



## STANDARD TERMS AND CONDITIONS OF SALE OF MARINE FUEL BY KPI OCEANCONNECT LIMITED.

18 JANUARY 2024

Except as may otherwise be negotiated by the parties and agreed to in writing, the following terms and conditions shall apply to all sales of marine bunker fuels and related products of whatever type or grade by KPI OCEANCONNECT LIMITED to any Buyer as defined below:

### ARTICLE 1 DEFINITIONS AND INCORPORATION

#### 1.1 In this document the following terms shall have the following meanings:

**Affiliate** means a company, partnership, or other legal entity which controls, is controlled by, or is under the indirect ownership of fifty per cent (50%) or more of the issued share capital or any kind of voting rights in a company, partnership, or legal entity, and "controls", "controlled" and "under common control" shall be construed accordingly.

**Agent** means a party acting on behalf of the Buyer and/or the Vessel.

**Bunker Confirmation** means the order confirmation in writing from the Seller to the Buyer setting forth the particular terms of each sale of Bunker Fuel.

**Bunker Fuel** means marine bunker fuel and related products and services of whatever type or grade delivered by the Seller.

**Buyer** means all parties, jointly and severally, named on the Bunker Confirmation who have contracted with the Seller to buy Bunker Fuel, including their assignees or successors. Any reference to the Buyer herein may be a reference, to one, some or all of those parties comprising the Buyer, as the context requires.

**Contract** means a contract formed in accordance with Article 1.2 herein.

**Sanction laws** means the various export controls and economic sanctions regulations, including but not limited to, any economic or financial sanctions or trade embargoes administered or enforced by various European Governments and the EU, Switzerland, the US Government as enforced by the US Office of Foreign Assets Control, the US Department of State, and the US Department of Commerce, and various UN sanctions as implemented into local laws, or any other relevant sanctions authority.

**Standard Terms** means these terms and conditions in force as of 18 January 2024 and any subsequent amendments thereto.

**Seller** means KPI OceanConnect Limited with Registered Number 120212 and registered address at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, as identified on the relevant invoice issued in respect the Contract, and acting through any of its agents:

- (i) KPI OceanConnect London Ltd – 7th Floor 108 Cannon Street, London, EC4N 6EU, United Kingdom.
- (ii) KPI OceanConnect Istanbul Denizcilik Ltd Sti – Batı Atasehir Barbaros Mh Cigdem Sk. Agaoglu My Office Is Mrk. No:1 D:52-53 34746 Atasehir, Istanbul, Turkey.

**Vessel** means the Vessel to which a delivery of Bunker Fuel is intended to be made and/or is made and/or onboard when it is consumed, which shall include any on-shore tank, rig, or other unit or installation supplied by the Seller.

#### 1.2 Incorporation of Standard Terms

Each sale of Bunker Fuel shall be confirmed by a Bunker Confirmation issued by the Seller at which time the Contract is made. Should the Buyer disagree to any terms contained therein the Buyer is under an obligation to object to the terms of the Bunker Confirmation immediately and in no event later than 3 hours after circulation of the Bunker Confirmation. The Bunker Confirmation shall incorporate the Standard Terms by reference and the Bunker Confirmation and the Standard Terms together constitute the complete Contract. The Contract shall exclude, supersede and replace any other terms or contracts which the Buyer may seek to enforce against the Seller. If the Seller for whatever reason fails to issue or send a Bunker Confirmation to the Buyer these Standard Terms shall govern the sale nonetheless and a Contract shall be formed when the Seller indicates an intention to supply, or supplies, Bunker Fuel.

## ARTICLE 2 PRICE

- 2.1** The Buyer shall pay the price for the Bunker Fuel in accordance with the terms of the Contract.
- 2.2** Buyer shall be responsible for and pay and/or indemnify the Seller for any additional expenses or costs such as barging, demurrage, wharfage, port dues, fees and any other costs, including, without limitation, those imposed by governmental authorities. Seller reserves the right, upon notification to Buyer, to adjust the Price after the date of the Bunker Confirmation to reflect any increase in costs to Seller not included in the Bunker Confirmation if necessary by raising an additional or revised invoice.

