

NT Bunkering CJSC

Terms and Conditions

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GENERAL INTRODUCTION

This is a statement of the terms and conditions according to which the “NT Bunkering” CJSC (hereinafter called “NTB”) will sell marine bunkers.

These conditions apply to all offers, quotations, orders, agreements, services and all subsequent contracts of whatever nature, except where otherwise is expressly agreed in writing by NTB.

In the case that, for whatever reason, one or more of the (sub)clauses of the general conditions are invalid, the other (sub)clauses hereof shall remain valid and be binding upon the parties.

1. Definitions

Throughout this document the following definitions shall apply:

- **"Marine Fuels"** 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 and/or services connected thereto;
- **"Seller"** means the party contracting to sell the Marine Fuels, **being the legal entity within NT Bunkering CJSC**, whose name is included in the Order Confirmation, sent to the Buyer;
- **"Buyer"** means the party contracting to purchase, take delivery of and pay for the Marine Fuels or any party requesting offers or quotations for or ordering Marine Fuels and/or Services and any party on whose behalf the said offer, quotations, orders and subsequent agreements or contract been made;
- **"Vessel"** means the Buyer's vessel, ship, barge that receives the Marine Fuels;
- **"Sale contract"** means any contract created by acceptance by Seller of an order placed by Buyer for Marine fuels. Each delivery constitutes a separate Sale contract governed by these General Terms and Conditions and any other special conditions which may have been agreed in writing in the Sale contract. Where there is a conflict between the General Terms and Conditions and any special conditions which may have been agreed in writing in the Sale contract, the latter shall prevail.
- **"Nomination"** means the written request/requirement by the Buyer to the Seller, for the supply of the Marine Fuels;
- **"Order Confirmation"** means the written confirmation as issued by the Seller and forwarded to the Buyer to conclude the conclusion of the negotiated sale/purchase of the Marine Fuels. In case of 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 contain the prevailing terms of the Agreement;
- **"Agreement"** means the concluded terms for the sale/purchase of the Marine Fuels;
- **"Supplier"** means any party instructed by or on behalf of the Seller to supply or deliver the Marine Fuels;

- “**GTC**” means General Terms and Conditions which shall govern the contractual regulations between Seller and the Buyer;
- “**BDR**” means the Bunker Delivery Receipt, being the document(s) which is/are signed by the Buyer’s representative(s) at the place of the supply of the Marine Fuels to the Vessel, evidencing the quantity of the Marine Fuels supplied to and received by the Vessel.

2. Offers, Quotations and Prices

a. An Agreement shall only be concluded and binding on the Seller when the Seller sends the Order Confirmation to the Buyer. Each Order Confirmation shall incorporate these GTC by reference so that the GTC are considered a part of the Confirmation.

b. The Seller’s offer is based on the applicable taxes, duties, costs, charges and price level of components for the Marine Fuels existing at the time of the conclusion of the Agreement. Any later or additional tax, assessment, duty or other charge of whatever nature and however named, or any increase of components for Bunkers or any additional costs borne by the Seller whatsoever caused by any change in the Seller’s contemplated source of supply or otherwise, coming into existence after the Agreement has been concluded, shall be added to the agreed purchase price, provided that the Seller shall give the Buyer prior notice of this effect within a reasonable (under the prevailing circumstances) time after the Seller becoming aware of the relevant circumstances.

c. All prices and/or tariffs are exclusive VAT, unless specifically stated otherwise. Any VAT or other charge and/or tax applicable and whenever imposed, shall be promptly paid by the Buyer, and unless otherwise agreed in writing all supplies are quoted and invoiced based on quantity calculated quantity in metric tons in vacuum.

d. If the party requesting Bunkers is not the Owner of the Vessel, the Seller shall have the right (but will not be obliged) to insist as a precondition of sale that a payment guarantee is provided by the Owner. The Seller shall have the right (but will not be obliged) to cancel any agreement with the Buyer at any time, if such payment guarantee is not received upon request thereof from the Seller to the Owner. The Seller’s decision to forego obtaining a payment guarantee under this Clause.4 shall have no effect on Seller’s right to a lien on the Vessel for any Bunkers supplied under this Agreement.

e. The Buyer warrants that it is authorized as agent to order Bunkers for the Vessel, and that the Seller has alien on the Vessel for any Bunkers supplied under this Agreement. If the party requesting Bunkers is not the Owner of the Vessel, Buyer assumes the sole responsibility for communicating the terms and conditions of this Agreement to the Owner of the Vessel prior to the date of delivery.

f. If at any time before the delivery the financial standing of the Buyer appears to the Seller (in its absolute discretion) to have become impaired or unsatisfactory, the Seller may require cash payment or security to be provided by the Buyer prior to delivery, failing which the Seller may cancel the delivery without any liability on the part of the latter or its subcontractors.

