

GENERAL TERMS & CONDITIONS OF SALE

VERSION JULY 2026

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+971 42542052
+971 42572273



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Unit 202, Fortune Executive
Tower, Cluster T, JLT, Dubai,
U.A.E, P.O. Box : 452911

1. DEFINITIONS

THROUGHOUT THESE GENERAL TERMS AND CONDITIONS, UNLESS THE CONTEXT REQUIRES OTHERWISE, THE FOLLOWING DEFINITIONS SHALL APPLY:

- (a) **"BUYERS"** MEANS THE PARTY OR PARTIES, JOINTLY AND SEVERALLY, SPECIFIED IN THE ORDER CONFIRMATION FOR WHOSE ACCOUNT THE SALE HAS BEEN CONTRACTED. THE BUYERS SHALL ALWAYS INCLUDE THE OWNER, OR, IF APPLICABLE, THE DISPONENT OWNER.
- (b) **"CONTAINERS"** MEAN INTERMEDIATE BULK CONTAINERS (IBC), DRUMS OR ANY OTHER SEALED CONTAINERS OR SEGREGATED UNITS.
- (c) **"CONTRACT"** REFERS TO THESE GENERAL TERMS AND CONDITIONS, AS AMENDED AND SUPPLEMENTED BY THE ORDER CONFIRMATION.
- (d) **"CARGO"** MEANS ANY BULK LIQUID, BULK DRY, PACKAGED OR CONTAINERISED PETROLEUM PRODUCT, PETROCHEMICAL, CHEMICAL, REFINED PRODUCT, BASE OIL, LUBRICANT, ADDITIVE, BLENDING COMPONENT, GASOIL, FUEL OIL, MARINE GAS OIL, CRUDE OIL, NAPHTHA, GASOLINE OR ANY OTHER PRODUCT – WHETHER IN LIQUID, SOLID, GASEOUS OR PACKAGED FORM – SOLD, ARRANGED OR DELIVERED BY THE SELLERS UNDER THE CONTRACT, INCLUDING PRODUCTS CARRIED ON TANKER VESSELS, BULK CARRIERS, BARGES, ROAD TANKERS, ISO TANKS OR ANY OTHER MODE OF TRANSPORT.
- (e) **"DISPONENT OWNER"** MEANS ANY PARTY CONTRACTING WITH THE OWNER TO CHARTER OR OTHERWISE COMMERCIALY DISPOSE OF THE VESSEL, TYPICALLY A BAREBOAT/DEMISE CHARTERER, OR ANY OTHER PARTY WHO CONTROLS THE VESSEL AND ENJOYS THE BENEFIT THEREOF UNDER A SIMILAR ARRANGEMENT.
- (f) **"END USER"** MEANS THE PARTY WHO ULTIMATELY PURCHASES, USES OR CONSUMES THE MARINE FUELS, E.G. THE VESSEL'S OWNER, CHARTERER, OPERATOR, COMMERCIAL MANAGER, ETC.
- (g) **EVENT OF DEFAULT** MEANS ANY EVENT INCLUDING, WITHOUT LIMITATION: (i) FAILURE TO MAKE PAYMENT; (ii) INSOLVENCY; (iii) BREACH OF SANCTIONS; (iv) REPUDIATION OF THE CONTRACT; (v) FAILURE TO PROVIDE ADEQUATE ASSURANCE OF PERFORMANCE; (vi) FAILURE TO NOMINATE A VESSEL; (vii) FAILURE TO PROVIDE SHIPPING DOCUMENTATION; (viii) PAYMENT INTERFERENCE; (ix) ANY OTHER MATERIAL BREACH OF THE CONTRACT.



+971 42542052
+971 42572273



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Unit 202, Fortune Executive
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U.A.E, P.O. Box : 452911

