



Date : _____

To : _____

Dear Sir/Mdm.

RE: TERMS AND CONDITIONS FOR THE SALE OF MARINE FUELS (2019)

We are pleased to attach our copy of the above mentioned for your record. Kindly acknowledge receipt. Please do not hesitate to contact us if you need any clarification.

Thank you very much for your attention.

Best Regards

Darien Tan

Acknowledgement

We hereby acknowledge we have received a copy of the above-mentioned in good order.

Signature / Date

Name



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TERMS & CONDITIONS OF SALE - MARINE FUELS

1. GENERAL INTRODUCTION

- 1.1. This is a statement of the Terms and Conditions according to which Ace Oil Pte Ltd (hereinafter called “Ace Oil”) (The “seller”) acting on its own behalf or in the name and on behalf of certain of its affiliates will sell and deliver, or cause to be sold and deliver, to buyer, and buyer will purchase, accept delivery of and pay seller for marine bunkers or marine fuels.
- 1.2. Unless otherwise agreed to in writing, this Terms and Conditions shall be applied to all offers, quotations, orders, agreements, services and all subsequent contracts of Ace Oil.
- 1.3. The supply shall be carried out in accordance with regulations 14 & 18 of MARPOL 73/78 of Annex VI.
- 1.4. General trading conditions of another party will not apply, unless expressly accepted in writing by Ace Oil. These general conditions of contract which supersede any earlier version, shall override any terms and conditions stipulated, incorporated or referred to by buyer whether in its order or elsewhere.
- 1.5. In the case that for whatever reason, one or more of the (sub)clauses of these general terms and conditions are invalid, the other (sub)clauses hereof shall remain valid and be binding upon the parties.

2. DEFINITIONS

- 2.1. Throughout this document, the following definitions shall apply:

| | |
|----------|---|
| “Seller” | means Ace Oil Pte Ltd of 28 Senang Crescent, Bizhub 28, #02-03/04, Singapore 416601 |
| “Buyer” | means the vessel supplied and jointly and severally her Master, Owners, |



| | |
|----------------------|---|
| | Managers/Operators, Disponent Owners, Time Charterers, Bareboat Charterers and Charterers or any party requesting offers or quotations for or ordering Bunkers and/ or Services and any party on whose behalf the said offers, quotations, orders and subsequent agreements or contracts have been made. |
| “Bunkers” | means the commercial grades of bunker oils as generally offered to the Seller's customers for similar use at the time and place of delivery. |
| “Owners” | means the registered Owner or Bareboat Charterer of the vessel. |
| “Vessel” | means the Buyer's Vessel, Ship, Barge that receives the products or bunkers; either as end-user or as transfer unit to a third party. |
| “Agreement” | means the concluded terms for the sale/purchase of the Bunkers. |
| “Nomination” | means the written request/requirement by the Buyer to the Seller, either by but not limited to SMS (mobile phone messaging), Yahoo Messaging, Skype, MSN, facsimile or email, for the supply of the Bunkers. |
| “Order Confirmation” | means the written confirmation as issued by the Seller and forwarded to the Buyer to conclude the negotiated sale/purchase of the Bunkers. Such confirmation can be in the form of written agreement, email, facsimile, SMS, Yahoo Messaging or MSN. In the event of a conflict between the Nomination and the Order Confirmation, unless the Seller otherwise agrees in writing, the wording and content of the Order Confirmation is deemed containing the prevailing terms of the Agreement. |
| “Supplier” | means any party instructed by or on behalf of the Seller to supply or deliver the Bunkers. |
| “GTC” | means these General Terms and Condition which shall govern the contractual regulations between the Seller and the Buyer. |
| “BDN” | Means the Bunker Delivery Note / Receipt, being the document(s) which is/are signed by the Buyer’s representative(s) at the place of the supply of the Bunkers to the vessel, evidencing the quality and quantity of the Bunkers supplied to and received by the Vessel. |