3. Specifications (Quality- Quantity)

a. The Buyer assumes the sole responsibility for the choice of nominating the quantity and quality of Bunkers and determine (if applicable) potential compatibility with any Marine Fuels already on board the Vessel. The Buyer also assumes sole responsibility for the selection and fitness of its choice of Marine Fuels for any particular use or purpose, and the Seller shall assume no responsibility whatsoever for the compliance or fitness of the Marine Fuels for a specific type of engine or equipment which the Buyer may or may not have agreed upon in any C/P (Charterparty) term or otherwise. This includes but is not limited to the quality, sulphur content and any other specific characteristics of the Bunkers whatsoever. Any and all warranties regarding the satisfactory quality, merchantability, fitness for purpose, description or otherwise, are hereby excluded and disclaimed.

Where specifications designate a maximum value, no minimum value is guaranteed unless

expressly stated in the Order Confirmation, and conversely where minimum values are provided in a specification, no maximum values are guaranteed unless expressly stated in the Order Confirmation.

b. The quality and quantity shall be as agreed between the Seller and the Buyer and shall correspond to the Seller's Order Confirmation. Unless otherwise agreed in writing the Bunkers are delivered and sold based on metric tons in vacuum.

c. Where standard specifications are being given or referred to, tolerances in accordance with ISO 8217:2010 in respect of Reproducibility/Repeatability in quality are to be accepted without compensation or other consequences whatsoever.

d. 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 consequence than a similar variation to the corresponding invoice from the Seller.

e. Information regarding the typical characteristics of the Bunkers at any delivery location shall only be indicative of the Marine Fuels that have been made available at that location and shall not form a part of the specification of the Marine Fuels to be delivered. All grades of produce may contain petroleum industry allowed bio-derived components.

4. Measurements – non clausing of the BDR(s)

a. Subject to the provisions of Clauses 7 (d) and 10 hereunder the quantities of Marine Fuels shall be determined from the official gauge or meter of the bunkering barge or tank truck effecting delivery or of the shore-tank in case of delivery ex wharf.

b. 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. When supplied by bunkering barge/tanker the particular barge/tanker will present its tank calibration and ullage sounding records, which are agreed 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.

c. Should the Buyer's representative fail or decline to verify the quantities, the measurements of quantities made by the Seller or the Supplier shall be final, conclusive and binding and the Buyer shall be deemed to have waived any and all claims in regard to any variance.

d. The Buyer expressly undertakes not to make any endorsement, complaint/comment (including but without limitation any "No-lien" clausing) on the BDR when presented for signature by the Buyer's representative(s), any such insertion shall be invalid and of no effect whatsoever.

e. In the event of complaint/comment on the quantity of Marine Fuels delivered, the Buyer or the Master of the Vessel shall give to the Seller/Supplier a letter of protest separately, followed by a complaint in detail to the Seller, setting out the exact quantity(ies) claimed short supplied, and with full supporting vouchers, in writing within 7 (seven) days thereof, failing which, any such claim by the Buyer shall be extinguished as non-existent, and the Buyer shall be deemed to have expressly waived any such claim against the Seller/Supplier, the relevant claim being time barred, and the Seller/Supplier's weight and measurements shall be conclusive evidence of the quantity of the Marine Fuels delivered.

