



**G&B MARINE SERVICE PTE. LTD.**

**G&B Marine Service Pte. Ltd.**

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**STANDARD TERMS AND CONDITIONS OF MARINE FUEL SUPPLY BY G&B MARINE SERVICE PTE. LTD.  
("G&B") – January 2025 edition**

**APPLICATION**

Unless it is otherwise agreed in writing between the Seller and the Buyer, these Standard Terms and Conditions ("Standard Terms and Conditions") shall apply and be incorporated into each Confirmation of Order, and together with such Confirmation of Order these Standard Terms and Conditions constitute a full and complete agreement (the "Agreement") for the sale of Marine Fuel between the Seller and the Buyer.

Unless expressly accepted in writing by the Seller, no terms and conditions of the Buyer and/or any other parties shall bind on the Seller and these Standard Terms and Conditions shall prevail over any such terms and be binding on the Buyer.

Where the Seller agrees expressly with the Buyer in writing for a particular term or terms to be included in the Confirmation of Order which are inconsistent with these Standard Terms and Conditions, such particular term or terms shall prevail over these Standard Terms and Conditions only to the extent of such inconsistencies.

**1. DEFINITIONS**

In these Standard Terms and Conditions, unless the context otherwise requires, the following definitions and meanings shall apply:

1.1 "**Bunker Delivery Note (BDN)**" means a proprietary document of the Seller providing details of the quality and quantity of the Marine Fuel supplied to the Vessel of the Buyer.

1.2 "**Business Day**" means any day, except Saturdays and Sundays except public holidays, on which banks in South Korea are open for business.

1.3 "**Buyer**" means both (i) the buyer(s) named in the Confirmation of Order buying the Marine Fuel on their own behalf under a contract with the Seller and where the context requires shall include its employees, servants, agents and designated representatives and (ii) the registered owner of the Vessel to which Marine Fuel is being supplied, its bare-boat charterers and/or its charterers and/or managers and/or operators and/or the buyer and/or the disponent owner of the Vessel.

1.4 "**Company**" includes a body corporate, a natural person, an unincorporated body, a governmental-agency

and/or a statutory corporation.

1.5 **“Confirmation of Order”** means the confirmation issued by the Seller to the Buyer, confirming the terms of the sale and purchase of Marine Fuel save that the price for the Marine Fuel specified therein shall only be valid seven (7) Business Days from which the Confirmation of Order is issued. No binding contract shall exist until such Confirmation of Order is issued by the Seller to the Buyer.

1.6 **“Delivery Port”** means a port at which the Seller delivers or arranges for the delivery of Marine Fuel.

1.7 **“Marine Fuel”** means the different grades of bunker fuel oil, intermediate bunker fuels, marine fuel oil, thin fuel oil, marine diesel oil, light marine diesel fuel and gas oil or any other type and grade of oil delivered or contracted to be delivered or arranged to be delivered by the Seller.

1.8 **“Seller”** means G&B.

1.9 **“Vessel”** means the ship or vessel(s) nominated to take delivery, or taking delivery or having taken delivery of the Marine Fuel on behalf of the Buyer for which Marine Fuel is to be or has been arranged to be delivered by the Seller.

## 2. ORDER AND CONFIRMATION OF ORDER

2.1 Buyer shall submit an order (the “Buyer’s Nomination”) for purchase of Marine Fuel to Seller which contains at least the following information: price, quantity, quality, name of Delivery Port, date of delivery, name of Buyer’s Vessel, account to be charged and name of Buyer’s local agent.

2.2 Seller may, within the reasonable period of time after the receipt of Buyer’s Nomination, (i) notify Buyer whether it accepts such nomination or (ii) propose certain modification on Buyer’s Nomination. If Seller accepts Buyer’s Nomination whether original or modified, Seller shall send Seller’s Confirmation of Order to Buyer in response thereto, and Buyer’s receipt of the Confirmation of Order shall constitute formation of a contract for that individual order. If Seller does not notify the Buyer in the aforesaid manner, it will be deemed not to have accepted such nomination.

## 3. PRICE

3.1 The price of Marine Fuel shall be the price quoted by the Seller and accepted by the Buyer as confirmed by the Seller in the Confirmation of Order.

3.2 Unless otherwise specified in the Confirmation of Order, the price shall be in United States Dollars and shall represent the price per metric ton for each grade of Marine Fuel specified in the Confirmation of Order. If the price in the Confirmation of Order is expressed in volume units, the price shall be converted to a price per metric ton at sixty (60) degrees Fahrenheit or fifteen (15) degrees Centigrade.

3.3 The price specified in the Confirmation of Order shall only be valid for a period of seven (7) Business Days from the issuance of the Confirmation of Order, beyond which the Seller may adjust the price upward at its absolute discretion to reflect (a) any market frustration affecting the Marine Fuel price (b) an increase in import duty, import surcharge or other governmental charge, levy or tax, rates of insurance premium, freight or other charges relating to the sale, loading, unloading, delivery, storage, transshipment or transportation of the Marine Fuel or any part thereof, (c) an increase in the costs of manufacture of the Marine Fuel arising from or out of or contributed by an increase in the price of petroleum products, fuel or energy resources or other raw materials after the date of this Agreement or of any nature, whereby or not of the same nature as the foregoing or (d) any decrease in the currency of payment as against the United States Dollar from the rate of exchange between the same currencies prevailing at the date of this Agreement. For the purpose of this clause, the rate of exchange means the rate at which Seller may in the ordinary course of business purchase such other currency with United States Dollars and in the event of two or more rates on any date, the applicable rate shall be that selected by Seller which shall be final and binding on Buyer.

3.4 The price quoted in the Confirmation of Order is an ex-wharf or ex-light/barge price and excludes any charges for wharfage, barging, mooring or other similar charges. In addition to the price quoted in the Confirmation of Order the Buyer shall pay the Seller for all and any taxes, levies, duties, expenses, delivery charges, wharfage, barging fees, road trucks, jetty fees and other costs (including without limitation, those imposed by the government or authorities at the place where the delivery takes place) arising out of and/or incurred in connection with the delivery of such Marine Fuel under the Agreement which shall be included in the Seller's invoice to the Buyer. The Buyer shall furthermore pay any extra costs arising out of and/or incurred in connection with deliveries made on Saturdays, Sundays and public holidays, and outside of normal working hours at the Delivery Port or place of delivery/work.

3.5 The price of Marine Fuel does not include any insurance against the risk of loss of or damage to Marine Fuel or any property. It is expressly understood and agreed that the Buyer will carry its own insurance at its own expense for the protection of the Marine Fuel after delivery and of the Buyer's property in the Delivery Port. All vessels, barges, trucks, or other modes of transportation selected by the Buyer shall maintain proper insurance coverage with reputable insurance companies. The Buyer will provide a certificate of insurance to this effect at no cost to the Seller upon the Seller's request.

#### **4. DELIVERIES**

4.1 Wherever the Seller accepts delivery nominations, all such deliveries shall be within port limits, unless delivery outside of such port limits is agreed in advance in writing by the Seller.

4.2 The Seller shall use reasonable endeavors to deliver the Marine Fuel to the delivery location, on such date and at such time as are specified in the Confirmation of Order, but such date and time are indicative only and time for delivery shall not be of the essence. Delivery shall occur when the

vehicle or craft transporting the Marine Fuel arrives at the delivery location and is ready to commence delivery of the Marine Fuel.