- (h) **"GENERAL TERMS AND CONDITIONS"** REFERS TO THESE BUNKER TERMS AND CONDITIONS.
- (i) **"INDEPENDENT INSPECTOR"** MEANS AN INDEPENDENT SURVEYOR OR INSPECTION COMPANY APPOINTED OR ACCEPTED BY THE PARTIES INCLUDING, WITHOUT LIMITATION, SGS, SAYBOLT, INTERTEK, INSPECTORATE OR ANY OTHER INTERNATIONALLY RECOGNISED INSPECTION COMPANY.
- (j) **"INTERMEDIARY"** MEANS TRADING COMPANIES, ENTITIES OR PERSONS THAT ENTER INTO AN AGREEMENT AS A BUYER OF THE MARINE FUELS FOR THE PURPOSE OF RESELLING THE PRODUCTS TO AN END USER OR TO ANOTHER INTERMEDIARY.
- (k) **"MARINE FUELS"** MEANS MARINE FUELS, BUNKERS, LUBRICANTS, BASE OILS, ADDITIVES, PETROLEUM PRODUCTS, REFINED PETROLEUM PRODUCTS, CARGOES, BLENDS AND ANY OTHER PRODUCTS SOLD OR ARRANGED BY THE SELLERS UNDER THE CONTRACT.
- (l) **"ORDER CONFIRMATION"** MEANS A WRITTEN CONFIRMATION ISSUED BY THE SELLERS TO THE BUYERS IN RESPECT OF AN ORDER PLACED BY THE BUYERS AND/OR CONFIRMATION OF A SIMILAR AGREEMENT.
- (m) **"OWNERS"** REFERS TO THE REGISTERED OWNER(S) OF THE VESSEL AND ANY PARTY OR PARTIES WITH ACTUAL OWNERSHIP.
- (n) **"PARTIES"** REFERS TO BOTH THE SELLERS AND BUYERS COLLECTIVELY.
- (o) **"PARTY"** REFERS TO EITHER THE SELLERS OR THE BUYERS.
- (p) **"PAYMENT INTERFERENCE"** MEANS ANY DELAY, BLOCKING, REJECTION, RETURN, FREEZING, INVESTIGATION, SUSPENSION, DETAINMENT, ARREST, STOPPAGE, COMPLIANCE REVIEW, KYC REVIEW, AML REVIEW, SANCTIONS REVIEW OR ANY OTHER INTERFERENCE BY ANY BANK, FINANCIAL INSTITUTION, PAYMENT SERVICE PROVIDER, GOVERNMENTAL AUTHORITY, COURT OR OTHER PERSON WHICH PREVENTS, DELAYS OR RESTRICTS PAYMENT TO THE SELLERS
- (q) **"PHYSICAL SUPPLIER"** MEANS ANY THIRD-PARTY SUPPLIER, TERMINAL, STORAGE PROVIDER, TRANSPORTER, SHIPOWNER, CHARTERER, BARGE OPERATOR, LOGISTICS PROVIDER, WAREHOUSE OPERATOR OR OTHER CONTRACTOR APPOINTED BY THE SELLERS TO STORE, HANDLE, BLEND, TRANSPORT OR DELIVER THE MARINE FUELS OR CARGO, AS APPLICABLE
- (r) **"SANCTIONS REGULATIONS"** MEANS ANY EXPORT OR IMPORT CONTROLS, EMBARGOS, TRADE RESTRICTIONS, LISTING OF PERSONS OR ENTITIES, ASSET FREEZING, PROHIBITIONS TO SELL, PURCHASE, IMPORT, EXPORT, TRANSFER OR TRANSPORT, OR ANY OTHER ECONOMIC OR



+971 42542052
+971 42572273



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Unit 202, Fortune Executive
Tower, Cluster T, JLT, Dubai,
U.A.E, P.O. Box : 452911

TRADE SANCTIONS ADOPTED BY THE UNITED NATIONS, THE EUROPEAN UNION AND THE UNITED STATES OF AMERICA OR ANY OTHER JURISDICTION WHERE THE SELLERS DELIVER MARINE FUELS OR OTHERWISE CARRY OUT BUSINESS.

- (s) **SANCTIONS AUTHORITIES:** MEANS, WITHOUT LIMITATION, THE UNITED NATIONS, THE EUROPEAN UNION, THE UNITED KINGDOM, THE UNITED STATES OF AMERICA (INCLUDING OFAC), THE UAE, OFSI, OR ANY OTHER COMPETENT GOVERNMENTAL AUTHORITY RESPONSIBLE FOR THE IMPOSITION OR ENFORCEMENT OF SANCTIONS.
- (t) **"SELLERS"** REFERS TO FLEX COMMODITIES FZCO, SATUS ENERGY FZCO OR ANY OF THEIR AFFILIATES, AS SPECIFIED IN THE ORDER CONFIRMATION, RESPONSIBLE FOR SELLING AND ARRANGING THE DELIVERY OF THE MARINE FUELS.
- (u) **"VESSEL"** REFERS TO THE VESSEL, RIG, PLATFORM, STORAGE UNIT OR OTHER INSTALLATION OR UNIT WHETHER FLOATING OR NOT TO WHICH THE MARINE FUELS ARE DELIVERED UNDER THE CONTRACT.



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Unit 202, Fortune Executive
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U.A.E, P.O. Box : 452911