5. Sampling

- a. The Supplier shall arrange for minimum three (3) identical representative samples of each grade of Marine Fuels to be drawn throughout the entire bunkering operation. The Buyer's representative has the 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.
- b. In case that drip sampling is not available onboard the barge, tanktruck or shore tank, samples shall be taken as a composite of each tank from which supplies are made, onboard the barge (respectively at the shore tank or tanktruck), divided with 1/3 from each the top, mid and bottom of the tanks.
- c. The samples shall be securely sealed and provided with labels showing the Vessel's name, identity of delivery facility, product name, delivery date and place and seal number, authenticated with the Vessel's stamp and signed by the Seller's representative and the Master of the Vessel or his representative. The seal numbers shall be inserted into the BDR/Bunker Delivery Receipts, and by signing the BDR both parties agrees to the fact that the samples referred to therein are deemed valid and taken in accordance with the requirements as specified in this Chapter.
- d. One (1) sample shall be retained by the Seller for ninety (90) days after delivery of the Marine Fuels, or if requested by the Buyer in writing, for as long as the Buyer reasonably required. The other two (2) samples shall be retained by the receiving Vessel, one of which being dedicated as the MARPOL sample.
- e. In the event of a dispute in regard to the quality of the Marine Fuels delivered, the samples drawn pursuant to this Chapter, shall be conclusive and final evidence of the quality of the Bunkers delivered. One, and only one, of the samples retained by the Sellers shall be forwarded to an independent laboratory to perform a set of tests, the result of which is to be made available to both parties. Those test results shall be final and binding upon both Buyer and Seller as to the parameters tested. The parties are to use best endeavors to agree the independent laboratory to perform the tests. If, however, no agreement can be reached on the choice of laboratory within 3 days of the Buyer being advised of the Seller opting to have the sample tested, the Seller is at liberty to send the sample to a reputable and independent laboratory of its choice for the tests to be conducted, and those test result will be final and binding upon Buyer and Seller as set out above.
- f. The seal must be breached only in presence of both parties unless one/both in writing have declared that they will not be present, or fails to be present at the appropriate time and place; and both parties shall have the right to appoint independent person(s) or surveyor(s) to witness the seal breaking.
- g. No samples subsequently taken shall be allowed as (additional) evidence. If any of the seals have been removed or tampered with by an unauthorized person, such sample(s) shall be deemed to have no value as evidence.
- h. Any eventual samples drawn by Buyer's personnel either during bunkering or at any later date after bunkering shall not be valid as indicator of the quality supplied. The fact that such samples may eventually bear the signature of personnel on board the barge or tank truck or other delivery conveyance shall have no legal significance as such local personnel have no authority to bind Seller to different contractual terms. Seller shall have no liability for claims arising in circumstances where Buyer may have commingled the products on board the Vessel with other fuels.

6. Delivery

- a. 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 parties.
- b. The time of delivery will only be binding upon the Seller when all information necessary for the Seller to comply with its obligations hereunder, have been properly delivered to the Seller in reasonable time before the delivery. In the event the Nomination addresses a spread of dates for delivery, the Seller has the sole discretion to commence the delivery within any time, day/night of these dates, always subject to the circumstances set out below in Clause 6 c.
- c. The Vessel shall under all circumstances be bunkered as promptly as the prevailing circumstances permit, having regard to congestion affecting the delivery facilities of Seller, its Suppliers or Agents and to prior commitments of barges or other delivery means. The Seller and/or the Supplier shall not be liable for any consequences or any time lost due to the Vessel having to wait for berth for bunkering or for completion of bunkering, and unless otherwise agreed in writing, the Seller shall not be obligated to deliver prior to the nominated date or spread of dates. The Seller is not responsible for delays caused by local customs, pilots, port or other authorities.
- d. In any case the Buyer, unless otherwise agreed in writing, must give not less than 72 (seventy two) hours approximate notice of readiness of the Vessel for delivery, which is to be followed by 48 (forty eight) hours and 24 (twenty four) hours such notices, where the last notice must also specify the exact place of delivery. All these notices must be given to the Sellers and the Seller's representatives/agents in writing.
- e. The Seller shall be entitled to deliver the Bunkers by separate part deliveries, in which case each part delivery shall be construed as a separate delivery.
- f. The Seller shall not be required to deliver any Bunkers if any customs and/or other government permit required for such purpose has not been obtained in due time before the delivery.
- g. If the Seller at any time for any reason believes that there may be a shortage of supply at any place and that as a result thereof it may be unable to meet the demands of all its customers, the Seller may allocate its available and anticipated quantity/ies of Bunkers among its customers in such a manner as it may determine appropriate in its sole discretion.
- h. The Vessel shall be accessible at all times to Seller and Supplier and shall be bunkered as promptly as the circumstances permit. The Seller and/or the Supplier shall not be liable for any demurrage paid or incurred by the Buyer or for any loss, damage or delay of the Vessel (consequential and/or liquidating damages included) of any nature whatsoever due to congestion at the loading terminal, prior commitments of available barges or tank trucks or any other reason.
- i. The Buyer shall ensure that the Vessel provides a free, safe and always afloat and accessible side for the delivery of bunkers and that all necessary assistance as required by the Seller or the Seller's representative is rendered in connection with the delivery. If in the Supplier's opinion clear and safe berth is unavailable, delivery might be delayed or, in Seller's option, cancelled and all costs related to above will be on account of the Buyer.
- j. The Vessel shall moor, unmoor, hoist and lower bunkering hose(s) from the barge(s) whenever required by the Seller, Seller's representative or Supplier, free of expenses and in any way as may be requested to assist the barge equipment to a smooth supply. The Buyer shall make and be responsible for all connections and disconnections between the delivery hose(s) and the Vessel's bunker intake manifold/pipe and ensure that the hose(s) are properly secured to the Vessel's