3. SPECIFICATIONS / QUALITY

- 3.1. The Marine Fuels supplied hereunder shall be the Seller's commercial grades as determined in accordance with ISO 8217 and set out in the Order Confirmation. The Buyer shall have sole responsibility for selection and acceptance of Marine Fuels, including determination of compatibility with Marine Fuel already onboard the vessel, for use in the vessel to which it is delivered. All grades and types of the Bunkers may contain petroleum industry allowed bio-derived components.
- 3.2. The Buyer shall also assume sole responsibility for the selection and fitness of its choice of Bunkers for any particular use or purpose, and the Seller shall assume no responsibility whatsoever for the compliance or fitness of the Bunkers for a specific type of engine or equipment. This includes but is not limited to the quality, sulphur content and any other specific characteristics of the Bunkers whatsoever.
- 3.3. Unless otherwise indicated to Buyer in writing by Seller or Supplier, any information provided to Buyer regarding the characteristics of Marine Fuel at any delivery location shall not be construed as specifications of the Marine Fuel to be delivered here under, but only as indications of the characteristics of the Marine Fuel available at that location from time to time.
- 3.4. Where standard specifications are being given or referred to, tolerances in accordance with ISO 4259 in respect of Reproducibility/ Repeatability in quality are to be accepted without compensation or other consequences whatsoever.
- 3.5. THERE ARE NO GUARANTEES OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE SATISFACTORY QUALITY, MERCHANTABILITY, FITNESS OR SUITABILITY OF THE MARINE FUEL FOR ANY PARTICULAR PURPOSE OR OTHERWISE, WHICH EXTEND BEYOND THE DESCRIPTION IN THIS SECTION.

4. QUANTITY / MEASUREMENTS

- 4.1. The quantities shall be as agreed between the Seller and the Buyer and correspond to the Seller's Order



Confirmation.

- 4.2. In the event that the buyer requires any additional or reduction to the confirmed quantity, the Seller reserve the right to increase the unit price.
- 4.3. The Seller shall deliver such quantities of bunker fuels, and/or intermediate bunker fuel, and/or marine diesel and/or gas oil(hereinafter individually and collectively “Marine Fuels”) as is indicated in Seller’s confirmation of Buyer’s order. Notwithstanding acceptance of the Buyer’s order, the Seller’s obligation to supply Marine Fuels shall be subject to availability of Marine Fuels from the Seller’s source of supply at the time and place delivery is requested.
- 4.4. The quantities of Bunkers shall be determined from the official gauge / sounding or meter (if available) of the bunkering barge effecting delivery or shore loading terminal in the case of ex-wharf deliveries, or in either case, by such other method the Seller deems fit.
- 4.5. Quantities of the delivery shall be determined in accordance to Singapore Standard Code of Practice SS600 (2008).
- 4.6. The Buyer's representative shall together with the Seller's representative measure and verify the quantities of Bunkers delivered from the tank(s) from which the delivery is made. If the Buyer is not represented at the time of measurement or the Buyer's representative fail or decline to verify the quantities, then any complaint of wrong measurement of short delivery shall be deemed to be waived. The measurements of quantities made by the Seller or Supplier shall be final, conclusive and binding and the Buyer shall be deemed to have waived any and all claims.
- 4.7. The quantity shall be measured under the prevailing ASTM-IP Petroleum Measurement Tables or the methods of any other recognised standards authority at the discretion of the Seller.
- 4.8. The bunkering barge/tanker will present its ullage sounding records, which is considered to be the sole valid and binding document(s) to determine the quantity or quantities supplied. Quantities calculated from the Receiving Vessel's soundings shall not be considered. **Bunker barge delivery figures are**

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final and binding.

- 4.9. Buyer expressly undertakes not to make any endorsement, complaint/comment on the Bunker Delivery Note/Receipt (BDN) when presented for signature. Any claim by the Buyer as to shortage in quantity of marine fuel supplied, must be noted at the time of delivery by a Letter of Protest. The Buyer or Master of the Vessel shall give to the Seller/Supplier a letter of protest separately, followed by a complaint in detail to the Seller, with full supporting documents in writing **within (14) fourteen days** of the delivery, failing which, the Buyer shall be deemed to have expressly waived any such claims against the Seller/Supplier, and the Seller/Supplier's weight and measurement shall be conclusive evidence of the quantity of Bunkers delivered.
- 4.10. In respect of the quantity agreed upon, the Seller shall be at liberty to provide, and the Buyer shall accept a variation of 5% from the agreed quantity, with no other consequences than a similar variation to the corresponding invoice from the Seller.
- 4.11. If the amount supplied is less than the amount of marine fuel ordered by the Buyer (with a variance of more than 5%), it is the Buyer or Master of the Vessel or the Chief Engineer of the vessel sole responsibility to request the Seller to supply such additional amount as requested by the Buyer. If the Buyer or Master of the Vessel or the Chief Engineer of the Vessel, fails to do so, it is deemed that the amount so delivered is full and complete delivery of the amount ordered under the contract. The Buyer shall have no claim whatsoever against the Seller for the amount delivered or any other claims whatsoever in relation to the supply of marine fuel including but not limited to any claims for delays.
- 4.12. NO PARTY SHALL CAUSE ANY UNDUE DELAY TO EITHER THE BUNKER TANKER OR THE VESSEL

5. PRICES, OFFERS AND QUOTATIONS

- 5.1. The price for Marine Fuels shall be such price in United States dollars (unless otherwise stated) as agreed by contract, telephone, e-mail or facsimile quotation and as set out in Seller's confirmation of Buyer's



order. Unless otherwise agreed, the price shall be valid only for the nominated vessel on the nominated date or date range and nominated location or port. The Seller reserves the right to amend the price or to cancel any or part of the nomination.