2. TERMS FOR OFFERS AND CONTRACTS

- (a) FORMATION OF CONTRACT. THE SELLERS' ORDER CONFIRMATION IS EVIDENCE OF THE TERMS OF THE CONTRACT AGREED BETWEEN THE SELLERS AND THE BUYERS AND THE CONTRACT IS BINDING WHEN THE SELLERS ISSUE THE ORDER CONFIRMATION TO THE BUYERS. THE SELLERS SHALL BE ENTITLED TO ISSUE AMENDED ORDER CONFIRMATIONS RECORDING VARIATIONS AGREED WITH THE BUYERS. IF, FOR ANY REASON, THE BUYERS TAKE DELIVERY OF MARINE FUELS FROM THE SELLERS WITHOUT HAVING BEEN PROVIDED WITH AN ORDER CONFIRMATION, A CONTRACT SHALL BE DEEMED TO HAVE BEEN FORMED INCORPORATING THESE GENERAL TERMS AND CONDITIONS WHICH ARE KNOWN TO THE BUYERS AND AVAILABLE ON THE SELLERS' WEBSITE.
- (b) QUOTATIONS, OFFERS AND ESTIMATES. THE SELLERS' OFFERS, QUOTATIONS AND ESTIMATES OF PRICES AND OTHER COSTS ARE TO BE UNDERSTOOD AS BEING CONDITIONAL AND SUBJECT TO AVAILABILITY AND ALTERATION.
- (c) APPROXIMATE PRICES, VALUES AND INFORMATION. UNLESS OTHERWISE EXPRESSLY PROVIDED FOR IN THE ORDER CONFIRMATION, THE SELLERS' DESCRIPTIONS OF THEIR PRODUCTS AND/OR SERVICES (E.G. ANALYTICAL DATA, DELIVERY TIMES, NAMES OF DELIVERY VESSELS, SPECIFICATIONS OF THE MARINE FUELS, ETC.) AND ALL DOCUMENTS TO WHICH THE BUYERS HAVE BEEN GIVEN ACCESS SHALL BE DEEMED TO CONTAIN ONLY APPROXIMATE VALUES PURSUANT TO TRADE CUSTOM AND DO NOT CONSTITUTE UNDERTAKINGS OR WARRANTIES. THE SELLERS FURTHER RESERVE THE RIGHT TO ALTER SUCH DESCRIPTIONS OR DOCUMENTS, AND THE SELLERS' OFFERS AND QUOTATIONS ARE CONDITIONAL UPON AVAILABILITY AND SUBJECT TO UNILATERAL RIGHT OF ALTERATION.
- (d) FOB AND INCOTERMS. THE MARINE FUELS ARE ALWAYS DELIVERED ON FOB TERMS UNLESS ANOTHER INCOTERM IS EXPRESSLY STATED IN THE ORDER CONFIRMATION. REFERENCES TO FOB OR OTHER INCOTERMS SHALL BE DEEMED TO HAVE THE MEANING CONTAINED IN THE MOST RECENT EDITION OF THE INCOTERMS. THIS CLAUSE AND ANY APPLICABLE INCOTERMS SHALL ALWAYS BE SUBJECT TO, AND BE DEEMED VARIED IN ACCORDANCE WITH, CLAUSE 8 BELOW.

3. LIABILITY FOR PAYMENT AND ACCEPTANCE OF THESE GTCS

- (a) ACCEPTANCE BY THE OWNER. ORDERS FOR MARINE FUELS ARE DEEMED TO HAVE BEEN MADE UNDER INSTRUCTION FROM THE MASTER OF THE VESSEL ACTING AS AN AGENT OF THE OWNERS. THE OWNERS ACCEPT THAT THE MASTER (OR ANY OTHER OFFICER OR REPRESENTATIVE OF THE VESSEL), BY SIGNING AND/OR STAMPING THE BUNKER DELIVERY



+971 42542052
+971 42572273



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Tower, Cluster T, JLT, Dubai,
U.A.E, P.O. Box : 452911

NOTE(S) OR OTHER SIMILAR DOCUMENT, SHALL BE DEEMED TO HAVE FULL AUTHORITY ON BEHALF OF THE VESSEL AND HER OWNERS TO TAKE DELIVERY OF THE MARINE FUELS AND TO ACCEPT THESE GENERAL TERMS AND CONDITIONS ON BEHALF OF THE OWNER. THE BUYERS WARRANT THAT THESE GENERAL TERMS AND CONDITIONS ARE COMMUNICATED TO THE OWNERS, THAT THE BUYERS ARE AUTHORIZED AS AN AGENT TO ORDER THE MARINE FUELS FOR AND ON BEHALF OF THE VESSEL AND THE OWNERS AND THAT THE SELLERS HAVE A MARITIME LIEN ON THE VESSEL IN ACCORDANCE WITH THE APPLICABLE LAW (SEE CLAUSE 23 BELOW).

