



GENERAL TERMS AND CONDITIONS EDITION MAY 19, 2019

With effect from MAY 19, 2019 these terms and conditions are applicable to each and every sale of marine fuel and or gas oil and or lubricants sold by Stellmar OU, based in Tartu mnt 83, Tallinn, Estonia e-mail: bnk@stllmar.com (hereinafter "Seller") to all parties purchasing the product (hereinafter "Buyer"). These terms and conditions shall override any other or different terms or conditions stipulated, incorporated or referred to by buyer, whether in his purchase order or in any negotiation, unless otherwise agreed to in a subsequent writing.

1. Definitions

The following expressions, where mentioned in these terms and conditions or in the Contract, shall have the meanings as shown below and unless the terms and conditions otherwise require, any words denoting the singular shall include the plural and vice-versa:

Agent means the entity acting on behalf of the Buyer, or the Vessel and/or both.

Barge means the marine vessel(s) used by the Physical Supplier to carry out the supply of Marine Fuels to a Vessel.

Buyer means the entities or persons identified on the Order Confirmation who have contracted with the Seller to buy Products, which shall include its assignees or successors, Managers (the entity that is operationally or technically or commercially managing the Vessel), Operators (the entity that may be commercially operating the Vessel), Trader (the entity that is buying the Products from the Buyer and selling such to the Owner/Managers/Operator), Owner (the owner of the vessel).

Order Confirmation means a written confirmation issued by the Seller to the Buyer setting out the details of the supply of Products including i.a. Supply Place, supply date, volume and grade of the Products and the agreed price.

Price means the price stated in the Order Confirmation for the Products; and (ii) any applicable taxes, VAT or other duties whether or not identified in the Order Confirmation; and (iii) any delivery costs including any charges for delivery outside normal working hours at the Supply Place or for rescheduled delivery whether or not identified in the Order Confirmation;

Product or Marine fuel means a commercial grade of bunker fuel oil and/or marine gas oil or their mixtures offered at the time and place of delivery by seller.

Seller means the entities identified on the Order Confirmation who have contracted with the Buyer to sell Products named in the applicable Order Confirmation.

Supplier means the entity who physically supplies the Product to the vessel together with that person's servants, agents, successors, sub-contractors and assigns. The Physical Supplier may be any other person or the Company.

Vessel means the Vessel to which the Products are being delivered to, or for which the Buyer has contracted to buy the Products.

2. Applicability of the Terms and Conditions

A. These Terms and Conditions supersede and replace any previous General Terms & Conditions of the Seller and shall be effective from the Effective Date. No variation shall be binding unless agreed in writing by the Seller. In the event of a conflict between the Order Confirmation and the Terms and Conditions the Order Confirmation shall prevail to the extent of the conflict only but in all other respects the Terms and Conditions shall apply.

B. It is agreed that the Buyer has bought and the Seller has sold the Products as per the terms of the Contract and the Terms and Conditions.

C. These Terms and Conditions, in conjunction with the applicable Order Confirmation, shall constitute the contract ("Contract") pursuant to which the Seller agrees to sell and procure delivery of Marine Fuels and the Buyer agrees to accept and pay for such Marine Fuels.

D. Each Contract contains the entire agreement between the Buyer and the Seller and shall supersede all prior agreements, arrangements or stipulations whether oral or written, for the supply of Marine Fuels contemplated in that Contract. In the event of any conflict or inconsistency between the provisions



of the Confirmation and these Terms and Conditions, the provisions of the Order Confirmation shall prevail.

E. Documentation issued by the Buyer, the Vessel (or any of their respective representatives) including but not limited to any purchase order, nomination or confirmation, shall in no way bind the Seller or vary the terms of the Contract. The Contract can only be amended or varied by written agreement of both the Buyer and the Seller and any attempt to do otherwise shall be null and void.

F. If the delivery is contracted for by the Buyer as an agent of any other person or by any person as an agent of the Buyer, whether such agency is disclosed or not, such agents and principals shall be jointly and severally liable with the Buyer for all obligations expressed to be those of the Buyer under the Contract and for the due and proper performance of the Contract.