- 5.2. The Buyer shall pay any additional expenses including but not limited to, barging charges, delivery charges, overtime, demurrage, wharfage dues, dockage, port/harbour fees, dues, duties, taxes, levies, pipeline charges, relevant government/ authorities charges and others costs.
- 5.3. Without prejudice to Clause 15 hereof, in the event that delivery does not take place at the agreed location or during the delivery date range, the Seller shall have the right to adjust the price to take account of the change of location and/or any market fluctuations since acceptance of the order.
- 5.4. Buyer shall, in addition to the price, pay all applicable duties, taxes, fees and other costs including those imposed by local authorities as well as other charges in connection with delivery. Buyer shall pay for any expenses incurred in connection with partial or complete cancellation by the Buyer of a delivery in progress.
- 5.5. Buyer shall pay for any extra costs including overtime or other like payments, insurance incurred by or charged to the Seller.
- 5.6. The Seller will endeavour to refrain from making any increase in the Price, however due to that the cost of the Marine Fuels is volatile, the Seller therefore reserves the right to increase the Price at any time before delivery. Where possible, prior notice of the increase will be given during the Seller's normal working hours, Monday to Friday. In such event, the Buyer may forthwith give written notice to the Seller of cancellation of the Agreement. If no such notice is received within two hours of the Seller advising the Buyer of the increase in Price, the Buyer shall be deemed to have agreed to the revised Price and the Agreement with the revised Price shall remain in full force and effect.
- 5.7. If the party requesting Bunkers is not the Owner of the Vessel, the Seller shall have the right to insist as a precondition of sale that a payment guarantee is provided by the Owner, as specified in Clause 5.1. The Seller shall have the right to cancel any agreement with the Buyer at any time, if such payment

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guarantee is not received upon request thereof from the Seller to the Owner.

6. SAMPLING

- 6.1. The sampling method shall be in accordance to Singapore Code of Practice for Bunkering: SS600 (2008).
- 6.2. The Supplier shall arrange for four (4) representative samples of each grade of Bunkers to be drawn throughout the entire bunkering operation. It is the Buyer's sole responsibility to witness that such samples are drawn correctly and shall confirm his witnessing thereof and also confirm the proper and correct sealing by signing the labels of the sample bottles.
- 6.3. In the event of a dispute in regard to the quality of the Bunkers supplied, the samples drawn pursuant to clauses related hereto above in this Article, shall be deemed to be conclusive and final evidence of the quality of the product delivered. Only the samples retained by the Seller shall be forwarded to an independent laboratory in Singapore to perform a set of tests. The results are to be made available to both parties. The test results shall be final and binding. The parties are to use the best endeavours to agree on the MPA (Maritime Port of Authority Singapore) accredited independent laboratory to perform the tests. However, if no agreement can be reached on the choice of laboratory within 3 days of notification from the Seller to the Buyer, the Seller shall send the sample to a MPA accredited independent laboratory of its choice. The test results shall be final and binding.
- 6.4. Any eventual samples drawn by Buyer's personnel either during delivery of bunkers or after shall not be valid as indicator of quality supplied. The fact that such samples may eventually bear the signature of personnel onboard the barge shall have no legal significance as such local personnel have no authority to bind Seller to different contractual terms. Seller have no liability for claims arising in circumstances where Buyer may have co-mingled the products onboard the Vessel with other fuels.

7. DELIVERY



- 7.1. Deliveries shall be made at Seller's option into Buyer's vessel or barge at a terminal of Seller or into Buyer's vessel via Seller's barge where satisfactory barging facilities are available to Seller.
- 7.2. The time of delivery, as given by the Seller, has been given as an approximate time, unless it has been otherwise specifically agreed in writing between the Seller and the Buyer.
- 7.3. Vessel shall under all circumstances be bunkered as promptly as the prevailing circumstances permit, having regard to congestion and sea conditions affecting delivery facilities of Seller, its suppliers or agents and to prior commitments of barges. Seller shall not be liable for any consequences or any time lost due to Buyer's vessel having to wait for berth for bunkering or for completion of bunkering, and unless otherwise agreed in writing, Seller shall not be obligated to deliver prior to the nominated date or spread of dates.
- 7.4. The Buyer, unless otherwise agreed in writing, shall give Seller a arrival notice at least seventy-two (72) hours prior to the delivery, which is to be followed by forty-eight (48) hours and twenty-four (24) hours notice, where the last notice must specify the exact place of delivery and the final quantity and grade of Marine Fuel required. The notice of delivery must be given to the Sellers and the Seller's representative/agent.
- 7.5. Buyer's locally appointed agent shall give Seller at least 48 hours' notice exclusive of Saturdays, Sundays and public holidays(unless otherwise agreed to by Seller) of the exact time and location and method of supply that is required together with confirmation of the quantity(ies) of the grade(s) of Marine Fuels ordered. Notwithstanding the foregoing, Buyer shall be liable for any cost and expense incurred by Seller resulting from the failure of Buyer to take delivery of or rejecting in part or in full the quantity of Marine Fuels ordered by Buyer and accepted by Seller.
- 7.6. A notice under Clause 7.4 & 7.5 above shall be invalid if the estimated arrival date given in it is later than 3 calendar days beyond the delivery date and the Seller shall reserve its right to cancel the agreement if vessel has not arrived within 3 calendar days after the said estimated arrival date unless mutually agreed by the Buyer and the Seller.