- (b) DISPONENT OWNER. IF, AT THE TIME OF DELIVERY OF THE MARINE FUELS, THE VESSEL IS UNDER THE CONTROL OF DISPONENT OWNERS, THE DISPONENT OWNERS SHALL BE DEEMED LIABLE FOR PAYMENT AS PARTY TO THE CONTRACT IN THE OWNERS' STEAD EVEN IF NOT NAMED AS BUYERS UNDER THE CONTRACT AND REGARDLESS OF WHETHER THE AGENT ACTING FOR THE DISPONENT OWNER WHEN ORDERING THE MARINE FUELS FROM THE SELLERS HAS DISCLOSED THE EXISTENCE AND/OR IDENTITY OF THE DISPONENT OWNERS. THIS CLAUSE ONLY APPLIES IF THE DISPONENT OWNERS HAVE AGREED UNDER THEIR CONTRACT WITH THE OWNERS TO BE LIABLE FOR THE SUPPLY OF MARINE FUELS TO THE VESSEL. IF THIS CLAUSE APPLIES, ANY REFERENCES TO "OWNERS" IN THESE GENERAL TERMS AND CONDITIONS SHALL APPLY MUTATIS MUTANDIS TO THE DISPONENT OWNERS.
- (c) "NO-LIEN STAMPS". WHEN THE MASTER OF THE VESSEL (OR ANY OTHER PERSON AUTHORIZED BY THE OWNERS) IS HANDED THE BUNKER DELIVERY NOTE FOR SIGNATURE ON BEHALF OF THE VESSEL IT SHALL NOT BE PERMITTED TO MAKE ANY ENDORSEMENTS, COMPLAINTS OR COMMENTS (SUCH AS THE INSERTION OF "NO-LIEN" CLAUSING) ON THE BUNKER DELIVERY NOTE, AND ANY SUCH CLAUSING SHALL BE WITHOUT LEGAL EFFECT. THIS CLAUSE 3(C) REFLECTS THE CONTRACTUAL PRINCIPLE THAT THE MARINE FUELS ARE DELIVERED TO THE VESSEL FOR ACCOUNT OF THE OWNERS AND THAT THE VESSEL IS AUTHORIZED BY THE OWNERS TO PURCHASE AND TAKE DELIVERY OF THE MARINE FUELS FOR THE OWNERS' ACCOUNT.
- (d) AGENTS. WHEN THE SELLERS' ORDER CONFIRMATION STATES THAT THE SALE IS FOR ACCOUNT OF A PARTY, THAT PARTY SHALL BE DEEMED TO HAVE TRANSACTED AS PRINCIPAL AND SHALL BE THE BUYERS AND BE JOINTLY AND SEVERALLY LIABLE TO SETTLE PAYMENT WITH THE OWNERS. THE BUYERS SHALL BE LIABLE AND MAY NOT BE EXCUSED FROM LIABILITY BY RELYING ON EX-CONTRACTUAL STATEMENTS (E.G. IN CORRESPONDENCE) SAYING THAT IT TRANSACTS AS AGENT ONLY.



+971 42542052
+971 42572273



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www.flexcommodities.com



Unit 202, Fortune Executive
Tower, Cluster T, JLT, Dubai,
U.A.E, P.O. Box : 452911

4. PRICE

- (a) PRICES. THE BUYERS SHALL PAY THE AGREED PRICES AS SET OUT IN THE SELLERS' ORDER CONFIRMATION AND INVOICE. IF THE PRICE HAS NOT BEEN AGREED IN ADVANCE OF DELIVERY, THE BUYERS ARE OBLIGATED TO PAY THE PRICE OFFERED BY THE SELLERS AT THE PLACE AND DATE OF SUPPLY AS STIPULATED IN THE INVOICE(S) SENT BY THE SELLERS.
- (b) ADDITIONAL EXPENSES AND COSTS – CUSTOMS, VAT AND OTHER TAXES. THE BUYERS SHALL PAY ANY EXPENSES AND COSTS IN ADDITION TO THE PRICE OF THE MARINE FUELS, SUCH AS BARGING, OVERTIME, DEMURRAGE, DETENTION, COSTS OWING TO DELAY, WHARFAGE, DOCKAGE, PORT/HARBOUR/AGENCY FEES, DUES, DUTIES, EXCISE TAXES, SALES TAXES, ENVIRONMENTAL TAXES OR FEES, VAT, CUSTOMS, LEVIES AND ANY OTHER SIMILAR COSTS HOWSOEVER ARISING, INCLUDING BUT NOT LIMITED TO THOSE IMPOSED BY GOVERNMENTS AND LOCAL AUTHORITIES AND REGARDLESS OF WHETHER NOW OR HEREAFTER IMPOSED, LEVIED OR ASSESSED ("**ADDITIONAL EXPENSES**"). THE BUYERS SHALL ALWAYS PAY ANY ADDITIONAL EXPENSES PROMPTLY UPON RECEIVING THE SELLERS' INVOICE EVEN IF THE ADDITIONAL EXPENSES ARE NOT RECORDED IN THE ORDER CONFIRMATION. ADDITIONAL EXPENSES WHICH ARISE PURSUANT TO LOCAL LAW AND/OR LOCAL CUSTOM AT THE PLACE OF SUPPLY AND ARE INVOICED BY THE PHYSICAL SUPPLIER TO THE SELLERS AND PAID BY THE SELLERS TO THE PHYSICAL SUPPLIER SHALL BE PRESUMED VALIDLY IMPOSED BY THE PHYSICAL SUPPLIER IN ACCORDANCE WITH LOCAL LAW AND/OR LOCAL CUSTOM. THE BUYERS MAY DISCHARGE THIS PRESUMPTION, AND THE BUYERS BEAR THE BURDEN OF PROOF IN ARBITRATION.