4.3 All deliveries will be made ex-wharf or ex-light/barge in accordance with the instructions given by the Buyer or the master of the Vessel, subject to the Seller's agreement to such instructions, which agreement shall be reached before the delivery is commenced by the Seller. Without recourse available to the Buyer, the Seller is entitled to suspend delivery of the Marine Fuel until such agreement is reached, and if no such agreement is reached within three (3) days from the date of delivery intended under the Confirmation of Order, the Seller shall be entitled to terminate the Agreement without incurring liability to Buyer or any third party on whose behalf Buyer placed the Buyer's Nomination. For the purpose of the foregoing, the Buyer shall indemnify and hold harmless the Seller from and against any losses and damages or costs and expenses to be incurred by Buyer or such third party in connection with and arising from Seller's termination of this Agreement due to failing to reach an agreement in respect of Marine Fuel delivery instructions.

4.4 The Buyer shall give the Seller, unless otherwise agreed or requested by the Seller, at least five (5) Business Days' advance notice of the requested date of delivery and to provide the details of the delivery between 09:00 to 17:00 hours (South Korea time) by e-mail or telefax, unless otherwise agreed or accepted by the Seller in writing. Such notice shall identify the Buyer and the Confirmation of Order and shall specify all delivery details, including but not limited to, the Delivery Port, name of Vessel, the agent of Vessel, its estimated time of arrival at the Delivery Port, approximate date of delivery, location of Vessel, method of delivery, confirmation of the grade and quantity of Marine Fuel ordered and any other information that the Seller requests.

4.5 The Buyer and/or the agent of the Vessel shall give the Seller at least Seventy-Two (72) hours' advance notice (which excludes Saturdays, Sundays and Public Holidays) between 09:00 to 17:00 (South Korea time) by e-mail or telefax, unless otherwise agreed or accepted by the Seller in writing, of the date of the Vessel's arrival at the Delivery Port, name of Vessel, the exact quantity of Marine Fuel, exact location and exact time at which the delivery is required and any other information that the Seller requests.

4.6 Notwithstanding that the Seller may have issued a Confirmation of Order to the Buyer, the Seller's obligation to deliver the Marine Fuel is contingent on the Buyer giving the requisite notices under Clauses 4.4 and 4.5 above. If the Buyer does not give the requisite notices under Clauses 4.4 and 4.5 above, the Seller shall then, in its absolute discretion, have the option of terminating the Agreement. The Buyer shall indemnify the Seller on demand for any losses, costs and/or expenses that the Seller suffers (either directly or indirectly) as a result of the Buyer failing to give the requisite notices under Clauses 4.4 and 4.5 above, whether the Seller exercises its option to terminate the Agreement or not.

4.7 If the Vessel fails to arrive at the delivery location at the stated time of arrival as confirmed by the Buyer's notices given under Clauses 4.4 and 4.5 above, the Seller may, in its absolute discretion, revise the price and/or amend the Agreement and/or amend any and all terms of the Agreement and/or claim any additional costs or expenses incurred as a result. Alternatively, the Seller may, in its

absolute discretion, choose to terminate the Agreement without prejudice to its right to claim damages from the Buyer.

4.8 If at any point prior to delivery it becomes apparent to the Buyer that the Vessel will be unable to arrive at the delivery location at the stated time of arrival, the Buyer shall notify the Seller immediately, providing the Seller with a revised ETA (estimated time of arrival) for the Vessel with such notice. Upon receipt of such notice and revised ETA, the Seller shall be under no obligation to accept such revised ETA and may, in its absolute discretion, revise the price and/or amend the Agreement and/or amend any and all terms of the Agreement and/or claim any additional costs or expenses incurred as a result. Alternatively, the Seller may, in its absolute discretion, choose to terminate the Agreement without prejudice to its right to claim damages from the Buyer.

4.9 Once a Confirmation of Order in respect of Buyer's Nomination has been issued by the Seller, the Buyer shall not cancel or change such Buyer's Nomination. The Buyer shall be liable for all losses (including, but not limited to, loss of profits), costs or expenses (including, but not limited to, barging and storage costs) incurred (either directly or indirectly) by the Seller resulting from the failure of or delay by the Buyer to take delivery of or refusing to take delivery in part or in full of the quantity of Marine Fuel ordered under the Agreement within the delivery period specified in the Confirmation of Order. Without prejudice to the Seller's right to claim all losses as stated herein, as a penalty for the Buyer's cancellation, the Buyer shall first pay the Seller a cancellation fee of (i) US\$3.00 per metric ton for the Marine Fuel ordered under the Agreement which is not taken or (ii) US\$1,000, whichever is greater. Buyer shall pay such cancellation fee within seven (7) days following the issuance of Seller's invoice for the cancellation fee.

4.10 Delivery of Marine Fuel by the Seller to the Buyer shall be carried out, inter alia, subject to any regulations, requirements and procedures (including any amendments and revisions thereof) as may be prescribed from time to time by any governmental authorities at the Delivery Port. The Buyer shall, in any event, be solely responsible for ascertaining, acquainting itself and complying with inter alia, all such regulations, requirements and procedures which are applicable at the Delivery Port and in complying with all relevant berth restrictions and requirements and the Buyer agrees to indemnify the Seller for any losses, costs and expenses which have been incurred by the Seller following the Buyer's failure to comply with such regulations, requirements and procedures.

4.11 Vessels shall be supplied as promptly as circumstances permit, but the Seller shall in no event be liable for any losses, damages, delay or demurrage, whatsoever and howsoever incurred by the Buyer due to and/or arising out of and/or in connection with any:

- (i) delay or congestion at the port or shore terminal;
- (ii) weather/tide conditions;
- (iii) administrative compliance;
- (iv) port regulations;
- (v) labor disputes or strikes;
- (vi) public holidays at the Delivery Port;
- (vii) any other commitment(s) of available barges;

- (viii) unavailability (in the Seller's opinion) of a clear and safe berth or mooring;
- (ix) priority orders;
- (x) unavailability of supply of Marine Fuel;
- (xi) any other cause whatsoever provided it is beyond the Seller's reasonable control.

4.12 The Buyer shall be responsible for making all connections and disconnections of the delivery hose(s) to the Vessel's bunker manifold and to ensure that the hose(s) are properly connected to the Vessel's bunker manifold prior to the commencement of delivery. The Buyer shall render all other necessary assistance and provide sufficient tankage and equipment to receive promptly the delivery of the Marine Fuel under the Agreement. Where delivery is undertaken ex-wharf, the Buyer shall promptly receive the delivery and withdraw the Vessel from shore terminal or wharf once delivery is completed.

4.13 The Buyer shall ensure that the Vessel can safely receive Marine Fuel and is in possession of valid licenses, permits and certificates required by relevant regulations pertaining to delivery, storage and use of the Marine Fuel and that:

(i) the master of the Vessel advises the Seller in writing prior to delivery of (i) the maximum allowable pumping rate and pressure, and communication and shut-down procedures, and (ii) any special conditions, difficulties, peculiarities, deficiencies or defects in respect of and particular to the Vessel which might adversely affect the delivery of the Marine Fuel; and

(ii) the Vessel has a free side clear of obstructions to allow the safe and proper mooring of the bunker tanker to deliver the Marine Fuel and render all necessary assistance which may be required to moor and unmoor the bunker tanker.

4.14 The Seller shall not be obliged to deliver or supply Marine Fuel into any tanks of the Vessel which are not regularly used for bunker storage or to deliver Marine Fuel for export for which the necessary permits or licenses have not been obtained.

