

**TROPIC OIL COMPANY LLC
MARINE GENERAL TERMS AND CONDITIONS
FOR PETROLEUM PRODUCTS SALES**

- February 2024 -

1. **APPLICATION.** These Marine General Terms and Conditions for Petroleum Products Sales (the “**Terms and Conditions**”) are an essential part of each and every Transaction (as hereinafter defined) and Confirmation (as hereinafter defined) and, by this reference, the Parties incorporate these Terms and Conditions, and make these Terms and Conditions a part of every Transaction and Confirmation between the Parties as defined herein. In the event of any discrepancy between these Terms and Conditions and the terms of the Confirmation, the terms of the Confirmation will control.

2. **DEFINITIONS.** Unless otherwise defined herein or the context requires otherwise, the following defined terms have the meanings indicated below:

“**Accepted Delivery Period**” means the approximate time of tendering as outlined in Section 3.1.1

“**Agent**” means the Vessel manager, Vessel operator, Vessel charterer, Vessel master, Vessel owner, broker, trader, or any person or entity otherwise acting for or on behalf of Buyer for the purpose of providing Product to the Vessel.

“**Agreement**” means each Confirmation together with these Terms and Conditions.

“**Barrel**” means a unit volume equal to 42 (forty-two) US gallons at 60 (sixty) degrees Fahrenheit.

“**Business Days**” means shall any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in the State of Florida.

“**Buyer**” means that Party that is so defined in the Confirmation and any Agent. Buyer agrees that Buyer is a person or other entity who Seller may presume to have authority to procure Product for the Vessel within the meaning of 46 USC § 31341.

“**Confirmation**” means Seller’s written confirmation of the trade details of the particular Transaction, in particular the Product which Seller has agreed with Buyer to provide to the Vessel for a certain specified price, whether in the form of a facsimile, email, or by other mutually agreed means.

“**Delivery Equipment**” means the barge, truck, ISO tank loadings or other mode of transportation by which Seller chooses to provide the Product to the Vessel.

“**DEF**” means Diesel Exhaust Fluid.

“**EU**” means the European Union.

“**Governmental Authority**” means any federal, state, local, foreign government, any provincial, departmental or other political subdivision thereof, or any entity, body or authority exercising executive, legislative, judicial, regulatory, administrative or other governmental functions or any court, department, commission, board, bureau, agency, instrumentality or administrative body of any of the foregoing.

“**IMO**” means the International Maritime Organization.

“**ISO**” means International Organization for Standardization.

“**MARPOL**” means the International Convention for the Prevention of Pollution from Ships.

“**Party**” means either Seller or Buyer, and “**Parties**” means both Seller and Buyer.

“**Product/s**” means the marine fuels, DEF, additives, coolant and/or lubricants which Seller provides to the Vessel and Buyer agrees to buy according to the Agreement.

“**Transaction**” means the sale and purchase of Product.

“**Vessel**” means the Vessel to which Seller agrees in the Confirmation to provide the Product.

“**Seller**” is Tropic Oil Company LLC or its assignee(s), or any other party that is so defined in the Confirmation.

“**U.S.**” means the United States of America.

“**USC**” means the United States Code.

3. SALE, DELIVERY, AND MEASUREMENT.

3.1 Agreement Formation.

3.1.1 At least forty-eight (48) hours (Sundays and New York banking holidays excepted) before Buyer requires delivery of the Product under the Agreement, Buyer shall provide a nomination to Seller that includes, in addition to Buyer's name and address: (i) the name, IMO number and location of the Vessel proposed by Buyer for Seller to provide Product, (ii) the approximate time and proposed location for Seller to provide the Product to the Vessel (the "Accepted Delivery Period"), (iii) the proposed type, quality, quantity and specification of the Product, (iv) the Vessel and Agent contact information and email addresses, and (v) any other information or information that Seller may require (the "**Nomination**"). Seller may deliver to Buyer a Confirmation by email, facsimile or hand delivery and delivery is complete on Seller's transmission. After Seller's delivery to Buyer of the Confirmation, Buyer purchases and accepts provision of the Product as the Agreement specifies.

3.1.2 Seller's acceptance of Buyer's Nomination to purchase the Product is conditioned upon Buyer's agreement to the express terms and conditions contained in the Agreement, including, without limitation, those contained in these Terms and Conditions. Any proposal for additional or different terms, or any other attempt by Buyer to vary in any degree any of the terms of the Agreement is hereby objected to and rejected by Seller. Buyer agrees that Buyer is bound to the Agreement upon Seller's delivery to Buyer of the Confirmation.

3.2 **Price.** The price of Product sold and delivered hereunder shall be the price set forth in the Confirmation. Unless otherwise stated in the Confirmation, all prices for Product wherever delivered are exclusive of all taxes, duties, surcharges, denied drawback, fees or other assessments imposed or levied by any Governmental Authority (whether at the delivery point or otherwise) or instrumentality thereof and all port charges if any ("Additional Charges"). Buyer agrees to pay all such Additional Charges within two (2) days of Seller's notice to Buyer of the Additional Charges. Seller reserves the right to claim, receive and retain drawbacks on imported duty-paid feedstocks used in the manufacture of products which it delivers hereunder. Buyer shall on request executed proofs of exportation, drawback claim forms and assignments in favor of Seller to enable Seller to establish its drawback rights.