G. The Seller sends the bunker Order Confirmation to the Buyer. Each Order Confirmation shall incorporate these Terms & Conditions whether or not the Order Confirmation includes an express reference to the Terms & Conditions. In any event, the acceptance of the Products by the vessel shall be deemed to constitute acceptance of these Terms and Conditions.

H. Should the Contract be entered into by any party acting as an Agent for the Buyer and/or acting for or on behalf of the Buyer, whether such is disclosed or undisclosed, then such Agent with actual or constructive notice of the existence of these Terms & Conditions in addition to the Buyer and or holder of any interest in the Vessel receiving the Product shall be jointly and severally liable for and guarantees the proper performance of all the obligations of the Buyer under this Contract, and shall be deemed as a principal and not only acting as an Agent.

I. It is agreed that all orders of all Products are considered to be emanating from the Master of the vessel, even if relayed by the Buyer to the Seller and even if no written request for the Master of the vessel exists, the dues and cost of such supplies and/or deliveries shall be treated as a primary lien on and arrest of the Vessel..

3. Vessel's nomination

A. Buyer shall give seller at least five (5) days prior written notice of the scheduled date of arrival of his vessel specifying the name of the vessel, vessel's agent, approximate date of arrival, bunkering port, grade and quantity of marine fuel and buyer's address for invoicing.

B. Buyer shall ensure that either the master of a nominated vessel or vessel's agent gives not less than two (2) working days advance notice to the seller's local office at each delivery port, which notice shall identify the buyer and specify the place where and the time when delivery is required. The master or the vessel's agent shall give immediate notice to seller of any delays in time of arrival. In case of failure to arrive at the scheduled date, seller will use his best efforts to reschedule buyer's vessel but shall not be responsible for any delays or for any damages resulting therefrom.

C. If any nomination is given by an agent for a buyer hereunder, then such agent shall be independently liable, as if it were the principal, for the performance of all the obligations hereunder. In any event, for the avoidance of any misunderstanding, the Ship-Owners shall at all times remain unlimitedly and jointly liable to the seller for any unpaid invoices. Should the quantity requested locally exceed by ten percent (10 %) the nominated quantity in any grade, buyer shall give seller message/mail authorization to supply such increased quantity.

D. Seller does not warrant nor shall be deemed to warrant the safety of any place (s) or facility (ies) where buyer's vessel loads and assumes no liability in respect thereof, except for loss or damage demonstrably caused by his failure to exercise reasonable care.

4. Environmental protection

A. If a spill occurs while marine fuels are being delivered, buyer shall promptly take such action as it is reasonably necessary to remove the spilled marine fuels and to mitigate the effects of such spills. Buyer shall cooperate and render such assistance as is required by seller in the course of such action.

B. All expenses, claims, losses, damages, liabilities and penalties shall be divided between the parties in accordance with the comparative degree of negligence. The burden of proof to show seller's negligence shall be on the buyer. Buyer shall give seller all documents and other information concerning any spill, or any program for the prevention thereof, that are required by seller or required by law or regulation applicable at the time and place of delivery.

C. The seller warrants that the Physical supplier that each time is be appointed by the seller to effect the transaction locally complies with Marpol annex vi regulations 14 and 18, unless otherwise advised.



5. Quality and quantity determinations

A. Buyer shall have the responsibility for the selection and acceptance of marine fuels. The quality of each grade of marine fuel shall be the usual production quality of that grade being sold by seller at the time and place of delivery. The buyer shall have the responsibility for any determination of compatibility of marine fuel purchased from the Seller with marine fuel already on board the vessel.

B. The quality and quantity of the marine fuel shall be determined by seller's/physical supplier's personnel, using sellers/physical supplier's equipment according to seller's/physical supplier's official methods, and in any case according to refinery/deposit's tickets, the custom's certificate and the bunker receipt. Buyer may be present or represented when such quality determinations and quantity measurements are taken, but whether or not buyer or buyer's representative accepts or declines such invitation, seller's/physical supplier's determination of quality and quantity shall prevail and be binding.