4.15 If the Vessel is not able to receive the delivery promptly, or the Buyer or the Vessel causes any delay to the Seller's or the Seller's supplier's facilities in effecting deliveries, the Buyer shall pay demurrage to the Seller at the Seller's established rates based on current market and Seller's vessel/barge's deadweight, and reimburse the Seller for all other expenses in connection therewith.

4.16 In addition to the Buyer being responsible for payment of the purchase price and any costs or damages referred to in these Standard Terms and Conditions, in circumstances where the Buyer is not the owner of the Vessel the Seller reserves the right to claim against the owner of the Vessel for payment of the same to the extent that the owner of the Vessel would be liable under the law and legislation of the place: -

- (i) Where the owner of the Vessel is incorporated or maintains its principal place of business; and/or
- (ii) Where the Vessel can be found

4.17 In addition to the provisions of Clause 4.16 above, the Seller furthermore is hereby granted and will have and may assert a maritime lien or the like over the Vessel, its machinery and equipment to the extent that this is permitted under the laws which govern the Agreement or by the laws which apply in any jurisdiction where the Vessel is found and/or registered.

## 5. ENVIRONMENT

5.1 The Buyer warrants that the Vessel now and at all times is and will be in compliance with all governmental, international convention and international shipping association trading and pollution standards and regulations. The Buyer further warrants that the Vessel will not be moored at a wharf or alongside other marine loading facilities of or chosen by the Seller unless free of all conditions, deficiencies or defects.

5.2 In case of any spillage (which for the purpose of this Clause shall mean any leakage, escape, spillage or overflow of Marine Fuel) at any stage of the delivery and transfer of Marine Fuel to the Vessel, the Buyer shall immediately take such actions as are necessary to effect against or mitigate any resulting pollution damage or as required by any governmental authorities. Such actions shall always be conducted in accordance with such local laws and regulations which may compulsorily apply.

5.3 Unless Buyer or Vessel provides any contrary documented evidence or competent authorities determine otherwise, Buyer and/or Vessel shall be jointly and severally liable for any penalties, cleanup expenses and any other costs of whatsoever nature that may be incurred, either directly or indirectly, as a result of an incident occurred in respect of spillage of Marine Fuel. In addition, in the event such incident is found or determined to be the result of any defect in the Vessel or its equipment or any fault or act of neglect of the master, crew, agent or representative of the Vessel, the Buyer agrees to cause the Vessel to assume any and all responsibility for penalties, clean-up expenses and any other costs of whatsoever nature that may be incurred, either directly or indirectly, as a result of such incident and shall indemnify and hold harmless the Seller from and against penalties, clean-up expenses and any other costs in relation thereto.

5.4 Notwithstanding the cause of such spill, Seller or its supplier is hereby authorized, at its option, upon notice to Buyer or Buyer's Vessel, to take such measures, either in cooperation with Buyer, or exclusively as the sole party, and incur such expenses (whether by employing its own resources or by contracting with third parties) as are necessary in the judgment of Seller or its suppliers to remove the oil and mitigate the effects of such spill. Buyer agrees to cooperate and render such assistance as is required by Seller in the course of such action.

5.5 Any expenses, damages, costs, fines and penalties arising from a spill shall be paid by the parties on the basis of the appropriation of liability agreed between the parties or determined by competent authorities in a jurisdiction at the election of the Seller.

5.6 If a third party, including but not limited to government agencies and public authorities, makes a claim against the Buyer and the Seller, whether jointly and/or severally, in connection with a pollution claim, the Buyer and the Seller shall settle the pollution claim on the basis of the appropriation of liability agreed between the parties or determined by competent authorities in a jurisdiction at the election of the Seller.

5.7 Buyer also agrees to give, or cause to be given, to Seller, all such documents and other information concerning any spill, or any program for the prevention thereof, which are requested by Seller, or required by law or regulation applicable at the time and place where Seller delivers Marine Fuel to Buyer.

## **6. QUANTITY AND MEASUREMENT**

6.1 The quantities of Marine Fuel supplied under the Agreement shall be those specified in the Confirmation of Order, subject always to the availability of quantities and grades of such Marine Fuel on the date of delivery at the delivery location.

6.2 Quantity of the Marine Fuel delivered by the Seller shall be measured and determined at the Seller's option from the gauge or meter of shore or barge tanks. Such determination shall be conclusive and binding on the parties and shall be used for Seller's invoicing purpose, regardless of any measurements taken by the Vessel. The quantity shall be measured and calculated in accordance with prevailing API/ASTM-IP Petroleum Measurement Tables, and adjusted if necessary to 60°F/15°C.

6.3 The Buyer shall have the right to have its representative or an inspector appointed by the Buyer and acceptable to the Seller be present to witness the measurement of quantity of Marine Fuel at the time of delivery, provided that any costs and expenses for the Buyer's representative or inspector shall be borne by the Buyer, and the Buyer shall be responsible for any delays caused or occasioned by the Buyer's representative or inspector, including but not limited to demurrage at the Delivery Port. The Seller's determination of quantity shall be conclusive and binding on the Buyer, whether the Buyer is represented or not.

6.4 The Buyer shall be responsible for ensuring that the bunker manifold of the Vessel into which the Marine Fuel is to be deposited is suitable in all respects, and complies with all relevant regulation and is capable of accommodating the full quantity of Marine Fuel ordered by the Buyer.

6.5 Any claim as to shortage in quantity shall be presented by the Buyer to the Seller in writing, with all supporting documentation, within seven (7) calendar days from the date of delivery, failing which the Buyer shall be deemed to have accepted the quantity of the Marine Fuel delivered and deemed to have waived any claim and/or objection as to the quantity of Marine Fuel delivered, and the Buyer shall be precluded from commencing any proceedings for any claim for damages and/or loss and/or costs of whatsoever nature and howsoever caused against the Seller in relation to the quantity of the Marine Fuel delivered.



## **7. SAMPLING**

7.1 The Seller shall arrange for three (3) samples of each grade of Marine Fuel to be drawn throughout the delivery of such grade of Marine Fuel. The Buyer shall have the right to have its representative or an inspector appointed by the Buyer and acceptable to the Seller be present to witness the sampling and sealing of Marine Fuel, provided that any costs and expenses for the Buyer's representative or inspector shall be borne by the Buyer, and the Buyer shall be responsible for any delays caused or occasioned by the Buyer's representative or inspector, including but not limited to demurrage at the Delivery Port. The absence of the Buyer or its representative shall not prejudice the validity of the samples taken.

7.2 The samples shall be taken at the point selected by the Seller at the time of delivery.

7.3 The samples shall be drawn using a mutually acceptable sampling device and method. If the Buyer does not express any request on sampling device and method, then the Seller's determination shall be conclusive and binding upon the Buyer.

7.4 The three (3) samples of Marine Fuel drawn shall be sealed and labelled indicating the Vessel's name, delivery location, product name and date of sampling signed by the Seller's representative and the master of the Vessel or its authorized representative. The samples with seal number marked on the Bunker Delivery Note shall be the only valid samples.

7.5 Two of the samples shall be retained by the Seller after delivery of the Marine Fuel to the Vessel for sixty (60) days, or such period of time at the Seller's election and the other one sample shall be given to the master of the Vessel.

7.6 If the Marine Fuel is delivered by more than one bunker tanker, the sampling procedure shall be repeated as outlined by this Clause 7.