## ARTICLE 3 NOMINATION AND DELIVERIES

- 3.1** Any Agent, whether disclosed or undisclosed, acting for the Buyer in concluding a Contract shall (i) be jointly and severally liable with the Buyer for the proper performance of all the obligations of the Buyer under this Contract as if acting as a principal; and/or (ii) guarantee the Buyer's obligations under the Contract.
- 3.2** All orders of Bunker Fuel are considered to be emanating from and approved by the Master of the Vessel, even if relayed by the Buyer to the Seller and even if no written request from the Master of the Vessel exists.
- 3.3** **The Buyer shall make the Vessel available for delivery within the agreed delivery period set out in the Bunker Confirmation.** Unless otherwise agreed Buyer will give Seller and Seller's local representative at least 72 hours prior written notice of arrival, specifying the Vessel's time of arrival with a margin of +/- 6 hours always within the agreed delivery window as set out in the Bunker Confirmation and method of delivery of Bunker Fuel. Buyer shall re-confirm the estimated time of arrival by providing 48 hours written notice to the Buyer narrowing the Vessel's time of arrival by specifying Vessel's time of arrival with a margin of +/- 2 hours within the narrowed down delivery period. Buyer shall reconfirm the arrival time by providing 24 hour written notice. If the Vessel arrives outside the agreed delivery period set out in the Bunker Confirmation or later than 2 hours from the specified time of arrival all supplies will be made on a reasonable endeavour basis and subject to adjustment for price increases and/or additional costs incurred.
- 3.4** The time of delivery specified by the Seller is an approximate time and the Seller shall commence delivery of the Bunker Fuel within the agreed delivery period set out in the Bunker Confirmation and no guarantee of the time or rate of delivery is given. Where delivery is required outside normal working hours and is permitted by applicable regulations, Buyer will pay all overtime and extra expenses incurred.
- 3.5** Buyer will make all connections and disconnections of the delivery hose and will render all other necessary assistance and equipment to receive delivery. The Buyer shall ensure that the Vessel provides a free, safe and always accessible side for the delivery of bunkers and that all necessary assistance as required by the Seller or the Seller's representative is rendered in connection with the delivery. For safety reasons it is solely the master of the supply barge that determines whether mooring alongside the Vessel is safe, taking weather, swell and forecasts into decision. If clear and safe berth is unavailable, delivery may be delayed or cancelled by the Seller and all costs incurred will be for the Buyer's account.
- 3.6** In the event that the supply is made in a ship-to-ship transfer, any damage caused by contact, collision, swell or any other weather or sea related condition or the negligence or navigation of the supply vessel shall be dealt with by the Buyer directly with the owners of the supply vessel. The Seller shall not be held liable for any such damages and the Buyer shall indemnify the Seller against any claims arising out of such incident.
- 3.7** Where lightering/barging is employed, lightering/barging charges shall be for the account of Buyer. If Buyer fails to take delivery, in whole or in part, of the quantities nominated, Buyer shall be responsible for any costs resulting from Buyer's failure to take full delivery, as well as for any losses incurred by Seller to downgrade and/or pump back of the fuel.
- 3.8** Buyer will be liable for all demurrage or additional expenses incurred by Seller if Buyer causes delay to the supply of Bunker Fuel. Buyer will also pay for mooring, unmooring and port dues incurred. In addition Buyer will be liable for any expenses incurred by Seller resulting from Buyer's failure to take delivery of the full quantity of Bunker Fuels agreed to by Buyer including but not limited to any loss on the resale of the Bunker Fuels and the Buyer shall bear the risk of the return transport, demurrage on the barge or trucks, storage or selling of the Bunker Fuels.
- 3.9** Buyer shall indemnify and hold harmless Seller against all damage and liabilities arising from any acts or omissions of Buyer or its servants, ship's officers or crew in connection with the delivery of the fuel under this Contract.

- 3.10** If Buyer cancels the nomination for any reason whatsoever the Buyer shall be liable to the Seller for any and all direct or indirect or consequential losses incurred by the Seller resulting from such purported cancellation, termination or failure, including but not limited to: a. any charges and expenses levied by a third party; b. any difference in price between the sales price and the market price at the delivery location; c. losses, costs and damages associated with the cancellation; d. costs of selling any undelivered Bunker Fuel; e. additional operational expenses such as pump-back fees, inspection charges and storage; and f. demurrage, such sums to be paid immediately upon demand.
- 3.11** Seller will not be liable for any costs or losses incurred by Buyer as a result of any delay in delivery regardless of cause, including but not limited to delay due to (a) congestion affecting the physical supplier of Bunker Fuel at the delivery facilities, (b) prior commitments of available barges, (c) local customs, pilots, port or other authorities or (d) to any other cause of delay in delivery.