C. Seller shall draw at least three representative sealed samples of each grade of marine fuel delivered. All such samples shall be drawn from the Barge, Road Vehicle or other delivery facility manifold unless the Seller or Physical Supplier elects otherwise. The sealed samples shall be deemed conclusive and binding as to the quality of the delivered marine fuel.

D. Seller or seller's agent may inspect the buyer's vessel in the event of any complaint, whether at the request of buyer or otherwise. Such inspection or any analysis made in connection therewith shall be made entirely without any obligation on behalf of seller to consider or act upon any claim or complaint by buyer or otherwise and shall be entirely without prejudice to seller's position.

E. If present at loading, buyer or buyer's representative shall furnish to the seller's personnel such ship's data as available pertaining to the accuracy of the quantity and quality determinations initially made (e.g. dryness certificate, ship's ullage before and after loading, fuel oils retained on board from tank washing or cleanage or for other reason, vessel experience factors and sample from the cargo tanks). For the avoidance of any doubt, it is expressly hereby agreed that for the assessment of quantity, relevant survey's shall only be carried on the bunker barge (before and after completion of delivery), and in no case, under any circumstances and for whatever the reason on the receiving vessel. This proviso/obligation shall apply and extend to any authorized surveyor, conducting a survey, in relation to any delivery of bunkers, from the bunker barge to any receiving vessel. Notwithstanding this, if any survey is conducted on the delivered bunkers on board the receiving vessel, such a survey shall not, and will not in any case be taken into account by the parties, or the court, in resolving any quality or quantity dispute.

F. Buyer waives all claims against seller with respect to any claimed shortage in quantity, unless buyer or buyer's representative shall give written notice both to the seller's headquarters and to the seller's ship master strictly at the time of loading. Seller shall also be notified in writing of any claimed defect in the quality immediately after such alleged defect is discovered, without prejudice to the seller's rights described herein. Each of the foregoing preliminary notices shall be followed by a formal written notice of claim to seller containing all details necessary to allow evaluation of the claim. If buyer fails to give any initial notice or if the formal written notice is not received by the seller within the time limits provided herein, any claim shall be conclusively deemed to have been waived.

G. In the event that the cargo is found to be off-spec, according to the provisions of these Terms and Conditions, the parties must closely liaise and cooperate to facilitate all necessary actions in order to minimize the resulting loss to both the vessel and the seller/physical supplier. Any remedy must be expressly agreed by the parties in writing before facilitation.

H. Claims, if any, are to be settled separately from payment of the invoice, which, in all cases, has to be honored in full without delay.

I. Time limits : Because the seller is frequently placed under strict time limits by its suppliers or the presentation of claims it is necessary that it too must impose rigid time limits on receiving notice of claims from its buyers. In consequence of the seller's strict time limits, buyers should ensure that they maintain their own equally strict internal checking and reporting procedures. It must be clearly understood that the seller will not relax its time limits in any circumstances.

J. Notification: Written notice of any claim or potential claim must be given to the seller within the time limit specified. It is the buyers' responsibility to ensure that notice is received by the seller whose confirmation of whether a claim or dispute has arisen or prompt notice to the seller of any discrepancy, error or omission document tendered, submitted or produced by the Physical Supplier and of any unusual occurrence relating to the Delivery.



K. Sufficiency of Information: To enable the seller to investigate and pursue a claim the notice must give sufficient information for the seller to be able to identify the relevant transaction, the nature of the complaint and the loss or damage alleged. Any notice which does not give such sufficient information will not be valid. For the same reasons the buyer must provide a full and complete response to any and all questions, enquiries and requests made of it by the seller concerning the claim and matters relating thereto.

L. Claim Categories : Claims fall into 3 categories :

1. Quantity claims and disputes
2. Quality claims and disputes
3. Other claims and disputes

Quantity Claims and Disputes:

Quantity Claims and Disputes: These are most standards of checking before, during and after Delivery easily by avoided by an Officer ensuring high of the vessel 's crew or other senior representative of the Customer.