5. PAYMENT

- (a) DUE DATE FOR PAYMENT. PAYMENT SHALL BE RECEIVED BY THE SELLERS IN FULL NO LATER THAN ON THE DUE DATE STATED IN THE SELLERS' INVOICE FREE OF BANK CHARGES AND OTHER COST, WHICH THE BUYERS SHALL NOT BE PERMITTED TO SET OFF. PAYMENT WILL BE CONSIDERED MADE ON THE DATE IT IS CREDITED TO THE SELLERS' DESIGNATED BANK ACCOUNT. IF THE PAYMENT DUE DATE FALLS ON A NON-BANKING DAY, PAYMENT MUST BE MADE ON OR BEFORE THE LAST BANKING DAY PRIOR TO THE DUE DATE.
- (b) CURRENCY. UNLESS OTHERWISE SPECIFIED IN THE ORDER CONFIRMATION OR IN THE SELLERS' INVOICE, PRICES SHALL BE IN US DOLLARS AND SHALL REPRESENT ONLY THE PURCHASE PRICE FOR THE MARINE FUELS (TYPICALLY QUOTED IN USD PER METRIC TON). IN CASE OF A PAYMENT INTERFERENCE, OR IF THE SELLERS HAVE REASON TO BELIEVE THAT A PAYMENT INTERFERENCE WILL OCCUR, THE SELLERS SHALL BE ENTITLED TO DEMAND



+971 42542052
+971 42572273



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www.flexcommodities.com



Unit 202, Fortune Executive
Tower, Cluster T, JLT, Dubai,
U.A.E, P.O. Box : 452911

PAYMENT INTO THE SELLERS' ACCOUNT IN A DIFFERENT CURRENCY THAN US DOLLARS, WITH THE APPLICABLE CURRENCY CONVERSION RATE TO BE SET BY THE SELLERS, ACTING REASONABLY.

- (c) NO SET-OFF. PAYMENT SHALL BE MADE IN FULL, WITHOUT ANY SET-OFF, DEDUCTION AND/OR DISCOUNT, UNLESS AGREED IN WRITING PRIOR TO PAYMENT BEING MADE. THE BUYERS' SUBMISSION OF ANY CLAIM AGAINST THE SELLERS DOES NOT RELIEVE THE BUYERS OF THEIR OBLIGATION TO MAKE FULL PAYMENT AS REQUIRED UNDER THE CONTRACT AND SUCH CLAIM DOES NOT GRANT THE BUYERS ANY RIGHT OF SET-OFF.
- (d) INTEREST AND ADMINISTRATION CHARGES. IF PAYMENT IS NOT RECEIVED BY THE SELLERS ON THE DUE DATE THE SELLERS ARE ENTITLED TO INTEREST AT THE RATE OF 3 (THREE) PERCENT PER MONTH COMPOUNDED EACH MONTH PRO RATA WITHOUT PREJUDICE TO ANY OTHER RIGHTS OR REMEDIES AVAILABLE TO THE SELLERS. THE SELLERS SHALL ALSO BE ENTITLED TO CHARGE A DELAYED PAYMENT ADMINISTRATION FEE OF USD 5.00 PER METRIC TON SUPPLIED WITH A MINIMUM ADMINISTRATION FEE OF USD 1,000.00.
- (e) LEGAL AND COLLECTION COSTS. ANY COSTS INCURRED BY THE SELLERS DUE TO A BREACH OF THE BUYERS SHALL BE SOLELY FOR THE BUYERS' ACCOUNT. IF THE BUYERS FAIL TO MAKE PAYMENT IN FULL ON THE DUE DATE OR OTHERWISE BREACH THE CONTRACT, THE SELLERS MAY WITHOUT NOTICE TAKE LEGAL ACTION (SUCH AS SHIP ARREST AND/OR ARBITRATION) TO COLLECT THE OVERDUE PAYMENT. ANY AND ALL COSTS THAT THE SELLERS REASONABLY INCUR AS A CONSEQUENCE OF THE BUYERS' BREACH SHALL BE INDEMNIFIED BY THE BUYERS UPON DEMAND FROM THE SELLERS. THESE COSTS AND EXPENSES INCLUDE, BUT ARE NOT LIMITED TO, INTEREST CHARGES, INTERNAL COSTS, AND EXTERNAL COSTS SUCH AS LAWYERS' FEES, DEBT COLLECTORS, ARBITRATORS OR OTHER CONSULTANTS, COURT FEES, COSTS FOR TRANSLATING DOCUMENTS, BAILIFF'S OR MARSHALL'S FEES AND ANY COLLECTION COSTS OF WHATSOEVER NATURE. THESE COSTS SHALL BE INDEMNIFIED BY THE BUYERS TO THE SELLERS, AND THE SELLERS MAY INVOICE THOSE COSTS FROM TIME TO TIME.
- (f) ALLOCATION OF PAYMENTS. ALL PAYMENTS RECEIVED BY THE SELLERS SHALL BE APPLIED TO SETTLE, FIRST, ANY OVERDUE INTEREST AND ADMINISTRATION CHARGES (ACCRUED IN ACCORDANCE WITH CLAUSE 5(D) ABOVE), THEN, TO ANY COLLECTION COSTS INCURRED (SUCH COSTS TO BE INDEMNIFIED BY THE BUYERS AS SET OUT IN CLAUSE 5(E) ABOVE), AND, THEN, TO THE PRINCIPAL.
- (g) ANTICIPATORY BREACH. IF THE BUYERS' RIGHT TO POSSESSION OF THE MARINE FUELS CEASES AS PROVIDED FOR IN CLAUSE 16(d), THE SELLERS SHALL BE ENTITLED TO DEMAND ALL PAYMENTS SETTLED IMMEDIATELY, WHETHER OR NOT SUCH PAYMENTS HAVE FALLEN