## ARTICLE 4 QUALITY

- 4.1** Buyer shall have the sole responsibility for the selection of the proper grades of Bunker Fuels for use in the Vessel and the Seller shall not be under any obligation to check whether the grade of Bunker Fuels is suitable for the Vessel. The Bunker Fuels shall be of the same quality generally offered for sale at the time and place of delivery, for the grade of Bunker Fuels ordered by the Buyer. Any express or implied warranties, including the warranties of merchantability, durability, suitability, stability, compatibility or fitness for a particular purpose, by common law, statute, or otherwise are expressly excluded and disclaimed.
- 4.2** Buyer at its own expense has the right to have its representatives present to inspect the Bunker Fuel to be delivered hereunder before it is pumped aboard the Vessel being supplied. Any such inspection must not delay delivery and must take place in the presence of a representative of the Seller.
- 4.3** The Buyer shall be responsible to keep the delivered Bunker Fuel segregated from any Bunker Fuel(s) onboard 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 Bunker Fuel delivered if the Seller's product is mixed or comingled with any other product(s) onboard the receiving Vessel. The Buyer shall be solely responsible for any losses caused by mixing or comingling the Bunker Fuel with any other oil, including any damage the Bunker Fuel may cause on other products on board the receiving Vessel.
- 4.4** Where the Buyer nominates Bunker Fuel above the sulphur limits set out in MARPOL Annex VI, the Buyer shall be fully responsible for, and on the Seller's request provide confirmation in writing, that the Vessel has working Abatement Technology (as defined in MARPOL Annex VI) installed in compliance with MARPOL Annex VI or must include a copy of a valid Fuel Oil Non-Availability Report (FONAR) and the relevant authorisation granted to the Vessel for that specific delivery of Bunker Fuel. The Buyer shall indemnify the Seller of all cost or losses incurred as a result of Seller's breach of this Article 4.4.

## ARTICLE 5 QUANTITY

- 5.1** The quantity of Bunker Fuel delivered shall be determined from gauges/ullages of the barge or truck effecting delivery or by gauging/ullages of shore tank if delivery is by pipeline and these soundings or measurements shall be conclusive evidence of the quantities delivered and shall be recorded in the bunker delivery note which the Buyer shall be invited to counter-sign. Buyer has the right to have its representatives present during measurements, but determination of quantity shall be made solely by Seller. Should the Buyer's representative fail or decline to verify the quantities, the measurements of quantities made by the physical supplier and recorded in the bunker delivery note, the recordings of Bunker Fuel shall be conclusive and the Buyer shall in such case have waived any claims with respect to variance. The quantity of Bunker Fuel delivered shall be the quantity specified in the Bunker Confirmation with a tolerance at Seller's option of +/- 5 % of the quantity specified.

## ARTICLE 6 SAMPLING

- 6.1** The Seller or its representatives shall arrange for samples to be drawn at the time of delivery of the Bunker Fuel. Unless otherwise agreed between the Seller and Buyer prior to entering into the Contract, the samples shall be drawn from a point and in a manner chosen by the Seller or its representatives in accordance with the customary sampling procedures at the port or place of delivery of the Bunker Fuel.
- 6.2** The sampling mentioned in paragraph 6.1 shall be performed in the presence of the Seller or its representatives and the Buyer or its 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.
- 6.3** On completion of sampling, all samples drawn by the Seller or its representatives are to be sealed, labelled and signed by both Seller or its representatives and Buyer or its representatives and their

numbers stated on the bunker delivery note. Two samples shall be retained by the Buyer or its representatives, one of these shall be the MARPOL compliant sample. The remaining samples shall be retained by the Seller or its representatives.

- 6.4** In the event of a dispute concerning the quality of the Bunker Fuel, one, and only one, of the samples retained by the Seller with a seal number reflected on the bunker delivery note, shall be forwarded for testing to an independent laboratory mutually appointed by the Buyer and Seller. The results of the analysis of the sample shall be conclusive to determine the quality of the 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 Bunker Fuel supplied to the Vessel. Where standard specifications are being given or referred to, tolerances in accordance with ISO 4259 in respect of reproducibility or repeatability in quality are to be accepted without compensation or consequences whatsoever.
- 6.5** **If the Buyer's complaint concerning the quality of the Bunker Fuel is based on the presence of substances which are not part of the quality specifications set out in Table 1 or Table 2 of ISO 8217, the Buyer shall show that the substances in question without a reasonable doubt jeopardize the safety of the Vessel or adversely affect the performance of the machinery.**
- 6.6** No samples drawn by the Buyer's personnel or samples subsequently taken shall be allowed as evidence of the quality of the Bunker Fuel. If any seals have been removed or tampered with by an unauthorised person, such samples shall be deemed to have no value as evidence.
- 6.7** 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 hereof within 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 all parties involved.

## ARTICLE 7 RISK AND TITLE

- 7.1** Risk in the Bunker Fuel, including loss, damage, deterioration, evaporation, or any other condition or incidents related thereto shall pass to the Buyer as the Bunker Fuel passes the fixed bunker connections on the delivering vessel or truck. The buyer warrants that representatives from the Vessel shall be responsible for ensuring that the Bunker Fuel is received in a safe way.
- 7.2** Title in the Bunker Fuel shall remain with the Seller until the Buyer has paid for the Bunker Fuel in full. Until that time, the Buyer shall hold the Bunker Fuel as bailee, store it in such a way that it can be identified as the Seller's property and keep it separate from Buyer's own property and the property of any other person. In the event that the Buyer fails to make payment in accordance with Article 8, the Seller has the right to demand immediate return of the Bunker Fuel and any party other than the Buyer who consumes the Bunker Fuel shall be liable to the Seller in conversion.