3.3 **Delivery Terms.** Seller reserves the right to provide Product to the Vessel using any means chosen by Seller. All expenses relating to provision of the Product to the Vessel will be for the account of and paid by Buyer. At least forty-eight (48) hours prior to the Accepted Delivery Period, Buyer shall advise Seller in writing of any condition, peculiarity, deficiency or defect of or with respect to the Vessel or its equipment which might delay, hinder or otherwise affect the provision of the Product or impose hazards in connection with its bunkering ("Condition"). All costs relating to addressing a Condition will be for Buyer's account. If Buyer fails to timely provide notice of a Condition, and Seller in its reasonable opinion determines that such a Condition exists, Seller may in its sole option determine that it will (i) not provide the Product to the Vessel, and may request to deliver the Product to the Vessel at another time and location to be agreed between the Parties within fourth eight (48) hours after Seller determines that it will not provide the Product, (ii) suspend delivery including and/or provision subject to Buyer's agreement to a new price for the Product, or (iii) cancel the provision altogether. In all such circumstances Buyer shall reimburse Seller for all expenses incurred by Seller (including reasonable attorney's fees) in connection with any delivery that Seller in its sole option modifies or cancels in accordance with this Section 3.3. Seller reserves the right to cancel any Confirmation without liability on the part of Seller and without prejudice to any rights Seller may have against Buyer if the Vessel does not arrive at the delivery location which the Confirmation specifies and present itself for delivery on the Accepted Delivery Period or if Seller in its sole discretion chooses not able to make the delivery because of a disclosed or undisclosed Condition.

3.4 **Delivery Procedures.** With respect to any delivery of the Product "FOB, Place of Destination," Buyer, upon arrival of the Delivery Equipment, must immediately provide, in the case of delivery by truck, clear and safe shore access to within one hundred (100) feet alongside the Vessel. Seller or its carrier may postpone or cancel delivery of the Product if either should determine that shore access to the Vessel is not reasonably available or when, for any other reason, delivery of the Product would be unsafe or inadvisable. Under the foregoing circumstances, Buyer will be responsible and reimburse Seller for all costs (including, without limitation, demurrage) incurred by Seller or its carrier. Buyer will be responsible to make connection and disconnection of Seller's delivery hose to and from the Vessel. Should the Vessel require hoses, reducers or flanges that do not comply with the applicable standards therefor as defined by the American National Standards Institute, Buyer will be responsible and reimburse Seller for all costs, delays and demurrage that result from any delays incurred as a result thereof. Buyer will be bound by any and all terms set forth in any tariff applicable to the Delivery Equipment utilized to deliver the Product to the extent that such tariff does not conflict with the other terms of the Agreement. Buyer must also render all other necessary assistance and provide sufficient tanks and equipment to accept delivery of the Product. Buyer agrees the Vessel will give immediate notice and then forty-eight (48), twenty-four (24) and twelve (12) hour updated notices on their estimated arrival at the berth and readiness to receive the Product. Buyer must identify the name and location of where the Vessel will be in position to receive the Product in their estimated arrival

notices. Buyer agrees to update the time of the Vessel's readiness to receive the Product whenever it may change by more than three (3) hours and provide a new readiness time.

3.5 Title and Risk of Loss.

3.5.1 Risk of loss shall pass to Buyer as soon as the Product passes the flange connecting the Delivery Equipment to the Vessel's manifold. The Products shall remain Seller's property until Buyer has paid for them in full, and Seller shall retain title to the Products. Until Seller's confirmed receipt of payment in full for the Products, Buyer shall hold the Products bailee, store them in such a way that they can be identified as Seller's property, and keep them separate from Buyer's own property and the property of any other person. To the extent that Products are consumed and thereafter replaced by other fuels or similar products, Seller's title and security interest shall continue in that replacement fuels or other products, which shall be considered "Products" according to the Agreement. Although the Products remain Seller's property until paid for, they shall be at Buyer's risk from the time of delivery until Buyer fully pays for the Products and Buyer shall insure them against loss or damage accordingly. In the event of such loss or damage, Buyer shall hold the proceeds of such insurance on behalf of Seller as trustee of Seller. The governing law of this clause, only, shall be English law of retention of title as stated in *The Span Terza* [1984] 1 Lloyd's Rep 119. Seller shall further in addition to its retention of title over and security interest in the Products, as provided in these Terms and Conditions and the Agreement hold a maritime lien in rem against the Vessel for all charges due under the Agreement.

3.5.2 Buyer's rights to possession of the Products shall cease if: (a) Buyer has not paid for the Products in full by the expiration of any credit period allowed by the Agreement; or (b) Buyer is declared bankrupt or makes any proposal to his creditors for a reorganization or other voluntary arrangement; or (c) a receiver, liquidator or administrator is appointed in respect of Buyer's business.

3.5.3 Upon cessation of Buyer's right to possession of the Products in accordance with this Agreement, Buyer shall, at Buyer's own expense, cause the Vessel to cease consumption of the Products, make the Products available to Seller and allow Seller at Buyer's own to repossess them. Any further consumption of the Products shall be considered to be a conversion of the Products with corresponding maritime lien and claim rights against the Vessel for conversion.

3.5.4 Buyer hereby grants Seller and/or Seller's agents an irrevocable license to enter any premises or board any Vessel where the Products are stored in order to repossess them at any time.

3.6 **Commingling or blending of Product with another Substance.** If at any time after delivery of the Product, Buyer uses or commingles it in whole or in part with any other substance, this will be regarded as irrevocable acceptance by Buyer of the Product.