- 7.7. The Seller shall not be required to deliver any bunkers if any government or relevant authorities permit required has not been obtained in due time before the delivery. Seller shall not be liable to Buyer for any loss or demurrage due.
- 7.8. For deliveries into Buyer's vessel or barge at the terminal or via Seller's barge, the following shall also apply: deliveries need not be made whenever, in Seller's opinion, a clear and safe berth for the vessel or barge is not available. Delivery shall be complete and title and risk of loss shall pass to Buyer at the point at which the Marine Fuels pass the flange connecting the shore loading arm with the permanent loading connection of Buyer's vessel or barge. Deliveries shall be made on an "first come, first served" basis. Seller shall not be liable to Buyer for any loss or demurrage due directly or indirectly to weather(whether or not unusual), congestion of the port, or any force majeure (as defined in Clause 15). Buyer shall receive Marine Fuels into the Buyer's vessel or barge and then withdraw the vessel or barge from the terminal berth. For delay by Buyer in the use of delivery facilities or in vacating berth, Buyer shall pay any demurrage or detention charges incurred by Seller.
- 7.9. Deliveries shall otherwise be on terms customary in the trade.

8. PAYMENT AND FINANCIAL RESPONSIBILITY

- 8.1. Terms and Conditions for Marine Fuels are "net cash-no discount". Unless otherwise expressly agreed by Seller, payment of all sums due in respect of Marine Fuels delivered hereunder shall be made in full to Seller, without any offset, deduction or counter-claims whatsoever, against Seller's invoice, telegraphic report or other notice of quantity delivered and/or amount due("Seller's invoice") in U.S. dollars by telegraphic transfer of funds immediately available to Seller. Seller's invoice may be based upon telegraphic advice of delivery details in lieu of delivery documents. Payment shall not be conditioned upon Buyer's receipt of delivery documents.
- 8.2. Payment shall be made at Seller's designated bank account.
- 8.3. Payment shall be credited to the Seller's account for value not later than the due date which shall be the



30th calendar day after the date of completion of delivery. The date of completion of delivery is considered the 1st calendar day, unless otherwise agreed by Seller. If the due date falls on a Saturday, Sunday or public holidays, payment shall be made so as to reach Seller's designated bank account not later than the last banking day prior to the due date.

- 8.4. In the event that all or part of the payment is not made on or before the due date, the balance outstanding shall bear interest from and exclusive of the due date until the date payment is received by Seller, at a **rate of 2.0% per month** (compounded monthly for each month or part thereof of non payment) without prejudice to any rights or remedies available to the Seller.
- 8.5. The Seller is entitled to charge a delayed payment administration fee of USD 1.00 per metric ton supplied, or the equivalent thereof in local currency, with a minimum administration fee of USD 250.00 for each delivery made and the Seller holds the full right to involve internal and external legal assistance and to charge costs for same against Buyers.
- 8.6. All costs borne by the Seller in connection with the collection of overdue payments, whether made in or out of court and in general all costs in connection with breach of this agreement by the Buyer, shall be for the sole account of the Buyer.
- 8.7. Notwithstanding the foregoing, at any time and from time to time, Seller may, if Seller considers that it would be inadvisable to make deliveries to Buyer on credit, request that Buyer pay cash in advance or put up security acceptable to Seller and in such event until Seller is satisfied that Buyer has fully complied with the Seller's request, Seller shall be under no obligation to make or arrange for the making of any delivery hereunder. Should delivery take place without the payment of cash or position of security in advance, contrary to Seller's request, the due date shall be the date of completion of delivery.
- 8.8. Until full payment has been received in Seller's bank account, the Buyer accepts and agrees that the Seller holds a lien on the Bunkers onboard and in the Vessel itself.



