

GENERAL CONDITIONS OF SALE AND DELIVERY

Effective 01st January 2015

This is a statement of the Terms and Conditions on which North Sea Bunker GmbH (registered office in Lübeck, Germany HRB Nr. 3729) will offer and sell Products and Services. These Terms and Conditions shall apply to any and all offers, quotations, orders, agreements and subsequent contracts of whatever nature. No variation of these Terms and Conditions and no other Terms and Conditions shall be valid unless expressly agreed otherwise in writing by the Seller's Board of Directors.

1. Definitions

- 1.1. "Seller" shall mean North Sea Bunker GmbH, Lübeck, Germany. The term "Seller" shall also be used when the agreement in question is not, in actual fact, an agreement of sale.
- 1.2. "Buyer" shall mean the party named in the "Nomination" or in an equivalent form of placement of the order, the Vessel supplied and jointly and severally her master, owner, manager/operator, disponent owners, time or bareboat charterers or any other party and/or parties contracting to buy Products and/or Services from the Seller. The term "Buyer" shall also be used when the agreement in question is not, in actual fact, an agreement of sale.
- 1.3. "Products" shall mean the fuels, oils and lubricants (including, but not limited to Bunker C, Intermediate Fuel Oil, Marine Diesel Oil, Marine Gasoil, Lubricating Oil and any other products destined or received for use as bunkers or as lubricant oil on board of ships) and goods, equipment and materials of whatever type and description as specified in the Seller's Order Confirmation to the Buyer.
- 1.4. "Services" shall mean agency services or similar attendance to Buyer's needs.
- 1.5. "Vessel" shall mean the vessel, ship, barge or off-shore unit to which the Products and/or Services are to be delivered by the Seller as requested by the Buyer.
- 1.6. "Supplier" shall mean the party physically supplying the Products and/or Services to the vessel, together with his sub-contractors, assigns, agents, servants and successors.
- 1.7. "Contract" shall mean any agreement between Seller and Buyer that is subject to these Terms and Conditions.
- 1.8. "Conditions" shall mean the Seller's Terms and Conditions.
- 1.9. "Nomination(s)" shall mean a written request by the Buyer or his sub-contractors, assigns, agents, servants and successors to the Seller.
- 1.10. "Order Confirmation" shall mean Seller's confirmation of the Buyer's Nomination in writing.
- 1.11. "We", "us" or "our" shall mean North Sea Bunker GmbH, Lübeck, Germany.
- 1.12. "Board of Directors" shall have the identical meaning to "Geschäftsführung" under German law.

2. Applicability

- 2.1. Unless the contrary is expressly agreed in writing by the Seller these Conditions shall apply to all the Seller's sales of all Products and/or Services, as well as to the performance of any subsequent agreement following or resulting from such sales, as well as to all the Seller's offers and other agreements.
- 2.2. These Conditions shall be binding on the Buyer, to the exclusion of any other general conditions, including the Terms and Conditions of the Buyer which are hereby expressly rejected, unless the contrary has expressly been agreed to by the Seller's Board of Directors in writing. A Buyer's declaration that his Terms and Conditions are binding for the Seller is to be considered invalid.
- 2.3. Without the written authorization of Seller's Board of Directors, Seller's representatives are not empowered to agree to the applicability of Buyer's Terms and Conditions nor to any amendment of or concession contradicting the Seller's Terms and Conditions.
- 2.4. The Buyer will supply the Seller or instruct his agents to supply the Seller with a signed, dated and witnessed copy of these Terms and Conditions each and every time Buyer places an order with the Seller, or will send the Seller a note confirming that all presently intended and future contracts are to be governed by the dated, signed and witnessed Seller's General Terms and Conditions. Failure to do so does not prevent the applicability of these Conditions per se.

3. Offers and Contracts

- 3.1. All the Seller's offers, indications and estimated costs are to be understood as being conditional and subject to availability of Product and transportation as well as to alteration and shall include only such Services as expressly specified. All Product specifications and characteristics advised by the Seller to the Buyer are to be understood as indications only and shall not be construed as guaranteed specifications of the Products to be delivered unless so expressly stated in the Seller's Order Confirmation. Where standard specifications are being given or referred to, tolerances in accordance with ISO 4259 in respect of reproducibility/repeatability in quality are to be accepted without compensation, liability or other consequences whatsoever.
- 3.2. Legally valid contracts regarding the sale of Products require a Nomination and an Order Confirmation, each in writing. Unless otherwise expressly agreed, only the dispatch of the Seller's written Order Confirmation by the Seller, his representatives or broker, to the Buyer establishes a Contract. In case of conflict between the content of the Buyer's Nomination and the Seller's Order Confirmation, the content and the wording of the Order Confirmation is deemed to contain the prevailing terms of the Contract. It is the Buyer's sole responsibility to check the content of the Order Confirmation immediately and to inform the Seller immediately about discrepancies.
- 3.3. If the Seller didn't, for whatever reason, issue an Order Confirmation to the Buyer, the delivery note (bunker receipt) and/or Seller's invoice(s) shall serve as proof of the order, delivery and the acceptance thereof.