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DUE UNDER THE SELLERS' INVOICE.

- (h) ADEQUATE ASSURANCE OF PERFORMANCE. IF, AT ANY TIME PRIOR TO DELIVERY OR PAYMENT, THE SELLERS REASONABLY BELIEVE THAT THE BUYERS MAY FAIL TO PERFORM ANY OF THEIR OBLIGATIONS UNDER THE CONTRACT, INCLUDING DUE TO DETERIORATION OF THEIR FINANCIAL POSITION, PAYMENT DELAYS, INSOLVENCY CONCERNS, SANCTIONS-RELATED RISKS OR ADVERSE MARKET INFORMATION, THE SELLERS MAY REQUIRE ADVANCE PAYMENT, A BANK GUARANTEE, LETTER OF CREDIT OR OTHER SECURITY SATISFACTORY TO THE SELLERS. PENDING RECEIPT OF SUCH SECURITY, THE SELLERS MAY SUSPEND PERFORMANCE WITHOUT LIABILITY.

6. CLAIMS – QUALITY AND SAMPLES

- (a) QUALITY. THE AGREED QUALITY SHALL ALWAYS BE LIMITED TO THE QUALITY DESCRIPTION SET OUT IN THE ORDER CONFIRMATION; FOR INSTANCE, BY REFERENCE IN THE ORDER CONFIRMATION TO THE QUALITY STANDARD TERM ISO 8217:2017, WHICH IS MENTIONED IN THIS CLAUSE ONLY AS AN ILLUSTRATIVE EXAMPLE. IF THE ORDER CONFIRMATION DOES NOT CONTAIN ANY SUCH QUALITY STANDARD TERM, THE MARINE FUELS SHALL BE OF THE QUALITY THAT IS GENERALLY OFFERED BY THE SELLERS TO THEIR CUSTOMERS AT THE TIME AND PLACE OF DELIVERY AND SUBJECT TO AVAILABILITY. ABSENT ANY SPECIAL AGREEMENT, LUBRICATING OILS, ADDITIVES AND SIMILAR PRODUCTS ARE SOLD AND SUPPLIED BY REFERENCE TO THE TECHNICAL SPECIFICATION (DATA SHEET) PUBLISHED BY THE PRODUCER AT THE TIME OF ENTERING THE CONTRACT.
- (b) NO IMPLIED WARRANTIES. ANY IMPLIED CONDITIONS, OBLIGATIONS AND WARRANTIES – INCLUDING WARRANTIES FOR MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND/OR ANY SIMILAR WARRANTY OR IMPLIED CONDITION – ARE EXPRESSLY EXCLUDED AND DISCLAIMED AND SHALL NOT APPLY TO THE CONTRACT. CLAUSE 5 PURSUANT TO ISO 8217:2010 (OR ANY LATER VERSION AGREED) SHALL NOT APPLY.
- (c) THE BUYERS' RESPONSIBILITY. THE BUYERS, HAVING GREATER KNOWLEDGE THAN THE SELLERS OF THE BUYERS' OWN REQUIREMENTS AND NEEDS, SHALL HAVE THE SOLE RESPONSIBILITY FOR THE PRIOR SELECTION OF GRADE(S). THE ORDER CONFIRMATION SHALL BE DEEMED TO DESCRIBE THE TYPE OF MARINE FUELS REQUESTED BY THE BUYERS, AND THE BUYERS SHALL IMMEDIATELY UPON RECEIPT OF THE ORDER CONFIRMATION NOTIFY THE SELLERS OF ANY WRONGFUL DESCRIPTION IN THE ORDER CONFIRMATION. UNLESS THE BUYERS PROMPTLY NOTIFY THE SELLERS OF SUCH WRONGFUL DESCRIPTION, THE ORDER CONFIRMATION SHALL BE BINDING ON THE BUYERS. IT IS THE BUYERS' DUTY TO ENSURE THAT ANY LUBRICATING OILS



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OR SIMILAR PRODUCTS, ADDITIVES OR OTHER MARINE FUELS ARE COMPATIBLE FOR USE WITH THE VESSEL'S MACHINERY, COMPRESSORS, BEARINGS AND CIRCULATION SYSTEMS, GEAR SYSTEMS, HYDRAULIC SYSTEMS, ETC.