9. LIEN

- 9.1. Sales of Marine Fuel shall be made on the credit of receiving vessels as well as on the credit of Buyer. Seller shall have and may assert a maritime lien against such receiving vessels for the invoiced amount of Marine Fuel delivered, and this maritime lien shall extend to the vessel's freight payments for that particular voyage during which the Marine Fuels were supplied and to freights on all subsequent voyage. Additionally, Seller shall have and may assert a maritime lien for the said invoiced amount against such receiving vessels if the laws applicable at the place of delivery of Marine Fuel and/or at the place of seizure of such receiving grant or recognise a maritime lien for Marine Fuel delivered to a vessel.
- 9.2. The taking of any additional security measures by Seller shall not operate as a waiver of this provision. No disclaimer stamp of any type or form will be accepted on delivery documents, nor should any stamp be applied, if alters, changes, or waives Seller's lien against the vessel or waives Seller's lien against the vessel or waives the vessel's ultimate responsibility and liability for debt incurred through Marine Fuels transaction.
- 9.3. The Buyer, if not the owner of the receiving Vessel, hereby expressly warrant that he has the authority of the owner to pledge the receiving Vessel's credit as aforesaid and that he had given notice of the provision of this clause to the owner.
- 9.4. The Seller shall not be bound by any attempt or by any person to restrict, limit or prohibit its lien or liens on the receiving Vessel unless written notice has been given to the Seller before the Seller send its Seller's Sales Confirmation to the Buyer.

10. CANCELLATION / BREACH

- 10.1. Products that have been ordered by the Buyer and confirmed by the Seller in the Seller's Sales Confirmation cannot be cancelled except with the written agreement of the Seller. In the event of any cancellation by the Buyer or receiving Vessel failed to take delivery of part or all of the Products stated in the Seller's Sales Confirmation, the Seller shall have the right to claim against both the Buyer and the



Vessel for all losses and damages suffered, including the loss of profit, expenses and charges incurred. The Seller may treat any other breach by the Buyer of any term of this Agreement as a breach of a condition and it may at its discretion thereupon charge a cancellation fee. Such cancellation fee shall be based on the difference between confirmation price and market price as reported by Singapore PLATTS reported, multiply by the confirmed quantity as stated in the Sales Confirmation. In the event that the quantity is stated as a range, the bigger quantity shall be treated as the agreed quantity to be supplied. The minimum cancellation charge of a lumpsum of USD 3000.00 shall be applicable.

10.2. Without prejudice to force majeure hereof, in the event that delivery does not take place at the agreed location or during the delivery date range, Seller shall have the right to adjust the price to take account of the change of location and/or any market fluctuations since acceptance of the order.

10.3. The Seller shall have the option immediately to cancel the Agreement in full or in part, or to store or procure the storage of the Bunkers, in whole or in part, for the account and risk of the Buyer and to charge the Buyer the expenses thereby incurred, or to hold the Buyer fully to the agreement, or take any other measures which the Seller deems appropriate, without prejudice to its rights of indemnification, without any liability on the side of the Seller, in any one of (but not limited to) the following cases:

10.3.1. When the Buyer, for whatever reason, fails to accept the Bunkers in part or in full at the place and time designated for delivery;

10.3.2. When the Buyer fails in part or in full to comply with its obligations to pay any amount due to the Seller and/or provide security as set out herein;

10.3.3. when, before the delivery date, it is apparent in the opinion of the Seller that the financial position of the Buyer entails a risk to the Seller;

10.3.4. when, in case of force majeure, the Seller is of the opinion that the execution of the agreement should be cancelled.

10.4. The Seller has the option to immediately cancel the Agreement for the account and risk of the Buyer if



at any time, the Seller, in its sole discretion has reasonable ground to believe that the Vessel or the Charterer of the Vessel or any officers of the Vessel or Operator/ Manager of the Vessel or any person or entity in any way related to the Agreement or delivery is/are

- 10.4.1. Iranian(s); or in any way related to Iran or Iranians; or
- 10.4.2. The vessels are involved in trade or charter with Iran or any US, UN or EU sanctioned countries; or
- 10.4.3. Listed on the US OFAC Specially Designated Nationals List; or
- 10.4.4. Covered by any US, UN, EU sanctions; or any sanctions of any other jurisdiction and/or administration.

10.5. Under no circumstances can the Seller be held liable for any loss, delays, claims or damages of whatever kind suffered by the Buyer due to a cancellation under this clause.

10.6. Notwithstanding anything else to the contrary herein, and without prejudice to any rights or remedies otherwise available to the Seller, the Buyer, by its acceptance of these conditions, expressly agrees that the Seller has the sole discretion to cancel or to adjust prices in the event the Vessel is suffering a delay exceeding 48 hours from the last nomination date.