## ARTICLE 8 PAYMENT

- 8.1** Payment shall unless otherwise agreed be made in United States Dollars by bank transfer in full without any set-off, counterclaim, deduction and/or discount free of bank charges to the bank account identified by the Seller in the invoice. Payment shall be deemed to have been made on the date the payment is credited to the Seller's bank account.
- 8.2** If not otherwise specifically agreed between Buyer and Seller at time of ordering, the price is only valid for delivery performed to the Vessel on the agreed and confirmed delivery date(s). Should the date(s) of delivery for any reason change, the Seller is entitled to change the price.
- 8.3** The Seller shall be entitled, at its sole discretion, and regardless of any stated allocation by the Buyer, to decide how to allocate any payment from or on behalf of a Buyer to any sums due to the Seller, including, but not limited to, interest charges, legal fees and other charges. The Buyer shall indemnify the Seller against any loss which is caused by adverse currency fluctuations between the invoice currency and the value of the US Dollar from the latest due date of the invoice until the date on which payment is made.
- 8.4** Unless a longer or shorter period is set out in the Bunker Confirmation, payment is to be received by Seller within a period of 30 days from the date of delivery. Any delay in payment of the full sum shall entitle Seller to interest at the rate of three percent (3%) per month and the interest shall be compounded monthly for each month, or part thereof, unless the parties have agreed to any other specific interest rate as set out in the Bunker Confirmation. In the event that the interest rate herein exceeds that permitted by the applicable law, it shall be substituted by the maximum rate so permitted.
- 8.5** If payment is withheld or set off by the Buyer, partly or in full, due to alleged short delivery, quality dispute or any other reason whatsoever or if any sum due pursuant to any Contract is not paid within

the agreed time, the Buyer shall pay, in addition to the outstanding amount and any interest that accrues until the due date, compensation equivalent to 20% of the unpaid sum.

- 8.6** The granting of credit is in the Seller's discretion and the Seller may withdraw credit at any time and demand immediate payment if the Seller has reason to alter its assessment of the credit risk. Withdrawal of credit shall be by written notice, and Seller need not provide reasons. Where the Seller withdraws credit before delivery of Bunker Fuel then the Seller may withhold delivery until payment of the Price or alternatively the Seller may cancel the order or terminate the Contract, without recourse by the Buyer.
- 8.7** Notwithstanding any agreement to the contrary, payment will be due immediately and the Seller shall be entitled to cancel all outstanding stems and/or withhold future deliveries in case of:
- (i) bankruptcy, liquidation or suspension of payment or comparable situation of the Buyer,
  - (ii) arrest of assets of the Buyer including, but not limited to, the Vessel
  - (iii) liquidation/bankruptcy or any other changed financial or legal position of the parent company, sister companies or affiliated companies to the Buyer which in the sole discretion of the Seller is deemed to adversely affect the financial position of the Buyer
  - (iv) if the Buyer fails to pay any invoice to the Seller at the time of maturity set forth in such invoice,
  - (v) if the Buyer fails to comply with any other obligation pursuant to the Contract, including, but not limited to, the Buyer's failure to take delivery of Bunker Fuels in full or in part, or
  - (vi) in case of any other situation, which in the sole discretion of the Seller is deemed to adversely affect the Seller's assessment of the financial position of the Buyer.

In any of the foregoing situations the Seller shall have the option to either (a) cancel the Contract, (b) to store the Bunker Fuel in full or in part for the Buyer's account and risk, (c) to demand that the Buyer complies with its obligations pursuant to the Contract or (d) to make use of any other remedy available under the law.

- 8.8** Where the Seller has extended any kind of credit facility to a group of companies or associated companies, default by any one relevant Buyer in respect of any invoice of the Seller shall give the right to the Seller to cancel all credit arrangements of the entire group or of the associated companies.
- 8.9** Seller may from time to time without need for prior consent of Buyer, assign any of its rights under the Contract to any third party and the assignee shall enjoy and be entitled to exercise against Buyer any and all rights herein conferred upon Seller.
- 8.10** If at any time an amount is payable by Buyer to Seller, such amount may at the sole discretion of Seller be fully or partially paid by set-off against any amounts payable to Buyer by Seller and any Affiliate of Seller.
- 8.11** The Buyer shall provide the Seller with no less than seven (7) days' prior notice in writing before making payment from an account belonging to a party that is not the Buyer. Under such circumstances, for verification purposes the Seller shall require the Buyer to provide details and relevant supporting documentation on the payor's full name, country of incorporation, registered address, line of business, relationship with the Buyer, and the reason why payment is being made on behalf of the Buyer. In the event that the Seller is unable to verify the payment and/or payor to its satisfaction, the Seller shall be entitled in its discretion to reject such payment and require the Buyer to make another payment from another duly verified account and/or payor.