## **8. QUALITY AND CLAIMS**

8.1 The Buyer shall solely bear the responsibility and risk for the selection and nomination of the grades of Marine Fuel (including without limitation determination of compatibility with the machinery, equipment and Marine Fuel used or to be used by Buyer's Vessel) and the Seller does not warrant and is not under any obligation to inspect whether the Buyer's selection and nomination is suitable for use by the Vessel in question or any other receiving facility.

8.2 The Seller shall bear no responsibility whatsoever for any information which it has given to the Buyer on the characteristics of the Marine Fuel. Any information provided by the Seller to the Buyer shall not in any event be taken to be a specification of the Marine Fuel to be and/or has been supplied under the Agreement.

8.3 The seller makes no guarantee, warranty, condition or representation, express or implied, of quality,

merchantability, fitness or suitability, the results obtained from the use of any of the marine fuel, for particular use or otherwise, except that the Marine Fuel shall meet the specifications of ISO 8217:2005(E) or any other specifications for Marine Fuel as set out in the Confirmation of Order, subject to variance.

8.4 The Buyer shall formally lodge a claim with the Seller in writing specifying the full details of the claim together with all available supporting documents as to the quality of the Marine Fuel delivered within fourteen (14) days from the date of its delivery. If the Buyer fails to do this, the Buyer shall be deemed to have accepted the quality of the Marine Fuel delivered and deemed to have waived any claim/objection as to the quality of the Marine Fuel delivered, and the Buyer shall be precluded from commencing any proceedings for any claim for damages and/or loss and/or costs of whatsoever nature and howsoever caused against the Seller in relation to the quality of the Marine Fuel delivered.

8.5 Following any claim pertaining to the quality of Marine Fuel delivered under the Agreement, the Seller shall arrange for an analysis of its retained sample of Marine Fuel by a qualified and independent laboratory agreed upon between the Seller and the Buyer. Any claim pertaining to the quality of Marine Fuel must be based on the results of these tests and analysis, which shall be carried out as soon as possible after the claim is made to the Seller.

8.6 The Seller shall provide the laboratory with one or more of the samples retained by it. The analysis of the Seller's samples shall be conclusively deemed to be representative of the quality of the Marine Fuel supplied to the Vessel save in instances of manifest error or fraud.

8.7 The costs of any tests and analysis carried out by the independent laboratory shall be borne by the Buyer if the results are in favor of the Seller or by the Seller if the results are in favor of the Buyer. Such results shall be conclusive and binding on and as between the Seller and the Buyer save in instances of manifest error or fraud.

8.8 The Buyer's submission of any claims shall not relieve the Buyer from its obligation to make full payment for the Marine Fuel in accordance with the Agreement. The Buyer agrees that any claim relating to the delivery (either quantity or quality) does not constitute a valid defense or set-off against the Seller's claim to any amount withheld by the Buyer. The Buyer further agrees that the Seller may immediately recover any amount withheld from full payment from the Buyer.

8.9 When the Buyer submits a claim pertaining to the quality of Marine Fuel delivered under the Agreement, the Seller shall be entitled and the Buyer shall allow, or where the Buyer has chartered the Vessel, shall obtain the owners' authorization to allow the Seller or the Seller's agent to board the Vessel and investigate the Buyer's claims, including but not limited to the inspection of the Master's logs and/or the Vessel's engine records and taking copies of these or any documents which the Seller considers necessary for its investigations, and shall have access to the Vessel's engine spaces. The Buyer shall under no circumstances deny the Seller access to such documents and/or refuse copies to be produced. Failure to allow boarding, access and/or to produce copies of documents shall constitute a complete defense to any claim brought by the Buyer.

## 9. PAYMENT

9.1 Payment shall be made to the Seller's account, by means of telegraphic transfer according to the payment instructions in the invoice.

9.2 Payment shall be made so that the funds are cleared funds in the account of the Seller within thirty (30) days of the date of delivery of the Marine Fuel (the date of delivery of the Marine Fuel to count as day "one") or such other due date stated in the Seller's invoice. Such payment shall be for the full invoice value, without any set-off, counterclaim, deduction, withholding or discount. Payment shall be made free of bank charges. If payment falls on a non-Business Day, payment shall be made on or before the Business day prior to the due date.

9.3 If a final invoice cannot be, or is not, submitted in time for payment, Seller may invoice Buyer on a provisional basis based upon all known pricing information at the time of provisional invoicing. A final settlement invoice will be submitted to Buyer by Seller as soon as practicable thereafter. Any resultant overpayment or payment shortage shall be settled between Seller and Buyer within five (5) Business Days of issuance of the final settlement invoice.

9.4 If the purchase price has been agreed in a currency other than United States Dollars, the Buyer shall at all times bear any and all currency fluctuation risks and the Buyer shall consequently indemnify the Seller in United States Dollars for any shortfall arising from the conversion of this other currency into United States Dollars at the time of payment when compared to the prevailing rate of the conversion on the date of the subject invoice together with any bank charges. Any gains resulting from an improvement in the currency conversion between the date of the subject invoice and payment shall go to the Seller.

9.5 If the purchase of the Marine Fuel is contracted for by an agent of the Buyer, then such agent as well as the principal shall be jointly and severally bound by and be fully liable for obligations of the Buyer in the purchase of the Marine Fuel, whether such principal be disclosed or undisclosed.

9.6 The purchase price and other charges shall be payable by the due date, unless otherwise agreed or unless the Agreement is lawfully terminated (in which case the amounts become immediately due and payable). In case that payment is not received by the due date, whether in part or in full, interest shall accrue on any outstanding amounts at the U.S. Prime Rate posted by the Wall Street Journal as of the original due date (or, in case of no posting on such date, the subsequently posted rate) plus three percent (3%) per annum, calculated on a daily basis starting from the next day of the original due date until full payment of all amounts due has been received by the Seller.

9.7 The Buyer shall not be entitled, without the Seller's consent in writing, to offset any claims against the Seller whether in law or equity, whether or not these claims are connected, and/or whether or not they arise out of the consignment concerned or the Agreement.

9.8 If the Buyer has not affected payment within the due date,

9.8.1 The Seller, without prejudice to its right to impose late payment interest upon Buyer as set

forth in the Clause 9.6 above and other contractual and statutory rights or remedies to which the Seller is entitled in relation to the breach by the Buyer of the Agreement, shall be entitled to suspend any delivery of the Marine Fuel whether such delivery has already been confirmed by the Seller or not; and

9.8.2 The Buyer shall within one (1) week upon request forward an admission of debt worded in such a way that the document may be used as a basis for execution in the country where the Buyer is incorporated or maintains a principal place of business.

9.9 Notwithstanding any provisions to the contrary under this Agreement, if at any time, the reliability or financial responsibility of the Buyer (or of any guarantor or other person furnishing security in support of the Buyer) should, in the Seller's reasonable opinion, be or become impaired or unsatisfactory, the Seller may notify the Buyer that the Seller requires the Buyer to provide security for the payment or further security in the form of:

(i) an irrevocable documentary or standby letter of credit ("L/C") open and advised or confirmed by a first class international bank or banks acceptable to the Seller, which shall:

(a) be in the format and terms acceptable to the Seller;

(b) be sufficient to cover one hundred and ten (110) percent of the Seller's Marine Fuel value, and

(c) remain valid for at least thirty (30) days after the estimated payment due date (total validity period from date of issue shall be sixty (60) days); or

(ii) pre-payment for the Marine Fuel in whole or in part at the Seller's discretion at any time before the loading of the Marine Fuel. Such pre-payment shall be made at the Seller's request by a provisional invoice based on the Seller's estimated value of Marine Fuel plus ten (10) percent; or

(iii) such other security for payment which Seller, in its sole and absolute discretion and at any time, finds acceptable.