11. DELAYS

11.1. If the vessel arrives outside the mutually agreed date range or after 3 days of the estimated time of arrival (eta) in the confirmation and /or fails to receive the marine fuels irrespective of whatever the reason might be, we reserve our rights to consider the bunker confirmation as cancelled without any liabilities or claims or demurrages. In the event that the nomination remains in place, the timing of the delivery shall only be carried out on a best endeavour basis, as determined by the sellers or its supplier.



12. LIABILITY

- 12.1. The Seller and or Supplier shall not be liable for any damages of whatever nature, including physical injury, nor for delay of delivery of Bunkers or services, no matter whether such damages or delay have been caused by fault or negligence on the side of the Seller. The Seller shall furthermore not be liable for damages or delay as described above when such damages or delay have been caused by the fault or negligence of its personnel, representatives, Supplier or (sub)contractors.
- 12.2. In the event of any delivery of Marine Fuel not complying with the expressed and/or implied terms of the Contract, and/ or the Marine Fuel delivered proving defective, then unless any other arrangement is agreed upon, the liability of the Seller herein in respect of any claim whatsoever, whether or not arising out of negligence, shall under no circumstances exceed the invoice value of the Bunkers supplied or the total amount of Singapore Dollars Two Hundred Thousand (S\$200,000.00), whichever is lower.
- 12.3. In no event shall the Seller be liable to the Buyer for any loss of business, loss of opportunity, or loss of profits or for any other indirect or consequential loss or damage whatsoever whether or not arising out of negligence. This shall apply even where such a loss was reasonably foreseeable or the Seller had been aware of the possibility of the Buyer incurring such a loss.
- 12.4. In the event the delivered Marine Fuels proved defective and are required to be de-bunkered, the Buyer shall direct the Master of the Vessel to de-bunker the Marine Fuels at the Seller's nominated/preferred port only and the Seller shall at its sole discretion refuel the Vessel to the extent of the delivered Marine Fuel or refund all payments made by the Buyer to the Seller in respect of the de-bunkered Marine Fuel, in which event no further claims whatsoever shall be made by the Buyer against the Seller. All costs and expenses incurred (including the cost to recover the de-bunkered Marine Fuel), if de-bunkering is done at a non-nominated/ non-preferred port, shall be to the account of the Buyer.

13. CLAIMS/ COMPLAINTS

- 13.1. The Buyer waives any claim against the Seller with respect to the quantity of the Marine Fuels supplied



unless the Buyer's claim is submitted to the Seller in writing **within (14) fourteen days** after the date of delivery of the Marine Fuels and a note of protest is lodged during delivery. If the Buyer or Vessel Master fails to present such immediate notice of protest to the Seller or Supplier, such claim shall be deemed to have been waived and shall be absolutely barred for all purposes.

13.2. Any eventual changes or remarks made by the Buyer or Buyer's Vessel, including a "No Lien" stamp or remark on the Bunker Delivery Note/Receipt (BDN) shall have no effect or value whatsoever and shall suffer the consequences set out in Article 4.8 above.

13.3. Any claims concerning the quality of the bunkers delivered shall be submitted to the Seller in writing within 30 (thirty) days after delivery with a clear statement as to the nature or the claim(s) along with the supporting documentation in support, failing any which any rights to complain or claim compensation of whatever nature shall be deemed to have been waived and absolutely barred for all purposes.

13.4. The Buyer shall be obliged to make full payment (ref Article 8.1 above) and fulfil all other obligations in accordance with the terms hereof, whether or not they have any claims or complaints.

13.5. If Buyer submits a claim against the Seller with respect to the quality or quantity of the products supplied, the Seller or the Seller's nominated representative shall be entitled to board the Vessel and investigate the Vessel's records, log books, engine logs etc and to make copies of any such document the Seller or the Seller's nominated representative may consider necessary for its investigations connected to the case. The Buyer shall allow this, or where Buyer has chartered the Vessel, then the Buyer shall obtain full authorisation from Owner to allow the herein stated steps and to provide full assistance and support by the Vessel's officers and crew in such manner the Seller or Seller's nominated representative may require. Failure to allow boarding or produce required copies of documents or the lack of co-operation by the Vessel's officers and crew shall constitute a waiver of the Buyer's claim.

13.6. It is the duty of the Buyer to take all reasonable actions, including retention and burning of fuel, to eliminate or minimise any damages or costs associated with any off-specification or suspected off-specification supply. To this end Buyer shall cooperate with the Seller in achieving the most cost-



effective solution. In any event Seller's obligation hereunder shall not exceed the price of that portion of the product sold hereunder on which liability is asserted. No liability will be borne by Seller for any indirect, special, incidental or consequential damages.