## ARTICLE 9 ARREST OF VESSEL

- 9.1** It is agreed and acknowledged that a lien over the Vessel is created for the price of the Bunker Fuel supplied together with any interest accrued. The Buyer if not the owner of the Vessel expressly warrants that it has full authority of the Agent/traders/owners/managers/operators/charterers to pledge the Vessel in favour of the Seller and that the Buyer has given notice of the provisions of this Contract to the owners of the Vessel. The Seller shall not be bound by any attempt by any person to restrict, limit or prohibit its lien(s) attaching to a Vessel.
- 9.2** The laws of the United States, including but not limited to the Commercial Instruments and Maritime Lien Act, shall always apply with respect to the existence of a maritime lien, regardless of the country in which the Seller takes legal action. The Seller shall be entitled to assert its rights of lien or attachment or other rights, whether in law, in equity, or otherwise, in any jurisdiction where the Vessel may be found.

- 9.3** Any notice or any stamp in the bunker delivery receipt or similar shall be invalid and cannot waive the Seller's maritime lien on the Vessel unless the Buyer has notified the Seller of its intention to exclude the liability of the Vessel at least 12 hours in advance of the supply by sending written notice to [legaldept@kpiocean.com](mailto:legaldept@kpiocean.com). Notification to the physical supplier of Bunker Fuel (or their agents, employees, or representatives) shall have no effect to waive the Seller's maritime lien on the Vessel as the Seller is unable to take immediate reaction to halt a supply in case the Vessel intends to exclude its liability for a supply or otherwise attempts to vary the agreement. Both parties acknowledge that any stamps inserted in the bunker delivery receipt after the supply of Bunker Fuel has taken place can in no event affect the liability of Buyer and the Vessel.

## ARTICLE 10 CLAIMS

- 10.1** The quantity of Bunker Fuel delivered shall be determined in accordance with Article 5.1. Any claim regarding the quantity of the Bunker Fuel delivered shall be notified by telephone as well as in writing by the Buyer or the master of the Vessel to the Seller immediately when the dispute occurs and while the delivery hoses are still connected. In the event immediate verbal as well as written notice is not made, such claim shall be deemed to be waived and barred. A notification inserted in the bunker delivery note or in a separate protest handed to the physical supplier of Bunker Fuel shall not qualify as notice under this section 10.1 and the Seller shall under no circumstances be deemed to have accepted such notice or protest handed to the physical supplier.
- 10.2** Any claim regarding the quality of the Bunker Fuel delivered shall be presented in writing to the Seller as soon as an alleged quality problem has occurred or the Buyer is notified of any alleged problem and in any event no later than within 14 days from the date of delivery to the Vessel. Should the Buyer fail to make timely notification of any claim regarding the quality of the Bunker Fuel the claim shall be deemed waived and barred.
- 10.3** A written claim for the purposes of Articles 10.1 and 10.2 must provide a complete and comprehensive explanation of the circumstances and basis of the claim, including where applicable the quantities short and/or the discrepancies in quality, and include a full test report for a test performed on one of the official samples mentioned in the bunker delivery note performed by an independent laboratory along with copies of all correspondence with the independent laboratory and include copies of all supporting documents including the vessel's logs evidencing the matters complained of.
- 10.4** To the extent that the Buyer's test report evidence that the components detected are within the allowed tolerances in respect of reproducibility or repeatability as set out in ISO 4259, the Bunker Fuel shall be deemed to be compliant and the Buyer cannot require further testing of the Bunker Fuel.
- 10.5** In the event of any claim presented in accordance with Section 10.1, and 10.3 and 10.4, 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.
  - (ii) Take all reasonable steps and actions to mitigate any damages, losses, costs and expenses related to any claim of alleged off-specification or defective Bunker Fuel. If the Bunker Fuel deviates from specifications, the Buyer shall use all reasonable endeavours to mitigate the consequences hereof and shall burn the Bunker Fuel if possible even if this requires employment of purification tools or other similar measures.
  - (iii) Take all reasonable steps to preserve the Seller's recourse against the physical supplier of Bunker Fuel or any culpable third party.
- 10.6** A breach by the Buyer of any part of Article 10.5 above will entitle the Seller to set off losses caused by the breach against any liability to the Buyer.
- 10.7** Any claims against the Seller in respect of this contract shall be brought before the relevant court or arbitral tribunal in accordance with Article 19/20 within 6 months of the date of delivery of the Bunker Fuel, failing which such claims shall be deemed absolutely waived and time barred.
- 10.8** Buyer's submission of any claim does not relieve it of responsibility to make full payments as required under Article 8 and Buyer shall not be entitled to set off any claim from payment.
- 10.9** In the event that the Buyer has made a valid claim regarding the quality of the product, which cannot be mitigated in accordance with 10.5, the Seller shall have the option to debunker the product and perform redelivery of on-spec product in accordance with the terms of the Contract.