For bulk deliveries, delivery barges, wagons and vehicles must be checked by tank-dipping to measure the contents and ensure full out-turn. Flow meters must be checked for seals, correct settings and calibration and general condition. All of these checks must be carried out before and after delivery of each consignment and each barge, wagon or vehicle tank load. The Delivery must be supervised at all times and care must be taken in ensuring that all documentation is complete and accurate before signing and stamping . Any discrepancies must be recorded on the Physical Supplier's delivery receipt. Unless these procedures are followed it is nearly always impossible for a claim to be substantiated. The seller regrets therefore that it will be obliged to reject claims for short delivery where these receiving procedures are not followed.

The seller will not accept a claim for short delivery based upon figures obtained by measuring Product in the vessel's tanks.

The time limit for receipt by the seller of notice of a quantity dispute is not later than the sailing time of the bunker barge from alongside the vessel at the delivery date unless greater period as is specified in the Confirmation mail/message.

Quality Claims and Disputes: It is the buyer's responsibility to ensure that the products tendered for Delivery are those which are required by the vessel and are delivered into the correct tanks.

Three representative samples of every consignment and load of the Delivery must be taken as Delivery proceeds. The samples must be signed and sealed by a representative of the Physical Supplier and by an officer of the vessel or other senior representative of the buyer. Each such sample shall be: (i) securely sealed; (ii) labeled with the Vessel's name, product type, delivery date, delivery location and seal number; (iii) authenticated with the Vessel's stamp, if any; (iv) signed by the Physical Supplier and the Master of the Vessel (or any of their authorised representatives); and (v) recorded on the bunker receipt.

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, the Physical Supplier or their representatives

In the event of the buyer having grounds to believe that the Product supplied does not accord with the relevant description in the Order Confirmation or is defective the buyer shall immediately:

1. take all reasonable steps to mitigate the consequences of having been supplied with possibly defective or incorrect Product
2. give notice with full details of the possibly defective or incorrect Product to the Company together with the vessel's position, destination and ETA ; the quantities and locations of all bunkers on board the vessel ; the rate and quantity of consumption since Delivery and the location immediately prior to consumption of bunkers consumed ; for each of the three preceding deliveries to the vessel, the quantity and specifications of Product supplied the place and date of supply and the name of the supplier ;
3. inform the seller of the whereabouts of the buyer's set of samples.

It is a pre-condition of the seller being prepared to consider any quality claim that at the time notice is given, the buyer retained its complete set of sealed samples and is prepared to have them analyzed by a reputable independent testing laboratory, approved by the seller, in accordance with established procedures in the presence of a representative of the seller. Unless otherwise agreed to in writing by the seller and the buyer, it is the results of the samples' analyses that shall be binding upon the parties hereto.



If it is alleged that any equipment or machinery has been damaged by defective Product full details must be given to the seller at the earliest opportunity and the item must be preserved and made available for inspection on demand at any reasonable time or times to the seller or its representative.

The time limit for receipt by the seller of notice of a quality claim is 7 (seven) days from the date of Delivery or such shorter period as is specified in the Order Confirmation.

Other Claims and Disputes : Notice of all other claims, specifically excluding any and all claims relating to or associated with those relating to matters of quantity or quality which are subject to the time limits set out above, should be given to the seller as soon as reasonably possible and in any event no later than 28 days after Delivery. If the Order Confirmation provides for a shorter period such shorter period shall apply.

Summary of Time Limits:

Quantity claims and disputes not later than the sailing time of the bunker barge from alongside the vessel at the delivery date. Quality claims and disputes	7 days
Other claims and disputes	28 days

all subject to the provision of shorter time limits in the Order Confirmation.

6. Delivery

A. Seller will do his best to bunker the vessels of the buyer as promptly as possible, but shall bear no liability for any demurrage, detention or any other damage due to any delay beyond his force, including but not limited to delay caused by weather (whether usual or unusual), congestion at the terminal or prior commitments of available barges or existing facilities, howsoever caused.

