

SEA BUNKERING LTD

GENERAL TERMS AND CONDITIONS – SALE AND SUPPLY OF FUELS

Commercial in Confidence

1 DEFINITIONS

TERM	MEANING
“CUSTOMER”	Party purchasing product on a contract or spot basis as defined in the Confirmation
“COMPANY”	Sea Bunkering Ltd and sub-contractors
“CONFIRMATION”	Confirmation of order acceptance sent from the Company to the Customer
“CONDITIONS”	The Terms & Conditions of sale as set out in this document.
“OWNER”	The registered owner, manager or charterer of the vessel being supplied
“PRICE”	The price quoted by the Company and contained in the Confirmation
“PRODUCT”	Any Sea Bunkering product sold and purchased under the conditions set out in this document
“VESSEL”	The vessel receiving fuels as defined in the Confirmation

2 BASIS OF SALE

- 2.1 The Company shall sell and the Customer shall purchase the Product in accordance with the terms and conditions as set out herein. No general terms and conditions proposed by the Customer (at any point before or after confirmation of the order) shall become part of the Contract. Any proposed variation of these Conditions shall be inapplicable unless agreed in writing by the Company.
- 2.2 Orders for fuels are deemed to be an offer by the Customer to buy Products pursuant to these Conditions.
- 2.3 Acceptance of the order by the Company through the issue of a Confirmation shall be deemed to be conclusive evidence of the Customer's acceptance of these Conditions.

3 PRICE

- 3.1 The Company reserves the right to vary the Price at any time before delivery, either orally or in writing to the Customer, in order to reflect cost increases due to any factor beyond the control of the Company. This can include, but is not limited to, any costs associated, as well as any changes in VAT, tax, duty or any additional surcharge levied at the time of delivery.
- 3.2 All product delivered will be charged for. The delivered quantity will be in line with the Confirmation, but may be up to 10% more or 10% less than specified in the Confirmation.
- 3.3 If the Customer does not accept the total quantity specified in the Confirmation, then the Company may charge the Customer for the full amount specified as well as additional costs incurred in relation to any disposal of the rejected Product. This also applies to any change in quantity before delivery is made, including cancellation.

4 PAYMENT

- 4.1 Terms of payment shall be set out in the Confirmation. This shall include the currency of payment.
- 4.2 Once delivery has been completed, the Company shall invoice the Customer for the actual amount delivered, confirmed by the Bunker Delivery Note or Bill of Lading.
- 4.3 Payment of the price will be in the currency stipulated in the Confirmation.
- 4.4 Late payment will attract a financial charge as stipulated in the Confirmation.
- 4.5 Advice of remittance should be provided to the Company.
- 4.6 The time of payment shall be of the essence and the Customer shall not be entitled, under any circumstances, to withhold payment of any sums due by invoking any right of set off or counterclaim. Any set off or counter must be fully agreed by all parties in writing.
- 4.7 If the Customer fails to make any payment in full by the due date, inform the Company of any change in legal status, or if the Company has any reason to doubt the financial or operational capacity of the Customer, then without prejudice to any other right or remedy available, the Company may cancel or suspend any further deliveries to the Customer pending settlement in full, or full remedy to the concerns of the Company.
- 4.8 The Company reserve the right to levy any additional charges incurred through delay or cancellation on the part of the Vessel or the Customer.

5 LIEN

- 5.1 It is agreed and accepted by the Customer that a lien over the Vessel is created for the Price of fuel supplied.
- 5.2 The Customer fully accepts the creation of this lien and warrants that the Customer has the authority to pledge the Vessel's credit, whether they are the owner of the Vessel or not. The Customer has responsibility of ensuring these conditions are communicated to the Owner prior to delivery.
- 5.3 The Company remains owner of the Product until the invoice has been paid in full.
- 5.4 The Customer acknowledges that any costs associated with the exercise of any lien due to any breach of these conditions by the Customer will be charged and will form part of the Price due to the Company.