manifold prior to commencement of delivery. During bunkering the Vessel's scuppers must be safely blocked, which blocking must be made by the Vessel's own crew. Furthermore the Vessel must ensure that all pipes and manifolds and receiving tanks are properly checked and ready to receive the bunkers, including but not limited to ensuring proper opening/closing of relevant valves, without any risk for spillages, etc, during the bunkering. Local further special requirements for receiving bunkers must be followed strictly by the Vessel, whether advised or not by the Seller or the Seller's representative, as it is always the Vessel and the Buyer who remains solely responsible for the knowledge and awareness of such eventual additional requirements for safety reasons.

- k. In the event that the Vessel is not able to receive the delivery promptly, the Buyer is thereby in default and shall pay damages and/or any reasonable demurrage claim to the barging/supplying facilities and shall indemnify the Seller in each and every respect as a result thereof.
- l. Delivery shall be deemed completed and all risk and liabilities, including loss, damage, deterioration, depreciation, contamination, evaporation or shrinkage to the Bunkers delivered and responsibility for loss, damage and harm caused by pollution or in any other manner to third parties shall pass to the Buyer from the time the Bunkers reach the flange/connecting pipe line(s)/delivery hoses provided by the Seller on the barge/ tank truck/shore tank.
- m. If the Buyer for whatever reason is unable or refuses to receive the full quantity ordered, the Seller shall have the right to invoice the Buyer for the loss incurred by having to transport the undelivered Bunkers back to the storage or by having to sell the Bunkers in a degraded form or at a lower price. The Seller may exercise this right without prejudice to the Seller's other rights for damages or otherwise pursuant to these conditions.
- n. The Vessel shall provide and have appropriate and segregated tanks to receive the contracted quantity of Bunkers; and the Vessel shall always be able to perform its own blending on board if any blending is deemed to be required by the Buyer. The Vessel shall upon delivery test the Bunkers supplied by running her engines or auxiliaries or equipment, for which the Bunkers are supplied, for a minimum of 1 (one) hour to determine that the Bunkers are satisfactory. In the event the Bunkers are not considered satisfactory, the Seller and Supplier are to be notified in writing immediately after such test period has expired. Otherwise, it shall be deemed that the Bunkers were satisfactory and that in any event the Buyer has waived any right to claim in this regard.
- o. If delivery is required outside normal business hours or on local weekends, Saturday, Sunday, national religious or public holidays the extra expenses incidental to such delivery shall be reimbursed by the Buyer as additional costs.
- p. In the event the Bunker delivery is made by vessel or barge as a ship to ship transfer, any damage caused by contact and/or collision and/or swell and/or other weather or sea related condition or incident, is to be dealt with by the Owners directly with the owners of the units involved, and Seller/Supplier shall not be held nor be responsible for any such damages. If, however, any of the involved units choose to pursue Seller and/or Supplier, Buyer will fully indemnify and hold Seller harmless in relation thereto.
- q. For safety reasons it is agreed that it is solely the Master of the bunkering barge that determines whether mooring alongside is safe, taking weather, swell and forecasts into consideration. Supplier/Seller not to be held responsible for any delays, demurrages, liquidating damages or similar whatsoever as a result of any eventual delays caused by any decision by the Master of the barge in this connection. Supplies being always performed weather permitting.
- r. Without prejudice to any other article(s) herein, any and all supply/ies will be based

on as per best endeavors only if the receiving Vessel arrives outside the originally agreed time split as per the Order Confirmation forwarded.