B. Buyer shall without charge immediately furnish clear and safe berth alongside vessel's receiving lines and shall render all other necessary assistance to the barge effecting delivery on 24 hours per day basis.

C. Buyer shall make all connections and disconnections between the delivery hose and vessel's intake pipe, or furnish steam, if necessary, and provide sufficient tankage equipment to receive promptly all deliveries.

D. Seller shall in no event be liable for any damage, demurrage, detention or delays resulting from causes beyond his control or avoidable by due care on the part of the buyer or his vessel.

E. The delivery shall be made during normal working hours unless required and available at other times (holidays, Saturdays and Sundays) and permitted by port regulations, in which event buyer shall reimburse seller for any and all additional expenses incurred in connection therewith, including overtime.

F. All deliveries shall be deemed complete and title and risk of loss shall pass to buyer when the marine fuel has passed the flange connecting the delivery facilities provided by seller. Thereafter, seller shall in no event be responsible nor liable for any loss or damage.

G. Buyer shall indemnify seller against any and all damages and liabilities arising out of or resulting from any act(s) or omission(s) of buyer, his servants, agents, vessel's officers or vessel's crew in connection with marine fuel delivery. Indemnification shall include all costs, reasonable attorney's fees and other damages, including, but not limited to, the cost of compelling buyer to comply with these terms and conditions.

H. If buyer, his agents, servants, vessel's officers or vessel's crew cause any delay to seller's facilities in effectuating deliveries of fuel oils, buyer shall pay demurrage to seller at seller's established rates and reimburse seller for any and all other expenses in connection therewith.

I. If buyer fails to take delivery of the product or any part thereof within a reasonable time from the agreed supply time, Seller shall be entitled at Buyer's risk and expense, either to transport the product back to storage or to sell in a downgraded form at a market price without prejudice to Seller's other rights under this Contract for damages. Seller shall at its sole discretion determine what constitutes a reasonable time to terminate the delivery.

7. Price

A. Price will be that which has been agreed between buyer and seller at the time of concluding the contract and confirmed in writing by the seller and will be valid for deliveries at the agreed dates.



B. Price excludes any local government duties or taxes that may be levied. Such duties or taxes, if any, shall be paid in addition to stipulated price.

C. Unit Price: Where in the Confirmation message/mail the Unit Price is stated to be not subject to variation the Unit Price will, not be varied. In all other cases having agreed the Unit Price of the Product the seller will endeavour to refrain from making any increase. However, the cost of marine bunkering products is volatile and the seller therefore reserves the right to increase the Unit price at any time before delivery. Notice of the increase will be given during the seller's normal business hours (Monday to Friday inclusive, 08:00- 18:00 Tallinn time as the case may be). Notice given outside these hours will be deemed to have been given at 08:00 on the first business day thereafter. In such event the buyer may forthwith give written notice to the seller of cancellation of the Agreement. If no such notice is received within one hour of the seller advising the buyer of the increase of the Unit Cost the buyer shall be deemed to have agreed to the revised Unit Price and the Agreement so revised shall remain in full force and effect.

D. Further Costs: In addition to the Basic Cost of the Product the buyer agrees to pay for any charges raised in respect of taxes, freight, barge, vehicle, wagon or clean up costs including overtime or other like payments; insurance; pilotage; port dues and any and all other like costs and expenses incurred by or charged to the seller as and when they are advised to the seller and related to bunker delivery and together with the Basic Cost shall for all purposes constitute the Price due from the buyer to the seller for the Product supplied.

E. Notice of the Price: The seller will give notice of the Price to the buyer as soon as reasonably practicable after Delivery. In certain circumstances the Company will give notice of the Price in installments. Where notification of the Price is given in installments each element of the Price so notified shall when due constitute an enforceable debt due from the buyer to the seller. Notice of the Price may at the seller's option be provided by invoice sent by post or message/mail or as otherwise provided herein or as agreed.

F. Proof of Delivery: The buyer or his representative should attend Delivery and obtain at that time all outstanding information relating to Delivery including the exact quantities and precise specification of Product delivered.