6 SPECIFICATIONS, QUANTITIES & MEASUREMENT

- 6.1 The Company reserves the right to change the specification of any Product to ensure conformity with prevailing market specification and any legal requirements.
- 6.2 Detailed specifications are available on request prior to delivery.
- 6.3 In all cases, the quantity of fuels delivered will be conclusively determined by the measurement of the in-line gauges or meter on ex-pipe deliveries. For deliveries by road tanker, the bill of lading figures shall be conclusive.
- 6.4 In no circumstances will the Company accept a quantity claim for delivery below the measurement of meter or bill of lading based upon any measurement of Vessel tanks.

7 OBLIGATIONS OF THE COMPANY

- 7.1 The Company shall supply Fuels that meet the published specifications. No additional warrants on content or performance of the Fuels are made beyond the limits and measures defined in the specifications.
- 7.2 The Company warrants that the Products delivered will comply with relevant British Standards for products delivered in the UK.
- 7.3 The Company does not warranty that the Products are fit for any specific nor particular purpose. The Customer acknowledges that it is their responsibility to ensure the appropriate application of the Product after purchase.
- 7.4 The Company shall not be liable for any demurrage, hire, nor consequential loss (either direct or indirect) arising from any issue associated with a delivery of Product. In the event of any breach of these Conditions by the Company, any remedy shall be limited to damages and in all cases, the liability of the Company shall be limited in total to the Price of Product supplied.

8 ENVIRONMENTAL PROTECTION, HEALTH & SAFETY

- 8.1 The Customer warrants that the Vessel is suitably equipped and capably crewed to receive the ordered Products via the agreed delivery method. This includes having the correct fixtures and fittings on board to allow delivery.
- 8.2 The Customer is responsible for connection and disconnection on the Vessel.
- 8.3 The Company may cancel or suspend any delivery activity on the identification of health and safety issues associated with the delivery. Unless proven to be the responsibility of the Company, the Customer will remain liable for the full Price of delivery along with associated cancellation costs.

8.4 In the case of any Product spillage, the Company is fully authorised to take all actions deemed reasonably necessary to contain and remove the spilled Products. All costs involved resulting from any spillage shall be borne fully by the party proven to be negligent.

9 CLAIMS

9.1 Any claims must be notified to the Company in writing within 5 days of the delivery in question. Within 14 days, the Customer shall provide written documentary evidence in support of any claim.

9.2 If the delivery is not refused and the Customer does not lodge any claim within these timescales, the Customer cannot reject the Product, then the Company shall have no further liability and the Customer shall pay the Price for the Product received.

9.3 No claim in reference to quantity shall be accepted if the bunker delivery note has been completed and signed by a representative of the Customer or Vessel.

9.4 For a claim in reference to quality, then only the sample retained by the Company shall be used for testing to verify quality. Testing shall be at a mutually agreed laboratory. The Customer may attend the opening of the sealed sample and witness testing. Unless the Product is proven to be outside of the published specification, then all costs associated with investigation and testing shall be borne by the Customer.

9.5 Both parties agree to be bound by the outcome of the findings of the laboratory without further reference.

9.6 The entire liability of the Company shall be limited for unremedied acts or defaults shall not exceed the Price for the goods in question or £25,000 whichever is the greater plus the return of the Price paid.

10 FORCE MAJEURE

10.1 The Company shall not be liable to meet these Conditions as a result of any contingency beyond its reasonable control. This includes, but is not limited to, any strike, fires, floods, wars, sabotage, government order, interruption of sources of supply.

10.2 In no event shall an event of force majeure release the Customer from obligations to pay for Products already delivered.

11 LAW

11.1 These Conditions are governed by English law. The Company retains the option to enforce its rights under the Conditions in any court or tribunal in any state or country including instigation of proceedings in rem against the Vessel.

11.2 For clarity, the provision of the Contracts (Rights of Third Parties) Act 1999 shall not apply to this agreement between the parties and these Conditions.

12 GENERAL

12.1 These Conditions supersede all previous agreements, representations and warranties, whether oral or written and constitute the entire agreement for the purchase of Product.