## ARTICLE 11 LIABILITY

- 11.1** The Seller's liability for any claim whatsoever, however arising under a Contract whether caused by negligence or not, whether based in tort or contract and including claims or pollution shall be limited to the value of the Bunkers Fuel as set out in the invoice.
- 11.2** The Seller shall under no circumstances be liable for any consequential losses whatsoever, whether direct or indirect and whether or not foreseeable at the time of formation, including, without limitation, cost and losses from delay, detention, demurrage, charter hire, loss of freight, crew wages, pilotage, towage, port charges, or any loss of profits or any increased cost or expenses for obtaining replacement fuel. In no event shall the Seller be liable for punitive damages.
- 11.3** Any liability for damage to the Vessel shall in any event be reduced by 20 percent of the invoice value of spare parts for each year or fraction thereof in which the replaced part has been in use.
- 11.4** The Buyer undertakes to indemnify the Seller against any claims, losses, costs, fines penalties, damage or liability of whatever kind related to the Contract instituted by third parties against the Seller to the extent such claims exceed the Seller's liability towards the Buyer according to section 11.1.
- 11.5** Any damage caused by contact or collision shall be dealt with by the Buyer directly with the owners of the supply barge. The Seller shall not be held liable for any such damages and the Buyer shall indemnify the Seller against any claims made against the Seller arising out of such incident.

## ARTICLE 12 TAXES

- 12.1** The Buyer shall be responsible for and shall pay and/or indemnify the Seller and is sub-contractors for any and all federal, state and local taxes, including but not limited to any VAT, sales taxes, GST, energy tax, motor fuel tax, withholding tax, import/export duties, and any other taxes, duties, fees levies or penalties (excluding corporate income tax) (hereinafter "Taxes") paid or incurred directly or indirectly in connection with the performance of the Contract. Seller reserves the right, upon notification to Buyer, to adjust the Price after the date of the Bunker Confirmation to reflect any liability related to Taxes not included in the Bunker Confirmation if necessary by raising an additional or revised invoice.
- 12.2** Buyer shall provide to Seller any documentation, including, but not limited to, registrations, exemptions, certifications, claims, refunds, declarations or otherwise, in a form and format, and on or before whatever due date which Seller shall require in dealing with authorities in connection with any Taxes. Further, Buyer shall indemnify and hold Seller harmless for any damages, claims, liability or expense Seller may incur due to Buyer's failure to comply these tax provisions. Claims related to Taxes shall not be time barred or fall under any notice requirement until 6 months following the relevant authority's tax claim being time barred under the applicable law.

## ARTICLE 13 FORCE MAJEURE

- 13.1** The Seller shall not be liable for any loss or damage of whatever nature resulting from any delay or failure in performance under the Contract:
- (i) caused by any circumstance beyond the Seller's direct control, or
- (ii) if the supply or source of the Bunker Fuel from any facility of production, distribution, storage, transportation or delivery contemplated or intended by the physical supplier of Bunker Fuel is disrupted, unavailable or inadequate due to war or war-like situations, riots, strikes, congestion, governmental order or intervention, unavailability of barges or other means of transport or stem, weather, epidemics, act of God, changed market conditions, or similar situations.
- 13.2** In the event of a failure of performance as provided in Section 13.1, the Seller may, but is under no obligation, to source, procure or obtain alternative 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.
- 13.3** The Buyer shall have no right of cancellation of the Contract due to Force Majeure as stated in Section 13.1.

## ARTICLE 14 INDEMNITY

- 14.1** Buyer shall indemnify and hold harmless Seller from and against all claims, damages, losses and expenses, including attorney fees, arising out of, or resulting from performance of the providing of Bunker Fuel under the Contract, including claims, damages, losses, penalties or expenses under any

statue, regulation or ordinance or damage to property or injury or death of any person arising out of or in any way connected with the acts or omissions of the Buyer or its agents as servants in receiving, using, storing or transporting the fuel delivered hereunder.

- 14.2** If the supply is delayed by the Buyer for whatever reason or the Vessel fails to leave the Place of Supply immediately, the Buyer shall indemnify the Seller for any consequent loss or damage suffered by the Seller including losses arising due to the delay in the supply of other vessels.