9.10 The Buyer shall provide the payment security requested by the Seller in accordance with the Clause 9.9 at least five (5) Business Days before the expected delivery date confirmed by the Seller in the form of the Confirmation of Order. Notwithstanding anything elsewhere contained in the Agreement, if the Buyer fails to provide such credit security requested by the Seller, the Seller shall not be obliged to commence loading of the Marine Fuel.

9.11 Without prejudice to any other rights or legal remedies the Seller may have, the Seller shall not be liable to the Buyer for any costs, losses and/or damages (including liabilities to third parties) incurred by the Buyer as a result of any such steps the Seller may take in accordance with this Clause 9.

9.12 The Seller may exercise the rights stated in this Clause 9 whether or not the Confirmation of Order has been made or accepted. Where the Seller exercises any such right in relation to the Buyer's failure to provide the required security or the Buyer's failure to make payment on due date, the Seller shall be entitled to dispose freely of any resulting quantity of the Marine Fuel and the

Buyer shall be liable for, and shall indemnify the Seller for any costs, losses and/or damages incurred by the Seller. The Buyer's liability includes, but is not limited to, any demurrage or excess time payable by the Seller in respect of the barge supplying the Marine Fuel waiting at the terminal or elsewhere and/or any liability incurred by the Seller from third parties as a result thereof.

9.13 All bank charges relating to any L/C or other security and any other fees, commissions, costs and expenses incurred with respect to providing security are for the Buyer's account.

9.14 Notwithstanding the provisions of security for the transaction, the Buyer will remain responsible for payment in the event that payment is not made under the security for any reason whatsoever.

9.15 All overdue payments may be applied, at the sole and absolute discretion of the Seller, first towards the settlement of interest outstanding before application to the principal payment sums under the Agreement or any other contract between the Buyer and the Seller.

9.16 The Buyer shall be liable for all legal fees, costs and any expenses incurred by the Seller in connection with the recovery of any amount that is due under the Seller's invoices. In particular, the Buyer agrees to reimburse the Seller on a full indemnity basis for all legal costs incurred by the Seller in connection with enforcement of the Seller's rights under the Agreement.

## **10. FORCE MAJEURE**

10.1 The Seller shall not be liable or be in breach of any provision hereof for any failure or delay on its part to perform any obligations hereunder if the failure or delay results from any of the following events ("Force Majeure"): -

(i) any governmental act or compliance with any law, order, request, or control of any governmental authority or person purporting to act thereof whether or not such law, order, request or control is later determined to be invalid (including compliance with or implementation of any order, request, plan or program of any authority created by governments); or

(ii) any governmental authority imposes any form of price control, rationing, allocation, or other emergency measures on the Seller's sales of Marine Fuel at the port where the Buyer desires to take delivery of the Marine Fuel and has contracted with the Seller for the same; or

(iii) the interruption, unavailability or inadequacy of Marine Fuel or any constituent thereof, or any facility of production, manufacture, storage, transportation, distribution or delivery because of wars, hostilities, public disorders, acts of enemies, sabotage, strikes, lockouts, labor or employment difficulties, fires, acts of God, accidents, breakdowns (whether in part or full), weather conditions, or

(iv) the failure, cessation, termination or curtailment in whole or in part of any of the existing or contemplated sources of supply of the Seller of Marine Fuel, or the crude oil or petroleum products from which such Marine Fuel is derived; or

(v) any flood, drought, ice, frost, fog, wind, typhoon, hurricane, tidal wave, landslide, lightning, earthquake or any other act of God, prohibition of export or import, refusal of or delay in the issue of export and/or import license, law regulation order direction or guidance by or of any government or instrumentality thereof, intervention of civil naval or military authorities, act of war or hostilities or the threat or apprehension thereof, warlike condition, riot or civil commotion, insurrection, mobilization, revolution, blockade, embargo, strike, lockout, slowdown, stoppage or restraint of labor from whatsoever cause whether partial or general, arrest or restraint of princes rulers or people, seizure under legal process, sabotage, fire, explosion, plague, or other epidemic, quarantine, prolonged failure or shortage of electric current, shortage of petroleum products fuel or energy sources or other raw materials, accidents to or breakdown of machinery or plant, unavailability or shortage of shipping space or transportation facilities port facilities or loading or unloading facilities, perils of the seas, accident or navigation, act or omission (whether or not due to negligence) of any carrier or its agents or servants in the navigation or management of the ship or any other mode of transport, act neglect or default of any carrier shipper consignee manufacturer supplier forwarding or transport agent of the Marine Fuel; or

(vi) any other causes whatsoever, whether similar or dissimilar to those enumerated above, beyond the reasonable control of the Seller.

10.2 The Seller shall not be required to remove any such cause or replace the affected source of supply or facility, and, in the event of an actual or anticipated shortage of supply that directly or indirectly prevents the Seller from fulfilling its own requirements as well as those of its customers including its affiliated companies and the Buyer, the Seller may allocate available quantities of Marine Fuel to it, its customers and the Buyer in its absolute discretion.

10.3 On the occurrence of any event of Force Majeure, Seller shall have the option to:

(i) suspend delivery of any Marine Fuel under the Agreement for such period as the Seller may determine the event of Force Majeure shall exist or is continuing, alternatively to cancel such delivery and/or terminate the Agreement. In the event of such termination of Agreement, the Seller shall be relieved of its obligations to perform hereunder; or

(ii) allocate such quantities of Marine Fuel to the Buyer as the Seller may determine to be appropriate in its absolute discretion and in respect of any shortfall of the contractual quantity, the Seller shall be entitled to suspend delivery of such shortfall for such period which the event of Force Majeure shall exist or is continuing or alternatively to cancel any further delivery of such shortfall, in which event the Seller shall be relieved of any further obligations to perform under the Agreement in respect of this shortfall. In the event of the Seller exercising any such option, the Buyer shall accept such extension of time or termination, as the case may be, without any claim whatsoever against the Seller.

10.4 In no event shall the Seller be obligated to purchase Marine fuel or its equivalent from others in order to enable it to deliver Marine Fuel to the Buyer.

10.5 Where the Seller exercises the right to cancel or suspend any further delivery of such shortfall, the Buyer shall only be liable to pay for the quantity delivered and if full payment has already been made by the Buyer in respect of the contractual quantity, the Seller shall refund the Buyer the value of such shortfall from the contractual price which has been paid.

## 11. TERMINATION BY DEFAULT

11.1 Without prejudice to the foregoing, each of the following shall constitute an event of default by the Buyer, entitling the Seller to terminate by written notice to the Buyer this Agreement and any other contract with the Buyer forthwith, delay or suspend shipment or delivery, stop the Marine Fuel or any part thereof in transit, and/or accelerate payment of any instalment or postpone or defer payment whether or not the same shall be contingent or absolute in respect of shipment already made under this Agreement and any other contracts with the Buyer, and claim damages against the Buyer:-

(i) Failure by the Buyer to perform, or a threat by the Buyer to not perform, any obligation under the Agreement, or if any warranties, representations or undertakings made to the Seller shall be incorrect or misleading in any respect;

(ii) The Buyer suspending any payment to its creditors, ceasing to carry on business or entering into an arrangement or composition with its creditors;

(iii) Any application is made or proceedings commenced, or any order or judgment being given by any court in respect of the Buyer for:

(a) its liquidation, winding up, bankruptcy, insolvency, dissolution, administration or reorganisation or other similar event, whether voluntary or not;

(b) the appointment of a receiver, liquidator, trustee, administrator, administrative receiver or similar functionary, of all or part of its assets; and

(iv) Any act done or event occurring which, under the applicable law thereof, has a substantially similar effect to any of the acts or events outlined above.