- 3.4. The Seller is entitled to recover from the Buyer all direct and indirect losses, costs and expenses incurred as a consequence of the cancellation of the Contract by the Buyer, for whatever reason.
- 3.5. It is the Buyer's sole obligation to inform all other parties constituting the Buyers as defined above that they are deemed to be part of the Contract. Upon request by the Seller, the Buyer will provide a payment guarantee by the owner of the Vessel.

4. Prohibited Countries

- 4.1. The Buyer acknowledges that he is familiar with and will comply with all applicable laws and regulations relating to the use, diversion, trade, export or re-export of Products in general and marine fuels in particular. Without prejudice to the foregoing, where requested to do so by the Seller, the Buyer will supply Seller with evidence that controls are in place, which actively support such compliance.
- 4.2. The Buyer undertakes not to export, re-export, divert, trade, ship, import, transport, store, sell, supply, deliver or re-deliver, whether directly or indirectly, the Products in general and marine fuels in particular to or in any prohibited country and not to do the same to or for the end use by any entity or vessel associated with any prohibited country.

5. Prices

- 5.1. Unless otherwise specified, Seller's prices shall be deemed to be ex-wharf and shall represent only the purchase price of the Products. The Buyer shall pay any additional expenses or costs including but not limited to costs for transportation, overtime, surcharges, wharfage, dockage, harbor fees, demurrage, dues, duties, levies, taxes and other costs, including those imposed by governments and local authorities. If the price is fixed as "Delivered" the price includes transportation to the Buyer's vessel, but does not include any other expenses or costs as indicated above.
- 5.2. If the selling-price stipulated in the Contract is based on taxes, levies and duties by government or other authorities or import duties which exist at the place of delivery and prevail at the time the agreement is entered into with the Buyer, the Seller shall in case of every and each change in those taxes, levies and duties occurring after the date of the Order Confirmation be entitled to revise the selling-price accordingly and to charge the same to the Buyer.
- 5.3. Once the Seller has accepted and confirmed a Nomination, the Seller reserves the right to cancel the Contract or to amend the selling-price if the quantity required increases or decreases more than 10%, or if the quality specifications of the required Products change.

6. Quality

- 6.1. The Buyer shall have the sole responsibility for the Nomination of the Products and in particular the grades of marine fuels fit for use by the vessel. If information about the grade, content and/or quality of the Products is given by us in offers, price-lists or otherwise, the correctness of that information is guaranteed only if and to the extent that such correctness has been specifically declared by us directly to the Buyer in writing. Unless otherwise agreed in writing, samples and/or analysis-results supplied by us shall merely indicate the nature and quality of the Products by a rough approximation.
- 6.2. The Buyer hereby warrants that it has not relied upon any representations made by us or on our behalf but has relied exclusively on his own knowledge and judgment as to the fitness for its purpose of the Products ordered. The Seller gives no guarantee whatsoever in respect of merchantability or of suitability of Products for a particular use.
- 6.3. Products delivered under the Contract shall be segregated from product(s) already on board the receiving vessel. Any consequences arising from mixing Products aboard the vessel shall remain the joint and several responsibilities of the receiving Vessel and the Buyer.
- 6.4. In any event, the Seller shall not be responsible for any on-board-safety or storage failure that may affect the delivery or product quality as requested and shall have the right to recover from Buyer any loss, damage or expenses incurred as a result of such failures.
- 6.5. The Seller can under no circumstances be held responsible for any consequences of the misuse or defective application of the Products.