7. Documentation

- a. Before commencement of delivery the Seller shall present for acknowledgement by the Master of the Vessel or his representative, the Bunker List, duly signed by the Seller or his representative, which shall contain the quantities and the grades of Marine fuels to be delivered.
- b. Once the delivery is completed and quantities measured, a receipt shall be signed and stamped by the Master of the Vessel or his representative, and returned to the Seller, or his representative, as acknowledgement of the delivery. One (1) duplicate copy shall be retained by the Master of Vessel. This receipt shall contain the following minimum information:
 - I. viscosity as per ISO 3104
 - II. delivered quantity in volume units
 - III. density in kg/m³ at 15 0C as per ISO 12185
 - IV. delivered quantity in metric tons
 - V. temperature
 - VI. flash point
 - VII. pour point
 - VIII. sulphur content
- c. Verification of the information provided under Clause 7(b) may be obtained by analysis of the Vessel's retained sample when granted by the Buyer under Clause 10(a).
- d. In the event the Master is not satisfied with the Marine Fuels, sampling, quality, quantity or any other matter concerning the Marine Fuels or their delivery, he shall make appropriate remarks in the receipt either detailing the complaints or referring to a separate letter of protest to be issued and delivered immediately.

8. Risk/Title

- a. 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. The provisions in this section are without prejudice to such other rights as the Seller may have under the laws of the governing jurisdiction against the Buyer or the Vessel in the event of nonpayment.
- b. Until full payment of the full amount due to the Seller has been made and subject to Article n.6 hereof, the Buyer agreed that it is in possession of the Bunkers solely as Bailee for the Seller, and 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.
- c. In case of non or short payment for the Bunkers by the Buyer, the Seller is entitled (but not obliged) to repossess the Bunkers without prior juridical intervention, without prejudice to all other rights or remedies available to the Seller.

d. In the event that the Bunkers have been mixed with other bunkers on board the Vessel, the Seller shall have the right to trace its proprietary interest in the Bunkers into the mixed bunkers and/or a right of lien to such part of the mixed bunkers as corresponds to the quantity or net value of the Bunkers delivered.

e. The provisions of this Chapter H do not prejudice or in any way limit the Seller's right to arrest/attach the Vessel and/or sister ship and/or any sister or associate ship and/or other assets of the Buyer (or the Owner of the Vessel or any other party liable), wherever situated in the world, without prior notice.

f. Where, notwithstanding these conditions, title in and to the Bunkers delivered has passed to the Buyer and/or any third party before full payment has been made to the Seller, the Buyer shall grant a pledge over such Bunkers to the Seller. The Buyer shall furthermore grant a pledge over any other Bunkers present in the respective Vessel, including any mixtures of the delivered Bunkers and other bunkers. Such pledge will be deemed to have been given for any and all claims, of whatever origin and of whatever nature that the Seller may have against the Buyer.

g. For the avoidance of doubt, where a mortgage bank enforces any rights against the Vessel and becomes a mortgagee in possession of the Bunkers then as bailee the mortgage bank is liable to the Seller for fulfilment of the Agreement.

9. Payment –Maritime Lien

- a. Payment for the Marine Fuels shall be made by the Buyer within the period agreed in writing. In the event payment has been made in advance of delivery, same shall be adjusted on the basis of the actual quantities of Marine Fuels delivered and additional payment/refund, as the case may be, shall be made accordingly.
- b. Payment shall be made in full, without set-off, counterclaim, deduction or discount, free of bank charges in the manner and at the place indicated on the invoice.
- c. Payment shall be deemed to have been made on the date the payment is credited to the counter of the bank designated by the Seller. If payment falls due on a non-business day, the payment shall be made on or before the business day nearest to the due date. If the preceding and succeeding business day are equally near to the due date, then payment shall be made on or before the preceding business day.
- d. Any delay in payment shall entitle the Seller to claim an interest at the rate of 0,05% per day.

10. Claims

- a. In addition to the obligations referred to in Article 5.d and 5.e herein, any claim in connection with the quantity of the Bunkers delivered must be notified by the Buyer, or the Master of the Vessel, to the Seller or Supplier immediately after completion of delivery in the form of a letter of protest. If the Buyer or the Vessel's 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.
- b. Always without prejudice to Article 6.n herein, any and all claims concerning the quality of the Bunkers delivered or time consumed for the entire operation, shall be submitted to the Seller in writing within 21 (twenty one) days after delivery with a clear statement as to the nature or the claim(s) along with appropriate supporting documentation, failing which any rights to complain or claim compensation of whatever nature shall be deemed to have been waived and absolutely barred for all purposes.