11.2 All sums owed under the Agreement by the Buyer shall become immediately due and payable upon termination of the Agreement.

11.3 Without prejudice to the foregoing, in the case of the Seller lawfully cancelling any order or terminating the Agreement as a result of the Buyer's default or the Buyer failing to receive the Marine Fuel in accordance with the Agreement, the Buyer shall pay to the Seller the difference between the purchase price of the Marine Fuel under the Agreement and the market price as at the date of termination for the Marine Fuel ordered and/or to be ordered under the Agreement (for the avoidance of doubt, the Seller shall not be required to make any payment to the Buyer where such market price is higher than such purchase price), together with a cancellation/termination penalty of

(i) US\$ 10.00 per metric ton or (ii) US\$ 1,000, whichever is greater, plus any other losses arising as a result of the Buyer's default.

11.4 Termination of the Agreement shall not affect each party's rights, liabilities and obligations to the extent accrued prior to termination.

## **12. RISK OF LOSS AND TITLE**

12.1 Risk in the Marine Fuel being supplied under the Agreement shall be transferred from the Seller to the Buyer, as it passes through the flange connecting the Vessel's bunker manifold with the loading facilities provided by the Seller. At such point, the Seller's responsibility shall cease and the Buyer shall be responsible for any and all risk of loss, damage, deterioration or evaporation as to the Marine Fuel delivered. The Buyer shall properly maintain the Marine Fuel at its risk and insure it in favor of the Seller for so long as title to the Marine Fuel is retained by the Seller.

12.2 Title (legal, equitable or otherwise) to the Marine Fuel shall remain with the Seller and pass to the Buyer only upon payment of the price of the Marine Fuel delivered pursuant to the Agreement. Until such time as payment is made, on behalf of itself and the Vessel, the Buyer agrees that it is in possession of the Marine Fuel as bailee of the Seller.

(i) If, prior to payment, the Seller's Marine Fuel is co-mingled with other marine fuels on board the Vessel, title to the Marine Fuel shall remain with the Seller corresponding to the quantity of the Marine Fuel delivered. If the Buyer co-mingles the Marine Fuel with bunkers owned by a third party and the total co-mingled bunkers are reduced through use to an amount less than the amount delivered under the Agreement, title in the unused Marine Fuel will remain with the Seller on a pro rata basis calculated using the amounts as they were when originally comingled.

(ii) Should the Marine Fuel otherwise be converted into a new product, other than pursuant to comingling with other marine fuels, which is addressed in (i) above, whether or not such conversion involves the admixture of any other goods or thing whatsoever and in whatever proportions, then the Seller shall have the full legal and beneficial ownership of the new product in the ratio of the purchase price of the retained Marine Fuel to the value of the new product.

12.3 During the time that title to and interest in any Marine Fuel or any new product (as the case may be) remains with the Seller, if the Buyer sells any of such Marine Fuel or any new product (as the case may be), the Buyer must hold so much of the proceeds of sale as relates to such Marine Fuel or such new product (as the case may be) as trustee for the Seller, and, until payment of the amounts due to the Seller, must place that part of the proceeds in a separate bank account and hold them to the order of the Seller.

12.4 During the time that title to and interest in any Marine Fuel or any other new product remains or vests, as the case may be, in the Seller, without prejudice to any other rights or remedies arising out of any breach of contract by the Buyer, the Seller may, on termination of the Agreement in any of the circumstances set out in the Agreement, repossess all or any of such Marine Fuel or such new



product, as the case may be. All costs incurred by the Seller or its agent in repossessing Marine Fuel or new product, as the case may be, from the Buyer must be borne and reimbursed by the Buyer.

12.5 This Clause 12 is without prejudice to such other rights as the Seller may have, including to enforce its right of lien against the Vessel or to otherwise obtain security by seizure, attachment or arrest of assets under the Agreement and the laws of the governing jurisdiction against the Buyer or the Vessel in the event of non-payment.

### **13. LIABILITY AND INDEMNITY**

13.1 Notwithstanding any other provisions of the Agreement to the contrary, in no event shall the Seller be liable in contract, tort or otherwise to the Buyer for any special, incidental, indirect, consequential or punitive loss or damages, including, without limitation, loss of profit or business or goodwill or reputation and demurrage charges at any port, even when such loss or damages have been caused by the fault or negligence of its personnel, representatives, suppliers and/or (sub)contractors.

13.2 Notwithstanding any other provisions of the Agreement to the contrary, the Seller's total liability to the Buyer in respect of any claims on any individual order, whether arising from quality, quantity, accident, delay, spill, pollution or any other cause whatsoever and regardless of any legal theory, whether in contract, torts, strict liability or otherwise, shall be limited to the invoiceable amount for the Marine Fuel contracted to be delivered as confirmed in the Confirmation of Order for that single order.

13.3 Without prejudice to the generality of the foregoing, the Seller shall not be liable for:

- (i) any loss of hire and/or loss of freight howsoever caused; and/ or
- (ii) demurrage howsoever caused; and/ or
- (iii) loss of profits, loss of business, economic losses or any other similar losses whatsoever and howsoever caused, whether such losses are direct or indirect; and/ or
- (iv) any acts or omissions of the Seller's agents and/or subcontractors including but not limited to those transporting the Marine Fuel and/or fueling agents.

13.4 The Buyer shall defend, indemnify and hold the Seller and its suppliers and agents harmless with respect to any and all liabilities, losses, claims, expenses or damages the Seller and its suppliers and agents may suffer or incur either directly or indirectly, by reason of, or in any way connected with:

- (i) the acts, omissions, fault or default of the Buyer or its agents or its representatives in the purchase, receipt, use, storage, handling or transportation of the Marine Fuel under the Agreement;
- (ii) the failure of the Buyer, its employees, agents, brokers, authorized representatives or subcontractors, to comply with all applicable laws, ordinances, rules and regulations of any government or agency having jurisdiction;
- (iii) the failure by the Buyer to comply with any provision under the Agreement; and/or

(iv) the delivery of the Marine Fuel under this Agreement, including, without limitation, legal fees and disbursements incurred in relation to the aforesaid events on a full indemnity basis.

13.5 Save as provided elsewhere in this Agreement, any claim by the Buyer of whatever nature arising under this Agreement shall be made within thirty (30) days after delivery of the Marine Fuel (the date of delivery of the Marine Fuel to count as day “one”).

#### **14. DOCUMENTS**

14.1 Upon the Seller’s tender of the Marine Fuel and before commencement of the delivery, the authorized personnel of the Vessel shall sign any related document as requested by the Seller or its representative, upon gauging before pumping.

14.2 Upon completion of the delivery and prior to disconnecting the transfer hose, the authorized representative of the Vessel shall sign the Bunker Delivery Note and any other related document as requested by the Seller or the Seller’s representative.

#### **15. NOTICES**

15.1 Any notice to be given by one party to the other party under, or in connection with, the sale of Marine Fuel under the Agreement shall be in writing. It shall be served by sending it by e-mail to the following e-mail address, by fax to the following fax number, or by hand, pre-paid recorded delivery, special delivery or registered post to the following address, respectively set out in below and in each case marked for the attention of the relevant party (or as otherwise notified from time to time in accordance with the provisions of this Clause).