3.7 **Installments.** Unless provided otherwise in the Confirmation, each delivery of the Product is deemed to constitute a single contract. Time is of the essence under the Agreement and if in the Confirmation Seller agrees to provide the total quantity of the Product in separate lots, amounts or installments (each an "Installment") at different times during the term of the Agreement and Buyer fails to take delivery of any such Installment, in whole or in part, at the time it is to be delivered, such default in taking timely delivery with respect to such Installment is deemed to impair the value of the whole Agreement and Seller may consider such default a breach of the Agreement and without notice terminate any further performance of the Agreement.

3.8 **Measurement.** Seller may make measurement of the volume of the Product provided under the Agreement using either commercial bills of lading, shore storage tank gauges or meter receipts, truck meter receipts or truck tank measurement and strapping tables, as applicable, based upon delivery method by barge, bunker vessel, pipeline or trucks. All measurements and gauging under the Agreement shall be made in accordance with the latest approved methods of the American Petroleum Institute ("API") at the time such measurements are made and in accordance with the American Society for Testing and Materials ("ASTM") petroleum measurement tables. Seller's measurement of the volume of the Product delivered shall be conclusive absent fraud or manifest error. Buyer may have a representative present at the time of delivery of the Product to observe the measurement of the volume of the Product delivered. Buyer may not reject shipments that involve Product shortages, which are not more than -5% of the Product quantity specified in the Confirmation.

3.9 Quantity Claims; Cancellation.

3.9.1 **Quantity Claims.** Claims with regard to the failure of Seller to deliver all or part of the agreed upon volume of the Product not rejected by Buyer must be made by Buyer to Seller or its representative at the time of Product delivery by noting such claims on the receipt provided by Seller to Buyer of the provision of Product (a "Bunker Delivery Receipt) or a sales order provided by Seller to Buyer (a "Sales Order") and further confirming such claims to Seller in writing within one (1) day from the date of provision. If any claim is not made in accordance with the foregoing procedure,

it will be deemed waived by Buyer. Volume determination shall be made in accordance with Section 3.8 above and any claims based upon measurements taken by the Vessel will not be accepted.

3.9.2 **Cancellation; Rejection of Quantity.** In the event of Buyer's cancellation following issuance of a Confirmation or Buyer not accepting the volume specified in the Confirmation, Seller may charge Buyer fees for cancellation, product downgrade, demurrage, back haul, pump back or any other additional fees and charges determined by Seller for any Product ordered or delivered however not received by the Vessel.

3.10 **Delivery Documentation.** Upon Seller's delivery of the Confirmation, qualified personnel of the Vessel must be immediately available to Seller or Seller's representatives to conduct a conference to review and sign a declaration of inspection, and an inspection request voucher provided by Seller, operator of any of Seller's Delivery Equipment, or Seller's carrier before the Product is provided to the Vessel. Upon completion of provision of the Product to the Vessel and prior to disconnecting the transfer hose, the person in charge of the Vessel must sign and affix the ship stamp to the Sales Order or Bunker Delivery Receipt, as applicable. Except as otherwise provided in Section 3.9, the Sales Order or Bunker Delivery Receipt may not be altered including the addition of other notes or stamps in any way without the express written consent of Seller and no such alteration shall be considered to effect notice of any kind to Seller.

4. **PRODUCT QUALITY AND WARRANTIES.**

4.1 **Specifications.** Seller warrants that the Product delivered under the Agreement conforms to the specifications for the Product set forth in the Confirmation, subject to the variance for repeatability or reproducibility. Buyer shall have sole responsibility for selection and acceptance of Product, including determination of compatibility with the Vessel equipment and with substances already on board the Vessel, for use in the Vessel.

4.2 **Samples.** Seller shall arrange for such number of representative samples of the Product, as are necessary, in accordance with MARPOL regulations. Buyer may witness such sampling. Seller or its authorized representative may label, seal and sign samples. Only Seller's retained samples will be considered as a valid indicator of the quality of Product.

4.3 **Title.** Seller warrants title to the Product delivered under the Agreement, free and clear of all security interests, liens, claims, charges or encumbrances.

4.4 **Disclaimer.** SELLER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, OR THAT THE PRODUCT DELIVERED UNDER THE AGREEMENT IS FIT FOR A PARTICULAR PURPOSE, EVEN IF KNOWN TO SELLER.

4.5 **Quality Claims.** All claims regarding the quality of the Product delivered and not rejected by Buyer must be submitted to Seller in writing no later than twenty (20) days after the date of provision of the Product to the Vessel. Any quality claim that is not received by Seller within the aforesaid period will be deemed waived by Buyer. Buyer's written notice regarding a quality claim must include all reasonably necessary information for Seller to evaluate Buyer's claim, including, without limitation, any and all analyses made by Buyer of any sample(s) provided to the Vessel pursuant to Section 4.2 above. Resolution of all claims with regard to the quality of the Product delivered shall be based solely upon tests of the sample or samples collected by Seller pursuant to Section 4.2 above, such tests to be made by an independent laboratory mutually acceptable to the Parties. If the Parties are unable to agree upon an independent laboratory to conduct the tests within 5 Business Days after Buyer's written notice described above, Seller may select one. The non-prevailing Party in any Product quality dispute will pay the costs for the laboratory analysis of the Product samples. Any claims based on samples other than those taken by Seller pursuant to Section 4.2 above will not be accepted. Buyer shall preserve and make available for inspection and testing by Seller, any parts allegedly damaged by the Product and shall make the Vessel available for inspection by Seller or its representative within a reasonable period after Seller's receipt of Buyer's notice of claim. Buyer shall endeavor to also provide Seller with immediate access to the original Vessels logs, computer records, and other pertinent communications and documents for review and copying. Seller shall not be responsible to Buyer for any claim arising from the commingling of the Product with other products or materials by the Vessel.