13.7. The Seller shall provide the Buyer with samples drawn according to the Singapore Code of Practice for Bunkering: SS600 (2008). It is the duty of the Buyer to instruct and ensure that the Master or the receiving Vessel's crew or Buyer's representative signed and sealed the Representative samples collected. It is hereby expressly agreed that only a maximum of four (4) samples shall be collected for the bunkering operation. A fifth (5th) sample shall be collected if the Buyer had notified the Seller in advance that a testing laboratory is engaged. The Samples shall be distributed in the following manner:

13.7.1. One (1) sample to the receiving Vessel for retention purpose

13.7.2. One (1) sample which is a Marpol sample which is a vessel program

13.7.3. One (1) sample retained by the bunker tanker

13.7.4. One (1) sample for the bunkering surveyor (if a bunker surveyor is present)

13.7.5. One (1) sample for the testing laboratory (if engaged)

13.8. The results of any sample tested in any fuel programs without the knowledge of the Seller/ Supplier shall not be recognised and can only be used as a reference only.

13.9. In each and every case, any and all claims of the Buyer shall be time-barred unless arbitration / legal proceedings have been commenced/ issued at the competent tribunal/ court set forth in Article 19 hereof and served within twelve (12) months from the date of delivery of the Bunkers, or the date that delivery should have commenced



14. INDEMNITY

- 14.1. The Buyer shall defend, indemnify and hold the Seller harmless with respect to any and all liability, loss, claims, expenses, or damage the Seller may suffer or incur by reason of, or in any way concerned with, the fault or default of the Buyer or its agents in the purchase, receipt, use, storage, handling or transportation of the Marine Fuels in connection of each Marine Fuels transaction.
- 14.2. Notwithstanding anything contained herein, the Seller shall not be liable to the Buyer for any consequential or special losses or damages of whatsoever kind in connection with the performance or failure to perform the contract, including without limitation, loss of profits or business, loss by reason of shutdown, non-operation or the like.
- 14.3. Any loss of or damage to the marine fuel, or to any property of the Seller or the Seller's supplier during, before or after delivery caused by the Buyer and/ or its agents, employees, contractors, persons acting under its authority and /or the vessels and/ or her officers or crews shall be borne by the Buyer and the Buyer shall to such extent indemnify or reimburse the Seller for the same.
- 14.4. Without prejudice to anything herein, neither the Seller nor the Seller's supplier shall be responsible or liable for any damages for delay or detention or demurrage or any loss whatsoever arising from;
- 14.4.1. any disputes as to the quantity or quality of the marine fuel;
- 14.4.2. any surveys conducted by or on behalf of or at the request of the Buyer, independently or pursuant to the Terms and Conditions herein or;
- 14.4.3. late or non-delivery of the Marine Fuel due to congestion at the terminal or to prior commitment of barges including without limitation to any causes whatsoever or howsoever arising beyond the Seller's control or avoidable by due care of the Buyer and/ or the vessel.
- 14.4.4. Late or non-delivery of the Marine Fuel due to congestion at the stated location or due to specific instructions of the relevant port authority.



15. TITLE AND RISK

- 15.1. The delivery of Marine Fuel shall be deemed to be complete and risk shall pass to the Buyer once the Marine Fuel has reached the flange connecting the delivery hose provided by the Seller and the receiving facilities provided by the Buyer, at which point, the Seller's responsibility shall cease.
- 15.2. Title in and to the Bunkers delivered and/ or property rights in and to such Bunkers shall remain vested in the Seller until full payment has been received by the Seller of all amounts due in connection with the respective delivery.
- 15.3. Until full payment of any amount due to the Seller has been made, the Buyer shall not be entitled to use the Bunkers other than for the propulsion of the Vessel, nor mix, blend, sell, encumber, pledge, alienate, or surrender the Bunkers to any third party or other vessel.
- 15.4. In case of non or short payment for the Bunkers by the Buyer, the Seller is entitled to take back the Bunkers without prior juridical intervention, without prejudice to all other rights or remedies available to the Seller.
- 15.5. In the event that the Bunkers have been mixed with other bunkers onboard the Vessel, the Seller have the right of lien to such part of the mixed Bunkers as corresponds to the quantity or net value of Bunkers delivered.
- 15.6. In case the Bunkers, in part or full are no longer present or can no longer be identified or distinct from other Bunkers, the Seller has the right to arrest / attach the Vessel and/ or sister ship and/ or any other assets of the Buyer (or the Owner of the Vessel) wherever situated in the world without prior notice.
- 15.7. All expenses and charges arising in connection of recovering the Bunkers due to short or non-payment shall be fully borne by the Buyer.



16. FORCE MAJEURE

16.1. Declaration of force majeure shall be given without undue delay once such event(s) have come to the knowledge of the responsive party declaring same.