7. Sampling

- 7.1. The Seller/Supplier shall take one primary sample of each delivery and/or each grade of Products delivered from which four representative samples shall be taken by the Seller/Supplier. The Buyer or Buyer's accredited representative shall be at liberty to witness the sampling, however, the absence of the Buyer or his representatives shall not prejudice the validity of samples taken.
- 7.2. The primary sample is to be divided into four parts. Three parts of the primary sample are taken for quality purposes ("quality samples"). The fourth sample is known as the MARPOL Control Sample. One sealed quality sample and the MARPOL Control Sample shall be handed to the Master of the Vessel and the other two quality samples shall be retained by the Seller for a period of 60 days.
- 7.3. Where reasonably practical, the samples shall be taken in accordance with ISO-8217, but shall otherwise be taken from a point and in a manner chosen by the Seller and/or his Supplier and/or its representative.
- 7.4. The samples taken shall clearly indicate the Vessel's name, identity of the delivery facility, Supplier's name, product name, delivery date and hour and place and point of sampling, authenticated with the Vessel's stamp and signed by the Seller's representative, the Buyer's representative and the Master of the Vessel. The seal numbers shall be inserted into the bunker delivery receipt.

8. Quantity

- 8.1. All quantities referred to in the Contract shall be understood to be approximate with a margin of 10 % more or less in Seller's and/or Supplier's option. The quantity of marine fuels delivered should be measured and calculated according to ISO-ASTM-API-IP Petroleum Measurement Tables.
- 8.2. Except where local authorities or government regulations determine otherwise, the quantity of Product shall be determined from the official gauge/sounding of the delivering barge, tank-truck or rail tank car or by gauging in Supplier's shore tank or by Supplier's flow meter, at Seller's and/or Supplier's option. The receiving Vessel's crew is requested to witness and verify the measuring of the quantities. These verified quantities as noted in the delivery note (bunker receipt) are the only ones deemed representative.
- 8.3. If the Buyer for whatever reason is unable or refuses to accept the full quantity of Products contracted the Buyer will keep the Seller free of all associated costs including but not limited to transportation, penalties to be paid to the Supplier and the difference if any between the contracted price for the Products and the price obtained from selling the excess quantity to a third party.
- 8.4. The Seller reserves the right to be present aboard the Vessel and the Buyer will guarantee the Seller and/or Supplier access to the Vessel for the Seller/Supplier to supervise the delivery of Products.

9. Delivery

- 9.1. Seller's Order Confirmation to the Buyer includes the earliest estimated time of the Vessel's arrival (ETA) as advised by the Buyer to the Seller at the time of Nomination. The Buyer's specified Vessel is obliged to take the ordered Products within 3 days after the earliest ETA advised by the Buyer at the time of Nomination. If the Vessel shall not have arrived at the agreed place of delivery or is not able to take the ordered Products within these 3 days after the earliest ETA for whatever reason, the Seller reserves the right to cancel the Contract or to amend the selling-price under the Contract, notwithstanding other rights or remedies.
- 9.2. Delivery of Products shall be made at any time of day or night or on any day of the week, Sundays and holidays included, subject to the customs of the port and place of delivery. In the event that the Vessel is not able to receive the delivery of Products promptly and in accordance with Art 9.1 of these Conditions, the Buyer shall indemnify the Seller for all costs arising in connection with such delays.
- 9.3. The Buyer shall give the Seller 72 hour and 48 hour notice of approximate and 24 hours notice of the precise time of arrival of the Vessel at the agreed place of delivery, and specify the location of delivery. At the place of delivery the Buyer shall make sure that the Vessel provides a free, safe and always afloat and accessible side for the delivery of the Products. If in the opinion of the Seller/Supplier clear and safe berth is not provided, delivery may be delayed or the Contract may be cancelled at the sole discretion of the Seller and at the Buyer's expense.
- 9.4. The Buyer has the sole responsibility for making all connections and disconnections between the delivery hoses and the Vessel's bunker and make sure that the connections are properly

and safely made prior to beginning of the delivery of the Product. The Buyer is solely responsible for compliance with maximum allowable pumping rate and pressure and the agreement of safety and emergency shut-down procedures between the Vessel's Master and the Supplier. The Buyer is solely responsible towards the Seller for claims resulting from spillages or other environmental damages occurring in connection with the delivery and reception of the Products unless he can prove the Seller's/Supplier's negligence to be the cause of such spillages or damages.