5. **COMPLIANCE WITH LAWS AND REGULATIONS.** The Parties will not do or permit to be done anything which might cause any breach or infringement of the laws and regulations of the Flag State of the Vessel or the country of incorporation of the Sellers, or of the places where the Vessel or the Seller trades or takes Product under the Agreement.

6. **SANCTIONS COMPLIANCE CLAUSE**

6.1 **"Sanctions Laws"** means any sanction, prohibition or restriction imposed by the United Nations, the European Union, the United Kingdom or the United States of America, including but not limited to the US Department of

the Treasury Office of Foreign Asset Control ("OFAC") including the OFAC Specially Designated Nationals or Blocked Persons List (SDN) and the US Department of State.

6.2 Each of the Parties warrants that throughout the term of the Agreement and until delivery of the Product and payment by the Buyer to the Seller in full:

6.2.1 neither Party is subject to any of the Sanctions Laws which prohibit or render unlawful any performance under the Agreement;

6.2.2 the Seller is selling and the Buyer is purchasing the Product as principals and not as agent, trustee or nominee of any person with whom transactions are prohibited or restricted under the Sanctions Laws;

6.2.3 Buyer further warrants that the Vessel is not a designated vessel and is not and will not be chartered to any entity or transport any cargo contrary to the restrictions or prohibitions in the Sanctions Laws; and

6.2.4 Seller further warrants that the Product are not of an origin or have been exported as a product from a place that is subject to any of the Sanctions Laws.

6.2.5 If at any time during the performance of the Agreement either Party becomes aware that the other Party is in breach of warranty as aforesaid, the Party not in breach shall comply with the laws and regulations of any Government to which that Party or the Vessel is subject and follow any orders or directions which may be given by any regulatory or administrative body, acting with powers to compel compliance. In the absence of any such orders, directions, laws or regulations, the Party not in breach may terminate the Agreement forthwith.

6.3 Notwithstanding anything to the contrary in this Clause, Seller and Buyer shall not be required to do anything which constitutes a violation of the laws and regulations of any State to which either of them is subject.

6.4 Seller and Buyer shall be liable to indemnify the other Party against any and all claims, including return of any payment, losses, damage, costs and fines whatsoever suffered by the other Party resulting from any breach of warranty as aforesaid and in accordance with the Agreement.

7. ANTI-CORRUPTION CLAUSE.

7.1 The Parties agree that in connection with the performance of any Agreement they shall each:

7.1.1 Comply at all times with all applicable anti-corruption legislation and have procedures in place that are, to the best of its knowledge and belief, designed to prevent the commission of any offence under such legislation by any member of its organization or by any person providing services for it or on its behalf; and

7.1.2 Make and keep books, records, and accounts which in reasonable detail accurately and fairly reflect the transactions in connection with the Agreement.

7.2 If a demand for payment, goods or any other thing of value ("Demand") is made to either Party by any official, any contractor or sub-contractor engaged by or acting on behalf of either Party or any other person not employed by either Party and it appears that meeting such Demand would breach any applicable anticorruption legislation, then the Party receiving the Demand shall notify the other Party as soon as practicable and the Parties shall cooperate in taking reasonable steps to resist the Demand.

7.3 If either Party fails to comply with any applicable anti-corruption legislation it shall defend and indemnify the other Party against any fine, penalty, liability, loss or damage and for any related costs (including, without limitation, court costs and legal fees) arising from such breach.

7.4 Without prejudice to any of its other rights under any agreement, either Party may terminate the Agreement without incurring any liability to the other Party if:

7.4.1 At any time, the other Party or any member of its organization has committed a breach of any applicable anti-corruption legislation in connection with the Agreement; and

7.4.2 Such breach causes the non-breaching Party to be in breach of any applicable anti-corruption legislation.

7.5 Either Party represents and warrants that in connection with the negotiation of the Agreement neither it nor any member of its organization has committed any breach of applicable anti-corruption legislation. Breach of this Anti-Corruption Clause shall entitle the other Party to terminate the Agreement without incurring any liability to the other.

8. **TAXES.** Where applicable for each purchase, Buyer is liable for all taxes imposed on or with respect to Product and all federal, state or local sales, use, gross receipts, consumption, environmental, spill fund, pollution, import fees, or other similar taxes, fees or charges that may arise from or be levied upon a sale or delivery of the Product under the Agreement, whether such taxes, fees or charges are in effect on the date of the Agreement or are made effective (or are increased) after the date of the Agreement (“Taxes”). Buyer will indemnify, defend and hold Seller harmless from and against the payment of or liability for any and all Taxes which indemnification obligation will survive termination of the Agreement. Buyer will provide Seller with any exemption certificate and any other necessary information to allow Seller to make proper and timely payments and to file required returns. Any Taxes not stated on the Confirmation to be included in the price shown thereon that are for the account of Buyer shall be in addition to the price of the Product. Notwithstanding the fact that Taxes for which Buyer assumes responsibility may be collectible from a person other than Buyer, Buyer, upon Seller’s demand, shall nonetheless be responsible and pay, or cause to be paid, such Taxes.