For the Seller:                                    G&B Marine Service Pte. Ltd.  
111 somerset rd. #06-01G 111 Somerset, Singapore 238164  
Attn: [INSERT NAME]  
E-mail: [INSERT NAME]

For the Buyer:                                    As per the details contained in the Confirmation of Order

Any notice so served by hand, fax, post or e-mail shall be deemed to have been duly given:

- (i) in the case of delivery by hand, when delivered;
- (ii) in the case of fax, at the time of transmission;
- (iii) in the case of e-mail, at the time of delivery;
- (iv) in the case of prepaid recorded delivery, special delivery or registered post on the 2nd Business Day following the date of posting.

provided that in each case where delivery by hand, e-mail, post or fax occurs after 6pm on a Business Day or on a day which is not a Business Day, service shall be deemed to occur at 9am on the next following Business Day.

## 16. ASSIGNMENT

16.1 The Buyer may not assign its rights, benefits or obligations, or delegate its performance under the Agreement without the prior written consent of the Seller.

16.2 The Seller may assign any of its rights and obligations or delegate its performance under the Agreement without a notice.

16.3 In the event that payment of the purchase price for the Marine Fuel delivered is not received in full by the Seller within the relevant due date (the "Due Date"), upon notice from the Seller to the Buyer, the Buyer irrevocably agrees that, effective from the Due Date, an assignment shall take place of all the Buyer's rights, interest and claims, including rights of action in rem against the receiving Vessel and/or claims in personam against her owners and/or bareboat charterers and/or time charterers and/or voyage charterers and/or managers, arising in connection with their (i.e. the Buyer's) sale of such Marine Fuel to any receiving Vessel(s) and/or her owners/bareboat charterers/time charterers/voyage charterers/managers and for this end, Buyer shall, upon request of Seller, cause a written notice of assignment to be provided to the receiving Vessel, her owners and/or bareboat charterers and/or time charterers and/or voyage charterers and/or managers. No further agreement shall be required from the Buyer for such an assignment to take effect in law and/or equity. For the avoidance of doubt, the Seller may then if it so wishes bring any action (including any action in rem against the receiving Vessel of the Marine Fuel) in the Buyer's name or jointly in the names of the Seller and the Buyer. The Buyer irrevocably consents to have itself named as the plaintiff or co-plaintiff in such action and hereby authorizes the Seller to take all steps in connection with the commencement and continuance of such an action, including the terms on which any such claim may be settled, whether in its sole name or jointly. A receiving Vessel refers to the vessel to which the Buyer shall deliver or agree to deliver or has delivered, pursuant to any contract of sale or supply of Marine Fuel between him (i.e. the Buyer) and any third party (including the owner or bareboat charterers of such a vessel and/or time charterers and/or voyage charterers and/or managers). In these circumstances, the Buyer agrees to use all efforts to comply with requests made by the Seller for copies of documents in the Buyer's possession, custody or control in relation to the assigned claim and the Buyer further agrees that it will execute any further document(s) reasonably required by the Seller in order validly to exercise these rights against a third party. It is hereby agreed that the Seller has the sole right to retain for itself any money recovered from a third party pursuant to this Clause. Any claim brought against a third party under this Clause shall be entirely without prejudice to the other claims or rights the Seller may have against the Buyer under the Agreement, which claims or rights shall remain in full force and effect. The recovery of any money under this Clause from a third party shall not reduce or by way of set off be allowed to diminish the amounts which may be owed to the Seller by the Buyer under the Agreement.

## 17. WAIVER

17.1 No delay or omission of the Seller in exercising any right, power privilege or remedy in respect of the Agreement shall impair such right, power, privilege or remedy. Nor shall any delay or omission

be construed as a waiver of such right, power, privilege or remedy, nor shall it preclude any further exercise of it or the exercise of any other right, power, privilege or remedy.

17.2 Any waiver by the Seller of any breach of any term of the Agreement shall not be binding unless such waiver is expressly made in writing and signed by the Seller. Such signed waiver shall only apply to such matter, non-compliance or breach as it expressly relates to and shall not apply to any subsequent or other matter, non-compliance or breach.

## **18. LIENS**

18.1 Any sale of Marine Fuel made on credit shall be made on the credit of the Vessel as well as on the credit of the Buyer.

18.2 The Seller shall have and may assert a lien on the Vessel for all amounts owed to the Seller for Marine Fuel provided to the Vessel, including claims for damages arising out of or in connections with the Buyer for any breach of the Agreement. For the avoidance of doubt, the Buyer shall not be entitled to cancel the effect of any such lien by any wording on the delivery receipt or otherwise.

18.3 Notwithstanding anything to the contrary contained in the Agreement, the Seller shall be entitled to assert its lien or attachment in any country where it finds the Vessel. The laws of the United States of America, or those of any other jurisdiction which the Seller elects, shall apply to the determination of the existence and validity of a maritime lien, regardless of the country in which the Seller takes legal action.

## **19. SEVERABILITY**

19.1 It is understood and agreed by the parties that if any of the provisions of the Agreement is or shall become invalid or illegal under the laws of the particular state, county, or jurisdiction where used or enforced, such invalidity or illegality shall not invalidate the whole Agreement, but the Agreement shall be construed as if not containing the particular provision or provisions held to be invalid or illegal, and the rights and obligations of the parties shall be construed and enforced accordingly.

## **20. GOVERNING LAW AND JURISDICTION**

20.1 The Agreement shall be governed by and construed in accordance with the laws of Republic of Korea, excluding (to the greatest extent permissible by law) any conflict of law rules that would cause the application of the laws of any other jurisdiction. The United Nations Convention on Contracts for the International Sale of Goods shall not apply and shall be expressly excluded from the Agreement.

20.2 Any dispute, claim or controversy arising out of or relating to the Agreement, whether in contract, tort, equity or otherwise and whether relating to the meaning, interpretation, effect, validity, breach,

termination, performance or enforcement of the Agreement shall be referred to and finally resolved by litigation in any of Korean courts.

## **21. HEALTH AND SAFETY**

21.1 The Seller hereby advises the Buyer that it enforces a company drug and alcohol policy in its facilities and on board its vessels. The Buyer's personnel must comply with this policy at all times while in such facilities or on board such vessels. The selling, possession, distribution use or being under the influence of alcohol or any controlled substance or dangerous drugs other than those medically prescribed is prohibited.

21.2 The Buyer acknowledges that it is aware that Marine Fuel contains materials which may be detrimental to health and that frequent or prolonged contact with Marine Fuel may cause adverse health consequences. The Buyer shall ensure that its employees and agents, personnel of the Vessel and other relevant persons who are likely to come into contact with such materials take proper precautions, comply with all relevant health and safety procedures and regulations, and seek timely medical advice. The Seller shall not be liable to any of the aforementioned persons in respect of any damages, claims, expenses or costs arising from their failure to take proper precautions, comply with relevant health and safety procedures and regulations, and seek and act on medical advice and the Buyer shall indemnify and hold the Seller harmless from such damages, claims, expenses or costs (including legal costs on a fully indemnity basis).

## **22. DESTINATION AND SANCTIONS, TRADE CONTROL AND BOYCOTT**

### 22.1 Destination and sanctions

Notwithstanding anything to the contrary herein, nothing in this agreement is intended, and nothing herein should be interpreted or construed, to induce or require either party hereto to act in any manner (including failing to take any actions in connection with this transaction) which is inconsistent with, penalized or prohibited under any laws, regulations, decrees or other official United Nations, United States of America, European Union, Singapore and/or Republic of Korea rules or requirements applicable to such party which relate to, foreign trade controls, export controls, embargoes or international boycotts of any type.