(d) AGREED PROCEDURE FOR SAMPLING AND ANALYSIS (TESTING) OF SAMPLES. THE FOLLOWING CLAUSES SHALL EXCLUSIVELY GOVERN THE TAKING OF SAMPLES AND THE ANALYSIS (TESTING) OF SUCH SAMPLES:

- (i) DURING DELIVERY, A PRIMARY SAMPLE SHALL BE DRAWN AT A POINT AS CLOSE AS POSSIBLE TO THE BUNKER BARGES/THE DELIVERY FACILITY'S MANIFOLD AND IN ACCORDANCE WITH THE RULES AND PROCEDURES OF IMO RESOLUTION MEPC.182(59) (GUIDELINES FOR THE SAMPLING OF FUEL OIL FOR DETERMINATION OF COMPLIANCE WITH MARPOL 73/78 ANNEX VI OR ANY SUBSEQUENT AMENDMENTS THERETO). THE PRIMARY SAMPLE MUST BE THOROUGHLY MIXED AND DIVIDED INTO AT LEAST FOUR (4) IDENTICAL SAMPLES, ONE OF WHICH IS THE MARPOL-SAMPLE, ONE OF WHICH IS GIVEN TO THE VESSEL AND ONE OF WHICH IS GIVEN TO THE PHYSICAL SUPPLIER. ANY ADDITIONAL SAMPLES THAT THE BUYERS MAY DRAW ARE NOT REPRESENTATIVE OF THE QUALITY OF THE PRODUCT AND CAN ONLY BE USED FOR THE BUYERS' OWN PURPOSES, WHICH ARE IRRELEVANT TO THE SELLERS.
- (ii) SAMPLING SHALL BE WITNESSED BY BOTH THE BUYERS AND THE SELLERS, OR THEIR REPRESENTATIVES. FAILURE OF THE BUYERS TO ATTEND THE SAMPLING PROCESS SHALL NOT PREJUDICE THE VALIDITY OF THE SAMPLES.
- (iii) THE SAMPLES MUST BE SEALED WITH A SECURITY SEAL AND PROVIDED WITH A LABEL CONTAINING INFORMATION ON THE NAME OF THE VESSEL AND THE BUNKER BARGE/DELIVERY FACILITY, A SPECIFICATION OF THE PRODUCT DELIVERED, THE DATE OF DELIVERY, PLACE OF DELIVERY AND SEAL NUMBER. THE SEAL NUMBERS FOR THE SAMPLES TAKEN MUST BE STATED IN THE BUNKER DELIVERY NOTE ("BDN"), AND THE PARTIES DECLARE BY THEIR SIGNATURE TO THE BDN THAT THE SAMPLES HAVE BEEN VALIDLY TAKEN IN CONFORMITY WITH THE GUIDELINES IN THESE GENERAL TERMS AND CONDITIONS.
- (iv) IN THE EVENT OF A DISPUTE REGARDING THE QUALITY OF THE MARINE FUELS DELIVERED, NO OTHER SAMPLES THAN THE SAMPLE DRAWN PURSUANT TO CLAUSE 6(D)(I), AND WHICH IS KEPT BY THE SELLERS AND/OR THE PHYSICAL SUPPLIER, MAY BE TESTED, UNLESS THE PARTIES SPECIFICALLY HAVE AGREED OTHERWISE. THIS SAMPLE SHALL BE FORWARDED TO AN INDEPENDENT LABORATORY THAT ANALYSES THE CONTENT OF THE SAMPLE AND PERFORMS A SET OF TESTS BASED ON A TESTING