9. **PAYMENTS.**

9.1 Buyer shall pay Seller for the Product delivered, without offset, discount or counterclaim, regardless of any pending dispute as to quality or quantity of Product at the price and in accordance with the instructions set forth in the Confirmation. Unless otherwise provided in the Confirmation, Buyer shall pay Seller for the Product delivered under the Agreement within thirty (30) days from date of delivery, without discount, offset or deduction in U.S. Dollars, notwithstanding any disputes or claims, and Buyer’s payment shall be made by electronic wire transfer of immediately available Federal funds, by Automated Clearing House (ACH) transfer, to Seller’s designated bank account as indicated on Seller’s invoice to Buyer, unless an alternative means of payment is mutually agreed upon in writing between Seller and Buyer. Invoices may be sent by Seller to Buyer via facsimile or electronic mail.

9.2 Late payments will accrue interest from the due date until receipt of payment at a rate of either (i) eighteen percent (18%) on an annual basis or (ii) the maximum rate permitted by applicable law, whichever is less. Buyer will pay all of Seller’s costs (including attorney’s fees and court costs) of collecting past due payments and late payment charges.

9.3 Without prejudice to any other rights of Seller, Seller may apply and offset, in satisfaction of any obligation owing under the Agreement by Buyer, any sums that may then be, or thereafter become, due and owing from Seller to Buyer under this Agreement or any other agreement between the Parties. Buyer does not have the right to offset any claim against any purchase or transaction with Seller.

10. **MARITIME LIEN; AGENTS; COLLECTION; CREDIT.**

10.1 **Maritime Lien.** Sale of the Product by Seller under the Agreement is based upon the creditworthiness of Buyer, its Agent and the Vessel. Seller will have and may assert any and all maritime liens, including those provided under the General Maritime Law of the United States and the U.S. Commercial Instruments and Maritime Lien Act, against the Vessel, wherever found, for the full amount of the Product as stated in the Confirmation, plus accrued interest and collection costs. Taking of any additional security measures by Seller shall not operate as a waiver of this provision. If, at any time before completion of delivery of the Product to the Vessel, Seller receives notice of any prohibition of liens on the Vessel, Seller shall have the absolute right, at its sole discretion, either to (a) cancel this Agreement, without prejudice to Seller’s rights against Buyer; (b) delay the delivery of the Product to the Vessel pending the provision of financial arrangements acceptable to Seller; or (c) proceed to deliver the Product to the Vessel subject to maritime liens to secure payment for the Product. In the event Seller elects to cancel or delay delivery, Buyer shall be solely responsible for all cancellation and/or demurrage charges resulting from the cancellation or delay of delivery, and Seller shall have no liability whatsoever for any costs, expenses, or other damages which might result from the cancellation or delay of delivery.

10.2 **Agents.** If this Agreement concluded between Seller and an Agent (as vessel manager, vessel operator, vessel charterer, vessel master, broker, charterer, trader or otherwise) acting for or on behalf of principal or principals (whether disclosed or undisclosed), as Buyer then such Agent shall be jointly and severally liable with Buyer, and shall be treated as a principal and not as an agent, for the due and proper performance of this Agreement and the prompt and punctual payments of all amounts due hereunder.

10.3 **Credit Limit.** Product supplied in each Agreement are sold and effected on the credit of the Vessel, as well as on the promise of Buyer to pay for Product delivered. Buyer warrants that Product is ordered on the order of the registered owner or a person authorized by the registered owner. From time to time, Seller will establish and may, in its sole discretion, notify Buyer of any credit dollar amount (the “Credit Limit”) applicable to Buyer. The Credit Limit may be in such amount (including no amount) as Seller at its sole option may elect. Seller may change the Credit Limit at any time and provide prompt notice thereof to Buyer. If at any time Buyer’s Outstanding Indebtedness (as defined below) exceeds the Credit Limit then in effect for Buyer, Buyer must reduce the Outstanding Indebtedness due Seller to an amount that is less than the Credit Limit then in effect for Buyer by taking any one or more of the following actions:

10.3.1 Pay Seller all or a portion of the Outstanding Indebtedness such that the remaining balance of the Outstanding Indebtedness is less than the Credit Limit, or

10.3.2 Provide Seller a letter of credit in a form and substance and from a bank reasonably acceptable to Seller, pursuant to which Seller shall be permitted to draw down an amount that is not less than the amount by which the Outstanding Indebtedness exceeds the Credit Limit.

10.4 **Outstanding Indebtedness.** For the purposes of this Section 10, “Outstanding Indebtedness” means (a) all amounts due or which will become due to Seller under all agreements where delivery of, but no payment for, Product has been made, including, without limitation, this Agreement, plus (b) the positive sum, if any, of the amounts determined for the remaining terms of all the agreements then in effect as follows:

10.4.1 multiply (A) the remaining quantity under each agreement by (B) the positive or negative result of subtracting the contractual price for that agreement from the price which is reasonably expected to be available in the market under a replacement contract for the remaining term under that agreement; and

10.4.2 add the positive and negative results determined for each agreement in the preceding clause (i) to determine any positive sum.

10.5 **Breach of Agreement.** If Buyer fails to: (i) pay Seller for any amount when due (whether or not such failure has subsequently been cured), or (ii) otherwise comply with any term of the Agreement, then in addition to any other remedy available under the Agreement, including ceasing to deliver the Product under the Agreement, and regardless of any payment terms then in effect for Buyer, Seller may declare all of the Outstanding Indebtedness immediately due and payable and terminate the Agreement.