## ARTICLE 15 COLLECTION AND INDEMNITY

- 15.1** The Buyer agrees to pay any and all costs and expenses, legal fees, arbitration and court costs incurred by the Seller (i) in its efforts to collect and/or secure payment of any amount due to the Seller, including but not limited to legal fees and court/arbitration costs associated with 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 Contract.

## ARTICLE 16 SAFETY

- 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 Bunker Fuel.

## ARTICLE 17 ENVIRONMENTAL PROTECTION

- 17.1** The Buyer must comply with all national and international trading, pollution, environmental and health and safety regulations concerning the receipt and use of Bunker Fuel. In the event of a spill or discharge, before, during or after supplying the Bunker Fuel, Buyer and the Vessel shall, at their own expense, immediately take whatever action is necessary to give prompt notice to the official bodies and to effect cleanup. Failing prompt action, Buyer and the Vessel authorize Seller to conduct and/or contract for such cleanup at Buyer's and Vessel's expense. Buyer warrants that the Vessel is in compliance with all national, state and local statutes, regulations and ordinances, including those requiring proof of financial ability in regard to spills or discharges of oil. The Buyer warrants that the Vessel is entered with a P&I Club and insured for pollution liability risks. Buyer shall hold Seller harmless as to any delays, claims, losses, expenses or penalties arising from breach by Buyer of this warranty, including attorney fees. The Buyer shall provide or procure all documents and information concerning any Spill for the Seller as the Seller may demand or as may require by applicable laws or regulations.

## ARTICLE 18 COMPLIANCE

### 18.1 INTERNATIONAL SANCTIONS

- 18.1.1** By accepting the Seller's offer and Bunker Confirmation, the Buyer thereby confirms and warrants that:
- a) the Buyer is in full compliance with Sanctions Laws and that neither it nor any of its subsidiaries or directors, senior executives or officers, or to the knowledge of the Buyer, any person on whose behalf the Buyer is acting in connection with the Contract, is an individual or entity ("Person") that is, or is 50% or more owned or controlled by, a Person (or Persons) that is the subject of any economic or financial sanctions or trade embargoes under Sanctions Laws; or based, organized or resident in a country or territory that is the subject of comprehensive (i.e., country-wide or territory-wide) Sanctions (including, as of the date of this Contract, Crimea, Cuba, Iran, North Korea, Russia, Syria and Venezuela) (a "Sanctioned Country") (collectively, a "Sanctioned Person");
  - b) the Buyer is purchasing the Bunker Fuel as principal and not as agent, trustee or nominee of any person or entity with whom transactions are prohibited or restricted under the Sanctions Laws; and
  - c) the Bunker Fuel purchased will not be used in any manner whatsoever directly or indirectly in connection with any entities, persons, projects, contracts, transactions or payments that contravenes any Sanctions Laws; or to fund or facilitate any activities or business of, with or related to any Sanctioned Country or Sanctioned Person, or in any manner that may reasonably result in a violation of Sanctions Laws.
- d) The Buyer has completed sufficient due diligences in connection to Buyer's contractual counterparties and the transactions that Buyer has entered that are relevant for the scope of this Contract.
- 18.1.2** Further in relation to these Sanctions Laws, the Buyer confirms and warrants that the Vessel to be supplied is not and/or will not be:
- a) A designated vessel or flagged by a Sanctioned Country;
  - b) Owned or chartered by or related to any designated entity or Sanctioned Person;
  - c) Visiting any Sanctioned Countries or regions in violation of the Sanctions Laws. In this regard, in connection to vessel's next voyage after taking the Products, Buyer represents that it will perform all



reasonable due diligences to ensure that such voyage complies with Sanctions Laws, without further responsibility for the Seller. Furthermore, Buyer shall promptly provide any information that Seller may reasonably request to show compliance with said Sanctions Laws, particularly in connection with cargo's type and origin, and details regarding the shipper, consignees, and other relevant parties.

d) Involved in the transfer of goods that may be prohibited under the Sanctions Laws; or

e) Engaged in any conduct designed to evade any Sanctions Laws, including but not limited to turning off transponders, reporting false travel plans, deviating from reported travel plans and engaging in ship-to-ship transfers to hide the origin of goods.

## **18.2 ANTI BRIBERY & CORRUPTION**

a) The Buyer acknowledges that anticorruption laws and regulations, including but not limited to the U.S. Foreign Corrupt Practices Act ("FCPA") and the UK Bribery Act (UKBA) shall apply to the parties. The Buyer and Seller shall comply with all applicable anticorruption laws and regulations and will not, offer, promise, pay, or authorize the payment of any money or anything of value, or take any action in furtherance of such a payment, whether by direct or indirect means, to any public official or private individual to influence the decision of such person in the performance of his duties to a government or to his company.

b) Buyer may report any concerns relating to conduct of Seller's representatives in connection with the subject matter of this Contract that breaches any applicable laws, the Seller's Code of Conduct or underlying policies to its contact at Seller or through Bunker Holding's dedicated email address at [whistleblower@bunker-holding.com](mailto:whistleblower@bunker-holding.com).