Once the delivery is completed and quantities measured, a Bunker Delivery Receipt in a form determined by Seller shall be signed by the Master of the Vessel or the Buyer's authorised representative, and returned to the Seller, or his representative, as acknowledgement of the actual volume only and a duplicate copy shall be retained by the Master of the Vessel.

Buyer expressly undertakes not to make any endorsement, complaint, comment or any other notification on this receipt when presented for signature. Such notifications will be considered null and void, i.e. without any legal effect.

It is expressly agreed that the furnishing by the seller of proof of Delivery is not a prerequisite to payment of the Price.

8. Payment

A. Payment shall be made in full without any deduction, discount or setoff whatsoever, and there shall be no withholding either in part or in full by reason of any set-off, counterclaim or for any other reason, whether relating to the Contract or past agreements or Contracts.

B. If in breach of the preceding clause 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 to the Seller of 20% of the outstanding amount. The Buyer recognizes that such compensation is a reasonable pre-estimate of the Seller's loss, taking account of factors including but not limited to the additional management time incurred in dealing with late payment, the loss of opportunity to reinvest the missing funds and currency exchange fluctuations.

C. Buyer shall effect payment in U.S Dollars (US\$) to seller's account at a bank designated by seller. Payment shall be deemed to have been effected on the date when full amount of seller's invoice is credited to seller's account. Buyer may not at any time or for any reason whatsoever assert a set off or invokes any counterclaim or other right as a basis for withholding payment.

D. When marine fuel is supplied on a credit basis, full payment shall be received by the due date specified in seller's invoice. If the established credit period expires on a Saturday or a Sunday, the buyer shall arrange payment on the Friday, or on the immediately preceding day when banks are open. Seller will in due course provide buyer by ordinary mail with a commercial invoice and a copy of the bunker receipt.



E. Seller's invoice shall be based on advice as to the quantity delivered and of other charges and surcharges if incurred and payment made pursuant to (a) above shall be subject to such subsequent adjustment as may be necessary on receipt by the seller of further delivery details.

F. If marine fuel is supplied on a credit basis and full payment is not received by the due date as per seller's invoice, buyer shall immediately be in default. Without limitation to any of the Seller's rights, service charge of 2% prorata monthly will be assessed on all late payments and shall be payable as subsequently directed by seller. Interest shall be calculated from the payment due date until the date payment is received in full by the Seller. This shall be in addition to any other remedies which seller may take by reason of such default.

G. If buyer is in default of full payment, if his financial condition in the seller's opinion becomes impaired, or if proceedings in bankruptcy or insolvency are instituted by and or against buyer, or in the case of liquidation or dissolution of buyer, any and all postponed or deferred payments including interest thereon, shall become immediately due and payable and seller reserves the right to offset same against debts to buyer or his affiliates. Vessel's owners are the final responsible for payment in case of default by buyers.

H. Ownership of bunkers. It is well understood that the Seller remains the sole owners of bunkers supplied until payment of the relevant bunker invoice is fully received by their bankers.

I. The Buyer expressly agrees that it will incur a debt obligation to the Seller for any amounts owed pursuant to the Contract from the time of delivery of such Marine Fuels, irrespective of whether an invoice is issued for such amounts, and where the Buyer wrongfully neglects or refuses to pay any such amounts in accordance with the Contract, the Seller may maintain an action against the Buyer for any such amounts.

J. In the event that any sums are overdue from the Buyer and the Seller incurs costs in relation to the collection of such overdue sums then the Buyer shall indemnify the Seller and pay to the Seller upon demand such costs, which shall include but not be limited to attestation and translation costs, fees of third party, debt collection agencies, and lawyer's fees and regardless of whether such costs led to the collection of the overdue sums.

K. All sums payable in accordance with a Contract for Products delivered to a Vessel shall constitute a lien on and/ or arrest of the Vessel.

L. Without prejudice to any other rights or remedies available to the Seller the Buyer shall pay interest to the Seller at the rate of 2 (two) per cent per month (compounded monthly for each month, or part thereof,) on all balances that remain unpaid from the date that they were due or, upon the withdrawal of credit, became due for payment. The Seller shall provide regular interest notes which shall be binding as to the amount of interest that is due, but the Buyer's obligation to pay interest shall not be conditional upon such interest notes being issued.