10.6 **Financial Assurance.** If Seller determines, in its sole opinion, that the financial condition of Buyer has become impaired or unsatisfactory, Seller at its sole option, may require Buyer to provide Seller adequate assurances of performance. Seller’s requirement for adequate assurances may include modification of the credit terms of the Agreement, in which case Seller may require Buyer to: (i) prepay the full estimated invoice amount under the Agreement at least one (1) Business Day prior to the Product delivery date by wire transfer or an alternative means of payment that is mutually agreed upon between Seller and Buyer, (ii) post at least two (2) Business Days prior to the Product delivery date an irrevocable, standby letter of credit, in form and substance reasonably acceptable to Seller, issued or confirmed by a bank reasonably acceptable to Seller, in an amount sufficient to cover the full estimated invoice amount under the Agreement or (iii) deliver to Seller at least two (2) Business Days prior to the Product delivery date a parent company guaranty in form and substance reasonably acceptable to Seller for the prompt payment, when due, of any and all present or future indebtedness of Buyer as a result of any sale of the Product under the Agreement. Any such modification of the credit terms shall be effective immediately upon Seller’s written notice thereof to Buyer. The exercise by Seller of any right under this Section 10.6 is without prejudice to any claim for damages, or any other right Seller may have at law or in equity.

10.7 **Bankruptcy.** In the event either Party becomes insolvent, makes an assignment or any general arrangement for the benefit of creditors or if there are instituted by or against either party proceedings in bankruptcy or under any insolvency law or law for reorganization, receivership or dissolution, the other Party may withhold deliveries or terminate this Agreement. The exercise by either Party of any right reserved under this section shall be without prejudice to any claim for damages or any other right of such Party under this Agreement or applicable law.

11. **FORCE MAJEURE.**

11.1 Neither Party shall be liable for any loss, damage or delay due to any of the following force majeure events and/or conditions at the port of delivery which could not reasonably be foreseen at the time of entering into the Agreement or guarded against to the extent the Party invoking force majeure is prevented or hindered from performing any or all of their obligations under the Contract, provided they have made all reasonable efforts to avoid, minimize or prevent the effect of such events and/or conditions (each a “Force Majeure Event”):

11.1.1 acts of God;

11.1.2 any Government requisition, control, intervention, requirement or interference;

11.1.3 any circumstances arising out of war, threatened act of war or warlike operations, acts of terrorism, sabotage or piracy, or the consequences thereof;

11.1.4 riots, civil commotion, blockades or embargoes;

11.1.5 epidemics;

- 11.1.6 earthquakes, landslides, floods or other extraordinary weather conditions;
- 11.1.7 strikes, lockouts or other industrial action, unless limited to the employees of the Party seeking to invoke force majeure;
- 11.1.8 fire, accident, explosion - except where caused by negligence of the Party seeking to invoke force majeure;
- 11.1.9 any other similar cause beyond the reasonable control of either Party.

11.2 The Party seeking to invoke force majeure shall notify the other Party in writing within two (2) calendar days of it becoming aware of the occurrence of any such event/condition.

11.3 Without prejudice to accrued rights hereunder, either Party hereto shall be entitled to terminate the Agreement if a Force Majeure Event as defined herein prevents or hinders the performance of the Agreement for a period exceeding ten (10) consecutive days from the time at which the impediment begins to prevent performance if notice is given without delay or, if notice is not given without delay, from the time at which notice thereof reaches the other Party.

12. HEALTH AND SAFETY.

12.1 Buyer represents and warrants that the Vessel is familiar with the health effects related to the Product supplied hereunder and with relevant protective safety and health procedures for the handling and use of such Product. Buyer shall adhere to such safety and health procedures while using or handling Seller's Product. Buyer shall also facilitate the dissemination of health and safety information to all employees, users, and others potentially exposed to the Product sold hereunder. Buyer shall be responsible for compliance by its employees, agents, and other users with all health and safety requirements or recommendations related to the Product supplied hereunder and shall exert its best efforts to assure that any of its employees or agents, users, and others avoid frequent or prolonged contact with or exposure to the Product both during and subsequent to delivery. Seller accepts no responsibility for any consequence arising from failure by Buyer, its employees or agents, any users, or any other party to comply with relevant health and safety requirements or recommendations relating to such contact or exposure.

12.2 Buyer warrants that the Vessel is in compliance with all applicable national and international laws and regulations.

13. POLLUTION PREVENTION AND RESPONSIBILITY.

13.1 Buyer represents and warrants that the Vessel is properly equipped, maintained and operated so as to avoid the escape, spillage or discharge of oil (a "spill") at the time of all deliveries of Product hereunder. If a spill does occur while Product is being delivered by Seller to Buyer and/or the Vessel, then Buyer shall promptly take such action as is reasonably necessary to remove the oil and mitigate the effects of such spill. However, notwithstanding the cause of such spill, Seller is hereby authorized, at its option and at Buyer's expense, to take such measures and incur such expense (whether by employing its own resources or by contracting with others) as Seller reasonably believes are necessary to remove the oil and mitigate the effect of such spill, and Buyer agrees to cooperate and render such assistance as is reasonably required by Seller.

13.2 Buyer hereby guarantees payment of and/or agrees to indemnify and hold Seller harmless for any claims, losses, damages, expenses, penalties or other liabilities Seller incurred (including but not limited to those incurred under any state, national or international oil pollution legislation), as a result of any spillage arising out of or in connection with the performance of the Agreement where such spillage is caused or contributed to by Buyer. Buyer shall give Seller all documents and other information concerning any spill, or any program for the prevention thereof that Seller requires or that are required by any law or regulation applicable at the delivery point on the date of delivery.