- 9.5. The Seller shall not be responsible for and should be held harmless by the Buyer from claims resulting from any damage caused by contact and/or collision and/or swell and/or weather or sea related conditions on the Vessel or the Supplier's or a third party's vessel or barge.
- 9.6. The place where the Products are loaded into any means of conveyance for carriage to the destination agreed upon between the Buyer and the Seller and/or his Supplier shall, for purpose of the passing of risk, be deemed to be the place of delivery, regardless the sale has been effected free domicile, f.o.b., c&f, c.i.f., or any similar condition.
- 9.7. Title to Products delivered shall pass to the Buyer only upon complete payment for the value of the Products and associated Services as expressed in Seller's invoice, pursuant to Clause 9 of these Terms and Conditions. Until such time as payment is made, on behalf of themselves and the Vessel, the Buyer agrees that they are in possession of the Products only as bailee for the Seller. If, prior to payment, the Products have been commingled with other products aboard the Vessel, title to the Products delivered by the Seller shall remain with the Seller corresponding to the quantity of product delivered. The reservation of title is without prejudice to such other rights as the Seller may have under the laws of the governing jurisdiction against the Buyer or the Vessel in the event of non-payment.
- 9.8. In case of non- or partial payment for the Products by the Buyer, the Seller is entitled to take back the Products without prior judicial intervention and without prejudice to any other rights or remedies available to the Seller. The Buyer agrees to bear all costs associated with the retransfer of the Products to the Seller/Supplier.

10. Complaints about Product quality or quantity, or Services

- 10.1. The Buyer expressly undertakes not to make any endorsement, complaint or comment on the bunker delivery receipt when it is presented for signature.
- 10.2. Complaints about the grade, content and/or quality of the Products supplied by the Seller or the Supplier, as well as other complaints, shall (under pain of forfeiture of rights) require being lodged with and notified to the Seller by registered mail, within seven (7) days after effective delivery of those Products. The Buyer shall submit a formal written notice of claim to the Seller, containing all details necessary to allow evaluation of the claim. At the same time the Buyer must prove to the Seller in writing that the defect, to which his complaint relates, did not already exist at the time of delivery, the foregoing under pain of forfeiture of his rights with regard thereto. When no such proof is forthcoming all rights to the claim are lost. In any event, should the Buyer fail to present a claim to the Seller within seven (7) days after factual delivery, any such claim shall be deemed to be waived and absolutely time-barred.

- 10.3. In case of a properly lodged complaint about Product quality, the samples drawn under article 7 shall be deemed to be conclusive and final evidence of the Product quality delivered. One, and only one, of the samples retained by the Seller shall be forwarded to an independent laboratory to perform a set of tests. The laboratory should be instructed to confirm that the seal was unbroken before arrival at the laboratory. The results of these tests are to be made available to both parties by the laboratory and shall be final and binding upon both parties as to the parameters tested.
- 10.4. Any claims made by Buyers regarding shortage in quantities must be made in writing to the Seller at the time and place of delivery. The Seller and/or its Supplier shall have the option to leave delivery equipment connected to the Vessel at Buyer's expenses until a quantity dispute has been resolved to the Seller's and/or its Supplier's satisfaction.
- 10.5. If we agree that Products supplied by us should not be up to the grade, content and/or quality of or should not come up to the samples or analysis-results supplied by us (but only in case of correctness thereof has been guaranteed by us directly to the Buyer in writing) or if we agree that supply and delivery should not in any other way be in conformity with what has been agreed upon, we shall (at our free option) either take back the Products that we sold at a reasonable location to be agreed and against a refund of the invoice value of the quantity of Products that we have taken back, or allow a price reduction to a sum that in Seller's opinion reflects the lower value of the Products; but in no case shall the Seller have any further or other liability towards the Buyer and/or third parties. The Buyer shall be under an obligation to safeguard us from and hold us harmless against any claim made by third parties in respect thereof.
- 10.6. When complaints are brought against the Seller by Buyer in regard to the quality and/or quantity of Products supplied by the Seller and/or its Supplier for any other reason, this will not decrease the Buyer's liability to pay the full invoice amount contractually agreed upon between ourselves and the Buyer.
- 10.7. Buyer's damage and non-performance claims against the Seller are limited to the amount that was or could have been invoiced by the Seller pursuant to Seller's Order Confirmation.
- 10.8. If for any reason the Buyer is entitled to compensation claims against the Seller such claims are limited to the net monetary amount stipulated in the Seller's confirmation notice.
- 10.9. Any and all claims that the Buyer may have against the Seller are time-barred 12 months after the date of the Seller's confirmation notice

11. Payment

- 11.1. Unless otherwise agreed in writing between the Buyer and the Seller's Board of Directors payment for Products or Services shall be due on the mentioned due date issued on the invoice to the Buyer.
- 11.2. Payment is due immediately upon Buyer's or Buyer's direct or indirect parent's bankruptcy, liquidation, suspension of its accounts and any other comparable situation, including a Change of Control of the Buyer, that in the Seller's sole view endangers full and timely payment of any of its claims against the Buyer. It is the Buyer's sole obligation to inform the Seller immediately of any of those events.