M. The Seller shall be entitled to allocate payments from the Buyer at its sole discretion and regardless of any allocation stipulated by the Buyer and shall be entitled to extinguish claims for compensation, interest, legal fees or any other sums due from the Buyer in priority to invoices for Products and regardless of the date that the respective obligations arose.

N. In the event that any sums are overdue from the Buyer and the Seller incurs costs in relation to the collection of such overdue sums then the Buyer shall indemnify the Seller and pay to the Seller upon demand such costs, which shall include but not be limited to attestation and translation costs, fees of third party debt collection agencies, and lawyer's fees and regardless of whether such costs led to the collection of the overdue sums

9. Force majeure

No failure or omission by the seller or the buyer to carry out or observe any of these conditions shall give the right to rise any claims against that party or be deemed to be a breach of these conditions if the same shall arise out of causes not reasonably within the control of that party, whether or not foreseen, including (but not limited to) such causes as labor disputes, strikes, governmental intervention, the seller's response to the insistence or request of any governmental body or person purporting therefore, war, civil commotion, fire, flood, accident, storm, earthquake or any act of god. This provision however does not excuse the buyer from his obligation to make payment for all amounts due to the seller on account of marine fuel previously delivered hereunder.

10. Notices

Unless otherwise provided, all notices, statements and other communications, including invoices to be



given, submitted or made hereunder by either party to the other, shall be sufficiently given in writing and sent by post or email to the address designated by buyer for invoicing or to the address designated by seller. Either party may change its designated address by giving fifteen (15) days prior written notice of its address to the other party.

11. Cancellation and breach

A. In the event of the buyer at any time cancelling a request for Product or the vessel failing to take delivery of part or all of the requested Product the seller shall have the right to pursue a claim against both the buyer and the vessel for all loss and damage thereby suffered including loss of profit. The seller may treat any other breach by the buyer of any express term of the Agreement as a breach of a condition and it may at its discretion thereupon accept the breach, treat the Agreement as repudiated and seek such remedies as it considers appropriate.

B. The Seller, in the event of a breach of the obligation by the Buyer resulting from the maritime claim under this agreement, in order to secure such a maritime claim, reserves the right to arrest the Vessel for which the maritime claim arose or any the other vessel whose owner at the time of the maritime claim was the Buyer or the Agent, as well as the detention or lien of such a vessel for the execution of a judgment in the jurisdiction of any state.

C. Notwithstanding anything contained herein, the Buyer accepts that even if it is established that the Seller is in breach of its contractual obligations including those as to quantity, quality or specification this shall not nullify any part of the Contract in any way, neither shall it affect the duties, liabilities and obligations of the Buyer towards the Seller, irrespective of any claim made or proven of whatsoever nature by the Buyer.

12. Liens

Where Product is supplied to a vessel, in addition to any other security the Seller may have, the Agreement is entered into and Product is supplied upon the faith and credit of the vessel. It is agreed and acknowledged that a lien over the vessel is thereby created for the Price of Product supplied together with any interest accrued and that the seller in agreeing to deliver Product to the vessel does so relying upon the faith and credit of the vessel. The buyer if not the owner of the vessel hereby expressly warrants that he has the authority of the Owners/Agents/Traders/Managers/Operators/Charterers to pledge the vessel's credit **in favor of the Seller** as aforesaid and that he has given notice of the provisions of this clause to the owner. The seller shall not be bound by any attempt by any person to restrict, limit or prohibit its liens attaching to a vessel unless notice in writing of the same is given to the seller before it sends its Confirmation message/mail to the buyer.

