter or Seller's tank gauging.
 - c) The certificate of quality and quantity – or any other equivalent document in that respect – issued for the Product is conclusive and binding on both Parties for invoicing purposes, except in cases of manifest error or fraud; however, it is without prejudice to the rights of either Party to submit a claim.
- 6) Independent inspection
 - a) Either Party may appoint a mutually acceptable independent inspector at the Discharge port(s). Such appointment is notified in writing to the other Party. Unless otherwise provided for in the

Sales Contract, all costs incurred are shared equally between Parties and the inspector's report is made available to both Parties.

- b) In addition to the independent inspector or should Parties fail to mutually agree upon an independent inspector, either Party may, at its own expense, appoint a representative at the Discharge Terminal(s).