- 11.3. Payment is due immediately and without notice once the Buyer has failed to make timely payment of any preceding delivery of Products by the Seller to the Buyer or any of its affiliates.
- 11.4. Payment shall be made in full, in the currency specified by the Seller and without set-offs, counter-claims, deductions, and discounts and free of all bank charges into the account that the Seller specifies in its invoice. Deposits made at a laws court or a notary or any other such institution shall be deemed as payment made and shall not, in particular, prevent the Seller to make use of his rights such as those resulting from the lien.
- 11.5. Payment shall be deemed to have been made on the day when Seller's stipulated bank account has been credited with the full amount. Should the due date fall on a Saturday, Sunday or holiday, the last work day before that date shall be the expiry date.
- 11.6. The Seller is entitled to charge the Buyer for any delay in all or part of the payment interest at an annualized rate of 18% without prejudice to any other rights or remedies available to the Seller against the Buyer.
- 11.7. The Seller reserves the right to involve internal or external legal assistance in any jurisdiction at the expense of the Buyer should the Buyer fail to make full and unreserved payment in time.
- 11.8. Where Products are supplied to a vessel, in addition to any other security, the Agreement is entered into and Products are 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 value of Products supplied and that the Seller/Supplier in agreeing to deliver Products to the Vessel does so relying upon the faith and credit of the Vessel. The Buyer if not owner of the Vessel hereby expressly warrants that he has the authority of the owner to pledge the Vessel's credit as aforesaid and that he has given notice of the provisions of this clause to the owner. The Seller/Supplier shall not be bound by any attempt by any person to restrict, limit or prohibit its lien or liens attaching to a Vessel unless notice in writing of the same is given to the Seller before it sends its Nomination to the Buyer. No disclaimer stamp of any type if applied on the delivery receipt will change or waive the Sellers'/Suppliers' rights against the Vessel, or waive the Vessel's ultimate responsibility for the debt incurred through the Agreement.

12. Dispute Resolution

- 12.1. The Contract to which these Terms and Conditions apply and the content and inclusion of these Terms and Conditions shall be governed by the laws of Germany. The place of execution and fulfillment of the contractual obligations by both, Buyer and Seller, shall be Luebeck, Germany. Any dispute arising out of or in connection with this Contract shall be brought to the Court of Luebeck, Germany. The Seller reserves the sole right to choose a different jurisdiction in case of dispute.
- 12.2. The stipulations of CISG, EuGVVO or any other national or international law shall not apply, neither in whole nor in part, to the Contract, to these Terms and Conditions and to the latter's content and inclusion.
- 12.3. In case that, for whatever reason, one or more of the articles and sub-articles of these Terms and Conditions are invalid, the remaining articles and sub-articles hereof shall remain

valid and binding upon the Buyer and the Seller. Invalid clauses are to be replaced by valid clauses that best reflect the economic intent of the invalid clause.

- 12.4. All orders hereunder shall be filled with reasonable promptness. Neither Seller/Supplier nor Buyer shall be held responsible for any losses, resulting if the fulfillment of any terms or provisions hereof shall be delayed or prevented by compliance with any regulation or other government restriction or by compliance with any order or request of any government authority or person purporting to act therefore, or other disorders, accidents of navigation, acts of enemies, acts of God, arrest or restraint of princes wars, breakdowns or injury to ships, fires, floods, lockouts perils of the sea, strikes, failure of or interference with supply from Sellers'/Suppliers' sources of supply, breakdown or injury to, or expropriation or confiscation of the facilities used for the production, transportation, receiving, manufacturing, handling or delivery of the Products. If the Seller/Supplier shall suffer any loss of tanker or barge tonnage, or if compliance with an order or request of any Governmental authority shall reduce the tanker or barge tonnage available for the normal movement of the Products the obligation to make deliveries hereunder may be reduced at Seller's/Supplier's option approximately in proportion to such loss or reduction. Seller/Supplier shall not be required to make up on any deliveries omitted in accordance with this section.

13. Applicability

The Buyer agrees that the Seller's Terms and Conditions as presented above shall be applicable to this and all future orders that the Buyer may place with the Seller until the Seller submits a new version of his Terms and Conditions.