13.3 Buyer warrants compliance and shall require all of its Vessels to comply with all Applicable Laws, including all federal and state oil spill response plans and financial responsibility requirements, as well as applicable Maritime Security Regulations, failing which the Vessel may be required to promptly vacate the designated Shore Facilities' berth.

14. LIMITATION OF LIABILITY.

NO CLAIM AGAINST SELLER SHALL BE MADE AND NO RECOVERY FROM SELLER SHALL BE HAD HEREUNDER FOR ANY INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR LOSS OF ACTUAL, PROJECTED AND/OR PROSPECTIVE PROFITS, ANTICIPATED COST SAVINGS, CONTRACTS OR FINANCIAL OR ECONOMIC LOSS. SELLER'S LIABILITY FOR ANY AND ALL ACTUAL LOSSES OR DAMAGES RESULTING FROM THE SALE OF DELIVERED PRODUCT UNDER THIS

AGREEMENT SHALL BE LIMITED TO THE PRICE OF THE PRODUCT SOLD HEREUNDER OR THE PRICE OF THAT PORTION OF SUCH PRODUCT(S) ON WHICH LIABILITY IS ASSERTED.

15. INDEMNIFICATION.

15.1 Buyer (the "Indemnitor") agrees to indemnify, defend and hold harmless Seller (the "Indemnitee") from and against any penalties, fines, liabilities, claims, expenses (including attorney's fees and costs of defense), losses and damages (i) caused by the negligence or willful misconduct of the Indemnitor, its officers, employees, agents, representatives or subcontractors, including, without limitation, those of the Vessel and the Delivery Equipment, in the course of its performance of the Agreement and (ii) failure of the Indemnitor, its officers, employees, agents, representatives or subcontractors to comply with all applicable laws, ordinances, rules and regulations of any government or agency having jurisdiction, except to the extent caused by the negligence or willful misconduct of the Indemnitee, its officers, employees, agents, representatives and subcontractors. In addition to the other obligations that Buyer assumes under the terms of the Agreement, Buyer shall obtain insurance covering its indemnity hereunder to the extent permitted by law.

15.2 If Buyer or anyone operating or in charge of the Vessel or any of its or their officers, employees, agents, representatives or subcontractors causes a spill of Product in the course of its performance of this Agreement, then Buyer assumes full and complete responsibility, for on-site clean up at its expense. Buyer must promptly report any spill to the applicable national and/or local authorities.

15.3 Buyer represents that the Vessel is seaworthy, safe and in good condition and is capable of receiving the Product without leakage or spillage. Should the Vessel fail to comply with the foregoing representation, Seller may suspend the delivery of the Product until such time as Seller has received evidence satisfactory to Seller, in its sole discretion, that the Vessel adequately complies with these representations. If the Vessel is unable to comply with such requirements, Buyer shall be deemed in breach of the Agreement and Seller may declare a default thereunder and terminate the Agreement

16. **DEMURRAGE.** Buyer shall be solely responsible for all demurrage costs as specified in the Confirmation or in these Terms and Conditions, and if not specified then all reasonable demurrage costs incurred by Seller, or the Delivery Equipment proximately caused by Buyer or the Vessel with respect to the receipt of the Product under the Agreement.

17. **NOTICES.** All notices and communications under the Agreement must be in writing, must be made to the other Party's address, whether physical or electronic, as specified in the Confirmation (for Seller) and as specified in the Nomination (for Buyer), or as otherwise provided writing by such Party from time to time, and will be deemed given to the Party only (i) if delivered by hand or sent by overnight carrier, on the day of receipt, (ii) if transmitted by electronic mail or facsimile, at the time of confirmation of receipt.

18. GOVERNING LAW AND JURY TRIAL.

18.1 Except (i) with regard to and to the extent that the Parties acknowledge and agree that Seller shall have a valid maritime lien, superior in priority to other liens, mortgages, or encumbrances against the Vessel and Buyer and its agents represent and warrant that they are authorized to so encumber the Vessel, and (ii) as to other matters, if any, under the Agreement that involve vessels, harbors, seamen, or marine affairs or commerce generally, unless otherwise specified herein which matters shall be governed by the General Maritime Law of the United States and the United States Commercial Instruments and Maritime Lien Act, the Agreement otherwise will be governed and construed in accordance with the laws of the State of Florida, without regard to choice of laws of any such state that would require the laws of another jurisdiction to govern.

18.2 EACH PARTY HEREIN WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ITS RESPECTIVE RIGHT TO ANY JURY TRIAL WITH RESPECT TO ANY DISPUTE OR LITIGATION ARISING HEREUNDER, OR IN CONNECTION WITH, THIS AGREEMENT.

18.3 The Parties submit to the exclusive venue and jurisdiction of the United States District Court for the Southern District of Florida and the courts serving the State of Florida. Buyer, if it is otherwise subject to the United States or other Foreign Sovereign Immunities Act or any similar law, waives all rights under such law including but not limited to any exemption from attachment or garnishment and from arrest of the Vessel. Buyer waives in any event any right to recover attorneys' fees or costs from Seller in connection with any action by Buyer against Seller or the Vessel.