## **18.3 VIOLATIONS TO THIS ARTICLE**

a) Any breach of this Article 18 will void the related Contract and in the sole discretion of the Seller any other Contract between the parties, making any claims for payment, delivery or any other obligation of the Seller under this Agreement void. The Buyer is liable for any and all costs or losses incurred by the Seller due to such breach and/or a Contract becoming void as a consequence.

b) Notwithstanding the above, if Seller is of the reasonable opinion that the Buyer has breached or will breach this Article, Seller may (without incurring any liability of any nature whatsoever) terminate or suspend all or any part of the Contract with immediate effect by notice to the Buyer or take any other action it deems necessary in order for Seller to comply with applicable sanctions. Any exercise by Seller of its right under this Article shall be without prejudice to any other rights or remedies of Seller under the Contract. 18.4 The Buyer acknowledges having read and understood the Seller's Code of Conduct (copy available upon request) and confirm that they operate their business under the same or similar standards therein.

## **ARTICLE 19 GOVERNING LAW**

**19.1** The Contract shall be governed by the general maritime laws of the United States of America. If there are any gaps in the general maritime law of the United States or if the general maritime law of the United States does not address a disputed issue, the law of the State of New York shall apply. The laws of the United States, including but not limited to the Commercial Instruments and Maritime Lien Act, shall always apply with respect to the existence of a maritime lien, regardless of the country in which the Seller takes legal action. The 1980 United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.

## **ARTICLE 20 ARBITRATION**

**20.1** Any dispute arising out of or in connection with a Contract between the Seller and a Buyer (which shall include any Agent) shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof. The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced ("the LMAA Terms").

**20.2** In cases where the claim brought by the party commencing the arbitration does not exceed the sum of USD 2,000,000 (or such other sum as the parties may agree) the arbitration shall be referred to a sole arbitrator. In all other cases the reference shall be to three arbitrators. In all cases the appointment of the arbitrators shall be subject to the LMAA Terms.

**20.3** Nothing herein shall prevent the Parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.

**20.4** The parties to this Contract, which includes the Buyer's Agent and all other entities included under the definition of Buyer, are bound by this arbitration agreement, each to each other, and consent to the joinder or consolidation in arbitration of any party or arbitration necessary for the complete resolution of all disputes arising out of the performance of the Contract. Where disputes arise in relation to more than one contract, the Buyer and the Seller consent to the consolidation of any dispute arising under

this Contract with any other dispute arising under any other contract made between the Buyer and the Seller such that the arbitration proceedings can be initiated by a single notice of arbitration and settled by a single arbitration award. A joined party shall be bound by any award rendered by the arbitral tribunal even if such party chooses not to participate in the arbitral proceedings.

- 20.5** Notwithstanding section 20.1 – 20.4, the Seller may elect to commence court proceedings in any country, either to substantively determine any dispute between the parties or to obtain security or other ancillary relief in support of arbitration proceedings where substantive determination will be made. Where a court has ordered the arrest of a ship or other property that court (or another court in that jurisdiction) shall have substantive jurisdiction where the Seller elects for that or where the local procedural rules provide that the substantive dispute shall be determined in that jurisdiction. Where arbitration proceedings are commenced but a court assumes substantive jurisdiction in accordance with this Article, the arbitration proceedings shall be stayed.

## ARTICLE 21 MISCELLANEOUS

- 21.1** If any part of this agreement is declared invalid, it shall not affect the validity of the remainder of the agreement or any part thereof.
- 21.2** For the protection against fraud schemes, the Buyer shall obtain oral and written confirmation from its usual contact person within the Sellers organization prior to effecting any payment pursuant to changed payment instructions. If for any reason the Buyer receives payment information from anyone purporting to represent the Seller or purporting to be part of Sellers organisation, which deviates from the account information previously received from the Seller, the Buyer must immediately contact its usual contact person within the Seller's organisation both by telephone and e-mail to ensure that the new bank account information is correct. The Seller undertakes no liability for payments made to accounts not identified by the Seller in the invoice.
- 21.3** These terms and conditions shall be effective as of 18 January 2024 at 00:01 hours GMT and shall apply to any Contracts concluded after this time.

## ARTICLE 22 SECTION HEADINGS

- 22.1** The headings of each section herein are descriptive only, and are provided for organisational purposes.

## END OF STANDARD TERMS AND CONDITIONS OF SALE