- I. In such event the parties hereto shall have the quality of the Marine Fuels analyzed by a mutually agreed, qualified and independent laboratory. The Seller shall provide the laboratory with one of the samples retained by them as per Clause 5(e). If ISO grades have been specified the analysis shall be established by tests in accordance with ISO 8217:2010 or any subsequent amendments thereof. If non-ISO grades have been agreed, tests will be made in accordance with standards corresponding to the aforementioned ISO standards. Unless otherwise agreed the expenses of the analysis shall be borne equally by the Seller and the Buyer. Both parties expressly agree that the result of this joint quality inspection shall be final and binding as evidence of quality of the product delivered.

11. Termination

Without prejudice to accrued rights hereunder, either party shall be entitled to terminate the Sale contract in the event of:

- a. any application being made or any proceedings being commenced, or any order or judgment being given by any court, for
 - I. the liquidation, winding up, bankruptcy, insolvency, dissolution, administration or re-organization or similar, or
 - II. the appointment of a receiver, liquidator, trustee, administrator, administrative receiver or similar functionary of the other party or all or a substantial part of its assets (otherwise than for the purpose of a reconstruction or amalgamation);
- b. any suspension of payment, cessation to carry on business or compounding or making any special arrangement with its creditors by the other party;
- c. any act being done or event occurring which, under the applicable law hereof, has a substantially similar effect to any of the said acts or events described above.

12. Force Majeure

Neither Buyer nor Seller shall be responsible for any loss or damage resulting from any delay or failure in delivery or receipt of Marine fuels hereunder due to fire, explosion mechanical breakdown, flood, storms, earthquakes, tidal waves, war military operations, national emergency, civil commotion, strikes or other differences with workmen or unions, or from any delay or failure in delivery or receipt of Marine fuels hereunder when the supplies of Buyer or Seller, or the facilities of production manufacture, consumption, transportation, distribution of Buyer and Seller are impaired by causes beyond Buyer' or Seller' control or by the order, requisition, request or recommendation of any governmental agency or acting governmental authority, or Buyer' or Seller' compliance therewith, or by governmental proration, regulation or priority, or from any delay or failure due to any causes beyond Buyer or Seller control similar to any such causes. When such cause or causes exist, the party affected shall have the right, upon notice to the other of the nature and probable duration of such cause or causes, to restrict or cease deliveries or acceptance hereunder in fair and equitable manner for the duration of such cause.

13. Safety and the Environment

In the event of any spillage (which for the purpose of this Clause shall mean any leakage, escape, or overflow of the Marine Fuels) causing or likely to cause pollution occurring at any stage of the bunkering operation, the Buyer or the Seller shall jointly, and regardless as to whether the Buyer or the Seller is responsible, immediately take such action as is necessary to effect clean up and which shall always be conducted in accordance with such local laws and regulations which may compulsorily apply.

14. Delays and Cancellations

a. 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 Seller has the sole discretion to cancel or to adjust prices in the event the Vessel is suffering a delay exceeding 24 hours from the (last) nomination date.

b. If the Buyer for whatever reason (including circumstances entirely outside Buyer's control) cancels the Agreement, where Order Confirmation has been sent by Seller, the Buyer shall be liable for any and all losses suffered and liabilities incurred by the Seller and/or the Supplier as a result of such cancellation, including, but not limited to, barge costs, restoring of the Bunkers, and hedging costs, and also in Seller's sole option any difference between the contract price of the undelivered product and the amount received by the Seller upon resale to another party or, if another buyer cannot be found, any market diminution in the value of the product as reasonably determined from available market indexes. These losses and liabilities shall be indemnified by a minimum amount of USD 5,000 by way of agreed minimum liquidated damages, and shall be indemnified in full if they in total exceed USD 5,000.

15. Law and Arbitration

Any dispute arising out of the Sale contract or these General Terms and Conditions shall be referred to Court of St.Petersburg, subject to the procedures applicable there. The laws of Russian Federation shall govern the Sale contract and these General Terms and Conditions.