13. Arrest of Vessel

A. The bunker oil supplied to the Vessel is sold and delivered on the credit of the Vessel, as well as on the promise of the Buyer to pay therefore and the Buyer agrees and warrants that the Seller shall have and may assert a maritime lien against the vessel and may take such other action or procedure against the vessel and any other Vessel or asset beneficiary owned or controlled by the Buyer for the amount due for the Bunker oil and the delivery thereof. The seller is entitled to rely on any provision of law of the flag state of the vessel, the place of delivery or where the vessel is found and shall among other things enjoy full benefit of local rules granting the Seller maritime lien in the vessel and/or providing for the right to arrest the vessel. Nothing in this Bunker contract shall be considered to limit the rights or legal remedies that the seller may enjoy against the Vessel or the Buyer in any jurisdiction.

B. In case of breach of contract by the Buyer, the Seller shall moreover be entitled to take such legal action in any court of law in any state or country which the Seller may choose and which the Seller finds relevant in order to safeguard or exercise the Seller's rights in pursuance of this present Agreement. These legal actions are carried out in accordance with the procedural law of the country in which the Seller seeks protection of his rights.

C. The Parties formally agree that in the event of any disputes regarding non-compliance and / or incomplete fulfillment by the Buyer of their obligations under these Terms and Conditions and each Contract, the Seller's claim to the Buyer with the requirements related to these violations is Maritime Claim.

D. 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.



E. The parties confirm that in the event of a breach of the obligation by the Buyer resulting from the maritime claim under General Terms and Conditions and each Contract, in order to secure such a maritime claim, reserves the right to arrest the Vessel for which the maritime claim arose or any the other vessel whose owner at the time of the maritime claim was the Buyer as well as the detention of such a vessel for the execution of a judgment in the jurisdiction of any state.

14. Waiver

The failure by any party to the Agreement to enforce any right against any other party shall not be construed as a waiver of that right or in any way affect the validity of the Agreement. In particular, the granting by the seller of any additional time to make payment or the waiving or reducing of any financial or other charge shall not prevent the seller at any time thereafter from relying upon its strict contractual rights.

15. Indemnity

The buyer hereby indemnifies the seller in respect of all damage or injury occurring to any person or to any property and against all actions, suits, claims, demands, costs, charges or expenses arising in connection therewith to the extent that the same shall have been occasioned by the negligence or default of the buyer, his servants or agents or any third party in the course of performance of or arising out of the Agreement.

16. Liability

To the extent permitted by Law the Company shall not be liable to the buyer for any loss or damage including loss of profit or any other consequential loss whatsoever arising from any cause whatsoever whether in contract, tort or otherwise including the negligence of the seller, its servants, agents or sub-contractors.

17. Compensation

Notwithstanding the foregoing, in the event that the seller is found to be liable to the buyer, the total amount payable by way of compensation other than in respect of personal injury or death shall not exceed the price charged to the buyer for Product supplied under the Agreement. It is a precondition to the payment of any compensation by the seller that all sums standing due to the seller from the buyer are first paid and settled.

18. Insurance

The buyer is responsible for effecting and maintaining in force adequate insurance which will fully protect the buyer, the seller and all third parties from all risks, hazards and perils associated with or arising from the Agreement and Delivery.

19. Licenses permits and approvals

The buyer is responsible for obtaining all necessary permits, licences and approvals required to enable both parties to execute all of their obligations under the agreement.

20. Good practice

The buyer shall, in addition to observing and complying with the terms of the Agreement, abide by generally accepted good operating practices.

21. Governing law and settlement of disputes

A. This Contract shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Contract shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause

B. 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.



C. The seat of the arbitration shall be England, even where any hearing takes place outside England. The language of arbitration shall be English.

D. The reference shall be to three arbitrators, one to be appointed by each party and the third, subject to the provisions of the LMAA Terms, by the two so appointed. Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of two or a sole arbitrator.

E. In cases where neither the claim nor any counterclaim exceeds the sum of US\$100,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.

F. In cases where the claim or any counterclaim exceeds the sum agreed for the LMAA Small Claims Procedure and neither the claim nor any counterclaim exceeds the sum of US\$400,000 (or such other sum as the parties may agree) the parties may further agree that the arbitration shall be conducted in accordance with the LMAA Intermediate Claims Procedure current at the time when the arbitration proceedings are commenced.