Buyer undertakes as a condition to Seller's performance of this agreement that the product shall not:

1) be exported directly or indirectly to any restricted jurisdiction (as defined below); or 2) be sold or supplied directly or indirectly to any natural or legal person in any restricted jurisdiction or subject to any prohibition or restriction imposed by the United Nations, the United States of America, the European Union, Singapore and/or Republic of Korea; or 3) be sold or supplied directly or indirectly to any natural or legal person or entity for the purpose of any commercial activity carried out in or from any such restricted jurisdiction.

For the purposes of this clause, "restricted jurisdiction" shall mean any country, including, but not limited to, Democratic People's Republic of Korea, state, territory or region against which there are sanctions imposed by the United Nations, the United States of America, the European Union, Singapore and/or Republic of Korea .

At any time, Seller may require Buyer to provide any relevant documents for the purpose of verifying the final destination of the product and Buyer must undertake to provide such documents upon request. Moreover, Buyer agrees to hold Seller harmless from, and indemnify Seller for, any and all losses, costs, damages, fines and/or penalties incurred by Seller resulting from Buyer's breach of any of its obligations contained in this clause.

Should Seller knows or reasonably believes Buyer be in breach of any provisions of this clause, Seller may at any time and in its absolute discretion and without any liability to Buyer either terminate the agreement or refuse to supply

## 22.2 Sanctions, trade controls and boycotts

Notwithstanding anything to the contrary elsewhere in this contract:

Nothing in the contract is intended nor should be interpreted or construed, to induce or require either Party to act in any manner (including failing to take any actions in connection with a transaction) which is inconsistent with, penalized or prohibited under any laws, regulations, decrees, ordinance, order, demand, request, rules or requirements (being of a voluntary or involuntary nature) applicable to such Party which relate to foreign trade controls, export controls, embargoes, sanctions or international boycotts of any type, non-proliferation, anti-terrorism and similar laws ("Trade Restrictions").

Neither Party shall be obliged to perform any obligation required by this contract (including without limitation an obligation to (a) perform, deliver, accept, sell, purchase, pay or receive monies to, from, or through a person or entity, or (b) engage in any other acts) if this would be in violation of, or otherwise prohibited under the Trade Restrictions.

Where any performance by a Party would be in violation of, or otherwise prohibited under the Trade Restrictions, such Party ("Affected Party") shall, as soon as reasonably practicable, give written notice to the other Party of its inability to perform certain obligations under this contract. Once such notice has been given, the Affected Party shall be entitled:

(i) To immediately suspend the affected obligation (whether payment or performance) until such time as the Affected Party may lawfully discharge such obligation; and/or

(ii) Where the inability to discharge the obligation continues (or is reasonably expected to continue) until the end of the contractual time for discharge thereof, to a full release from the affected obligation, provided that where the relevant obligation relates to payment for goods which have

already been delivered, the affected payment obligation shall remain suspended until such time as the Affected Party may lawfully resume payment.

Notwithstanding the above, that to the extent the Affected Party has in fact received any interest on the suspended amount, that such interest shall be on-passed to the other Party, which interest rates to be advised by the Affected Party to the other Party with attachment of supportive documents where possible. The Affected Party shall exercise reasonable endeavours to attempt to place such suspended amount into an interest bearing account but to the extent not permitted and/or refused by the Affected Party's bank in relation to such Trade Restrictions, that the Affected Party shall not be liable to the other Party in any manner for any interest. The Affected Party will, to the extent reasonably practicable, provide the other Party of supportive documents indicating such inability/refusal to place the suspended amount into an interest bearing account; and/or

(i) Where the obligation affected relates to the acceptance of the vessel nominated to receive the goods, to require the nominating Party to nominate an alternative vessel;

(ii) In each case (a), (b), except as otherwise expressly provided for herein, the Affected Party shall not bear any liability whatsoever (including but not limited to any damages for breach of contract, penalties, costs, fees and expenses).

Without prejudice to the foregoing should the Trade Restrictions prevent or prohibit performance of either Party's obligations for a period of 60 days or more from the date the obligation in question becomes due, the Seller and the Buyer is entitled to immediately terminate this contract in respect of all unperformed obligations upon written notice to the other Party and, save for sums that have become due and payable prior to termination, which remain to be performed, neither Party will be liable to the other for failure to perform and/or undue performance of any further obligations under this contract.

In circumstances where a trade restrictions legislation, regulation or regime concede the possibility to obtain an authorization, licence or approval, in order to fulfil its obligations under the contract the Party upon the other Party's demand shall apply to the relevant government and/or other authorized body for such authorization, license or approval as soon as reasonably practicable. If the Party fails to obtain the relevant authorization, license or approval within 60 days from the date of the Party's relevant obligation becoming due under this contract solely or partially due to the action or inaction of the relevant body then, the other Party is entitled to terminate this contract in accordance with clause 22.2 hereof.

Nothing in this section shall be taken to limit or prevent the operation, where available under the governing law of the contract, of any doctrine analogous to the English common law doctrine of frustration.

22.3 New and changed regulations, trade restrictions, etc.

It is understood by the Parties that the Seller is entering into the agreement in reliance on the laws,

rules, regulations, decrees, agreements, concessions and arrangements (“Regulations”) in effect on the date hereof with governments, government instrumentalities or public authorities, including but not limited to those of the United States of America, applicable to the parties relating to trade sanctions, foreign trade controls, export controls, non-proliferation, anti-terrorism and similar laws, affecting the subject transaction (the “Trade Restrictions”).

If at any time and from time to time during the currency of the agreement any regulations are changed or new regulations have become or are due to become effective, whether by law, decree or regulation or by response to the insistence or request of any governmental or public authority or any person purporting to act therefor, and performance by a party would be in violation of, inconsistent with, or expose such party to punitive measure under the Trade Restrictions, such party (the “Affected Party”) shall, as soon as reasonably practicable give written notice to the other party of its inability to perform. Once such notice has been given the affected party shall be entitled:

(i) to immediately suspend the affected obligation (whether payment or performance) until such time as the affected party may lawfully discharge such obligation; provided that where the relevant obligations relates to payment for goods which have already been delivered, the affected payment obligation shall remain suspended (without prejudice to the accrual of any interest on an outstanding payment amount) until such time as the Affected Party may lawfully resume payment; and/or

(ii) to a full release from the affected obligation (without prejudice to the accrual of any interest on an outstanding payment amount, if any) and termination of the agreement; and/or

(iii) where the obligation affected is acceptance of the vessel, to require the other party to nominate an alternative vessel;

In each case without any liability whatsoever (including but not limited to any damages for breach of contract, penalties, costs, fees and expenses).

### **23. ENTIRE AGREEMENT AND MODIFICATION**

23.1 The Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes any and all prior agreements, understanding, promises and representations concerning the subject matter hereof, whether written or oral, and shall also be deemed as a complete exclusive statement of the terms and conditions of the agreement for the subject matter hereof between the parties hereto. No modification of, addition to or waiver of any of the terms of the Agreement shall be effective unless contained in writing signed by each of the parties hereto. The Agreement shall not be modified or added to by the printed terms and conditions of the Buyer's purchase order, acknowledgement, quotation, confirmation, invoice or whatsoever or a similar nature.

[End]