16.2. Seller shall not be in breach of its obligations hereunder to the extent that performance is prevented, delayed or (in the sole but reasonable judgement of Seller) made more expensive to Seller, as a result of any force majeure or contingency, including (without limitation to the generality of the foregoing):

16.2.1. any cause beyond the reasonable control of Seller; or

16.2.2. labour dispute whether involving the employees of Seller or otherwise, and regardless whether the dispute could be settled by concessions by either of the disputing parties; or

16.2.3. compliance with a request or order of any governmental authority or person purporting to act therefor; or

16.2.4. shortage or unavailability of raw material, transportation, manufacturing capacity, etc., or of Marine Fuels or any grade thereof from the source of supply thereof contemplated by Seller at the time of acceptance of Buyer's order, or generally, not demonstrated by Buyer to be due to Seller's lack of diligence; or

16.2.5. weather conditions.

16.3. Whenever performance is prevented or delayed by such a contingency, Seller may reduce or reschedule delivery in such manner as it may, in its sole discretion, determine or may withdraw from the contract without further obligation to Buyer.

16.4. Whenever performance is made more expensive to Seller by such contingency, Seller shall have the option to reduce or reschedule delivery as provided in sub-clause(i) above or



16.4.1. to perform the contract at an increased price(which includes the increase in cost to the Seller) payable by Buyer, or

16.4.2. to withdraw from the contract without further obligation to Buyer.

16.5. Seller shall not be liable for demurrage or delay resulting from such a contingency.

16.6. Performance shall be excused as provided herein even though the occurrence of the contingency in question may have been foreseen or be foreseeable at the time of contracting or may subsequently have become foreseeable.

16.7. Quantities not delivered due to the occurrence of such a contingency need not be made up later.

16.8. Nothing in this Clause 11 shall excuse Buyer from its obligations to make payments in full when due as provided herein.

17. SPILLAGE AND ENVIRONMENT PROTECTION

17.1. If a spill occurs while Marine Fuels are being delivered, Buyer shall promptly take such action as is reasonably necessary to remove the spilled Marine Fuels and mitigate the effects of such spills. Seller is hereby authorised, at its option and at the expense of Buyer, to take such measures and incur such expenses(whether by employing its own resources or by contracting the others) as are reasonably necessary in the judgement of Seller to remove the spilled Marine Fuels and mitigate the effects of such spills. Buyer shall cooperate and render such assistance as is required by Seller in the course of such action. All expense, claims, loss, damage, liability and penalties arising from spills shall be borne by the party that caused the spill. If both parties are at fault, all expense, claims, loss, damage, liability and penalties shall be divided between the parties in accordance with the prospective degree of fault. Buyer shall give Seller, as soon as possible, all documents and other information concerning any spill, or any program for prevention thereof, as may be required by Seller, or as required by law or regulation applicable at the time and place of delivery if a spill occurs while the Bunkers are being delivered.



18. ASSIGNMENT

18.1. Seller may assign all or any its rights and obligations without notice to Buyer. Buyer consents, irrespective of notice, to be bound to the assignee. Delivery of the Marine Fuels by the assignee shall constitute its consent to be bound to Buyer under the terms set out herein. Any assignment by Buyer without Seller's written consent shall be void.

19. NOTICES

19.1. Notices hereunder shall be given by letter or any method, including telex or facsimile, that results in writing. All notices shall be deemed given on receipt. Notice shall be given to such address as appears in Seller's acceptance of Buyer's order or as the relevant party may from time to time designate.

20. LAW/ JURISDICTION/ DISPUTE RESOLUTION

20.1. It is the firm intention of the parties that all matters arising under this contract be settled amicably by consultation between both parties. However, to the extent that such settlement may not be possible, all disputes arising out of or in connection with this contract shall be referred for final resolution by the arbitration in Singapore at the Singapore Chamber of Maritime Arbitration (SCMA) in accordance with the Singapore Bunker Claims Procedure ("SBC" Terms) for the time being in force, which terms are deemed to be incorporated by reference into this clause.

20.2. The matter in dispute shall be referred to three arbitrators, one to be appointed by each of the parties, and the third by the two so appointed. The decision of the arbitrators shall be final and binding on the parties and for the purpose of enforcing any award, the award may be made an order of court.

20.3. In the event if one party fails to appoint an arbitrator within 7 clear days after the other party, having appointed his arbitrator, has served the party making default with notice to make the appointment, the party who has appointed an arbitrator may appoint that arbitrator to act as sole arbitrator in the reference, and his



award shall be final and binding on both parties as if he had been appointed by consent.

20.4. The arbitrators shall be shipping commercial men engaged in the shipping industry.

20.5. The construction, validity and performance of the contract shall be governed by the Laws of the Republic of Singapore.

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