19. INSURANCE.

19.1 **General Requirements.** Throughout the term of this Agreement, Buyer shall at its sole expense, carry and maintain in full force and effect insurance coverages, with insurance companies rated not less than A-, IX by A.M. Best or otherwise reasonably satisfactory to Seller, of the following types and amounts, including Seller as an additional insured under each such policy:

19.1.1 Workers Compensation Insurance which shall be in strict accordance with the requirements of the most current and applicable state Workers Compensation insurance laws, and Employers Liability insurance with limits of not less than One Million Dollars (\$1,000,000) each accident/each employee. If applicable, the policy shall include coverage under the Federal Longshoremen and Harbor Workers' Act, the Jones Act, and the Federal Death on the High Seas Act.

19.1.2 Commercial General Liability Insurance providing coverage including but not limited to personal injury, bodily injury, and damage to property in an amount of not less than Ten Million Dollars (\$10,000,000) per occurrence. Such policy shall include without limitation the following:

- a) blanket contractual liability;
- b) cross liability;
- c) broad form products and completed operations; and
- d) sudden and accidental pollution liability.

19.1.3 Automobile Liability Insurance covering bodily injury and property damage in an amount not less than Ten Million Dollars (\$10,000,000) per accident, covering the ownership, use, and operation of any motor vehicles and trailers which are owned, leased or controlled by Buyer and used in regard to this Agreement, including sudden and accidental pollution and losses arising from loading and unloading. Such insurance shall contain MCS90 and CA 99 48 endorsements, or their equivalents.

19.1.4 Buyer shall ensure that its respective Vessels (whether owned or non-owned) maintain Protection and Indemnity Insurance including pollution liability with a minimum liability limit of Fifty Million Dollars (\$50,000,000) per occurrence. In the event Vessels are chartered, Buyer must maintain Charterers Legal Liability, including collision liability, and liability for seepage, pollution, containment and cleanup with a minimum liability limit of One Hundred Million Dollars (\$100,000,000).

19.2 Additional Insurance Requirements.

19.2.1 Buyer shall cause its insurance carriers to furnish to Seller certificates of insurance, evidencing the existence of the coverages required pursuant to this Section 19.

19.2.2 Buyer's Insurance Coverage shall provide the other Party with not less than thirty (30) days' notice in advance of cancellation.

19.2.3 The foregoing policies shall include an endorsement that the underwriters agree to waive all rights of subrogation against Seller. Seller shall be named as an additional insured under Buyer's policies, to the extent of the indemnities required under this Agreement.

19.2.4 The mere purchase and existence of insurance coverage shall not reduce or release Buyer from any Liabilities incurred or assumed under this Agreement.

20. MISCELLANEOUS

20.1 **Severability.** If any provision of the Agreement is determined to be invalid, void or unenforceable by any court having valid jurisdiction, such determination shall not render invalid, void, or render unenforceable any other provision, agreement or covenant of the Agreement.

20.2 **Waiver.** No waiver of or failure to enforce any breach of or performance required by the Agreement shall be deemed to constitute a waiver of any other or subsequent breach or required performance under the Agreement.

20.3 **Amendment.** No amendment or modification of any of the terms of the Agreement shall be enforceable unless reduced to writing and executed by both Parties.

20.4 **Entire Agreement.** The Agreement constitutes the entire agreement between the Parties regarding the subject matter thereof and supersedes and renders void any and all prior representations, statements, and proposals by or

discussions, negotiations and agreements, whether written or oral, between the Parties with respect to the subject matter of the Agreement.

20.5 **Confidentiality.** The terms of the Agreement and the samples taken by Seller pursuant to Section 3.2 above and any related tests of such samples are deemed proprietary to Seller and shall not be disclosed to any third party by Buyer, its agents, employees or representatives unless agreed to in writing by Seller, or as required by applicable law, regulations, rule or order of any competent court or governmental authority having jurisdiction.

20.6 **Equal Opportunity and Affirmative Action.** As applicable, the Parties will comply with the following regulations: Equal Opportunity Clause, 41 C.F.R. §60-1.4(a); Equal Opportunity for Special Disabled Veterans and Veterans of the Vietnam Era, 41 C.F.R. §60-250.5(a); Equal Opportunity for Workers With Disabilities, 41 C.F.R. §60-741.5(a); all other applicable Sections of 41 C.F.R. Ch. 60; and all other applicable requirements for contracting with any agency of the U.S. government

20.7 **Relationship of the Parties.** The Parties are independent entities, and nothing contained in this Agreement shall be deemed or construed as creating a relationship of partnership, association, principal and agent or joint venture by or between the Parties. Buyer shall have no right or authority to assume or create any obligation or responsibility on behalf of Seller or to bind Seller in any manner whatsoever.

20.8 **Export Regulations.** Buyer acknowledges that any product(s) exported must be exported from the U.S. in accordance with U.S. export regulations. Buyer agrees that any re-export, diversion, transshipment or use of any product contrary to U.S. law is prohibited and will result in Seller's right to terminate this Agreement immediately and to seek any other remedies to which it may be entitled to hereunder and under applicable law.

20.9 **Audit.** Seller and its duly authorized representatives shall have reasonable access during customary business hours to the accounting records and other non-privileged and/or non-commercially sensitive documents maintained by Buyer which relate directly to this Agreement and shall have the right, upon giving Buyer notice documents maintained by Buyer which relate to this Agreement and shall have the right, upon giving Buyer notice thereof, to audit such records at any reasonable time or times within two (2) years after the delivery/receipt of product provided for in this Agreement.

20.10 **Headings.** Section headings herein are included herein for convenience of reference only and shall not constitute as part hereof for any other purpose or be given any substantive effect.

END OF GENERAL TERMS AND CONDITIONS