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PROTOCOL AGREED BY THE PARTIES, OR, IN THE EVENT OF DISAGREEMENT, THE SELLERS' TESTING PROTOCOL. IN ORDER TO AVOID UNCERTAINTY OF EVIDENCE, THE ANALYSIS UNDERTAKEN BY THE LABORATORY SHALL NOT INCLUDE OTHER PARAMETERS FOR THE QUALITY OF THE MARINE FUELS THAN THE PARAMETERS SPECIFIED IN ISO 8217:2017, TABLE 1 AND 2 (OR EQUIVALENT, IF THE PARTIES IN THE CONTRACT HAVE AGREED TO ANY OTHER VERSION OF THE ISO 8217 STANDARD). IT IS EMPHASIZED THAT IN CASE THE BUYERS UNILATERALLY DRAW SAMPLES OR CONDUCT TESTING, ANY SUCH SAMPLES AND/OR TEST RESULTS CANNOT VALIDLY BE USED AS EVIDENCE IN ARBITRATION; SEE ALSO CLAUSE 6(D)(VII) BELOW. AS PROVIDED FOR IN ANNEX B OF ISO 8217:2017 (OR ANY OTHER AGREED EDITION OF ISO 8217), IDENTIFYING AND DETERMINING A CONCENTRATION OF A MATERIAL THAT CAUSES THE FUEL TO BE UNACCEPTABLE FOR USE IS DIFFICULT, AND IT IS NOT PRACTICAL TO CONDUCT A DETAILED CHEMICAL ANALYSIS BEYOND TESTING FOR COMPLIANCE WITH THE CHARACTERISTICS. SOME SHIP OWNERS ROUTINELY INCLUDE DETAILED CHEMICAL ANALYSIS (SUCH AS FTR AND GC-MS TEST METHODS) IN FUEL TESTING PROGRAMS. THE BUYERS ACCEPT THAT SUCH TEST METHODS ARE SPECULATIVE AND DO NOT AID IN EVIDENCING COMPLIANCE WITH TABLE 1 OR 2.

- (v) THE PARTIES ARE TO USE BEST ENDEAVOURS TO AGREE ON THE INDEPENDENT LABORATORY TO PERFORM THE TESTS. IF THE PARTIES HAVE NOT REACHED AN AGREEMENT ON THE CHOICE OF LABORATORY WITHIN 7 CALENDAR DAYS FROM THE DATE ON WHICH ONE OF THE PARTIES REQUESTED TESTING, THE SELLERS ARE AT LIBERTY TO SEND THE SAMPLE MENTIONED IN CLAUSE 6(D)(IV) TO A REPUTABLE AND INDEPENDENT LABORATORY OF THEIR CHOICE TO CARRY OUT SUCH TESTS AS ARE MENTIONED IN THE SELLERS' TESTING PROTOCOL. **THE TEST RESULTS WILL BE FINAL AND BINDING UPON THE PARTIES WITH RESPECT TO THE PARAMETERS ANALYSED.**
- (vi) THE SAMPLES' SEAL MAY ONLY BE BREACHED IN THE PRESENCE OF BOTH PARTIES, UNLESS THE BUYERS (OR THEIR REPRESENTATIVE(S)) FAIL TO BE PRESENT AFTER BEING NOTIFIED OF THE PLACE AND TIME FOR THE TESTING. THE SEAL MAY ALSO BE BREACHED WITHOUT BOTH PARTIES BEING PRESENT, IF THE SELLERS – IN CASES WHERE THE PARTIES HAVE NOT BEEN ABLE TO AGREE ON THE CHOICE OF LABORATORY AND/OR THE TESTING PROTOCOL (AS MENTIONED ABOVE) – SEND THE SAMPLE TO AN INDEPENDENT LABORATORY FOR TESTING IN ACCORDANCE WITH THE CLAUSES ABOVE. BOTH PARTIES SHALL HAVE THE RIGHT TO APPOINT INDEPENDENT SURVEYOR(S) TO WITNESS THE SEAL BREAKING AND TESTING.
- (vii) SAMPLES AND TESTS WHICH ARE NOT DRAWN/CONDUCTED IN ACCORDANCE WITH THE PROCEDURE DESCRIBED ABOVE **CANNOT BE USED AS EVIDENCE** FOR THE



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QUALITY OF THE MARINE FUELS. THE BUYERS ARE THUS NOT ENTITLED TO SUBMIT THEIR OWN TEST RESULTS IN ARBITRATION. THE FACT THAT SUCH SAMPLES MAY BEAR THE SIGNATURE OF PERSONNEL ON BOARD THE BUNKER BARGE/DELIVERY FACILITY SHALL HAVE NO LEGAL SIGNIFICANCE SINCE SUCH PERSONNEL HAS NO AUTHORITY FROM THE SELLERS TO DEVIATE FROM THESE GENERAL TERMS AND CONDITIONS. THE PURPOSE OF THIS CLAUSE IS TO ENSURE THAT AN ALLEGED CLAIM FOR DEFICIENT MARINE FUELS IS SETTLED UNDER SIMPLE AND PREDICTABLE GUIDELINES AND TO AVOID THE TAKING OF CONFLICTING EVIDENCE BASED ON NON-REPRESENTATIVE SAMPLES.

- (viii) IF THE SEAL ON A SAMPLE IS BROKEN, IF THE SAMPLE HAS IN ANY OTHER WAY BEEN TAMPERED WITH, OR IF ATTEMPTED TAMPERING IS OBVIOUS, ANY SUCH SAMPLE SHALL HAVE NO EVIDENTIARY VALUE.
- (ix) THE BUYERS SHALL NEVER BE ENTITLED TO REMOVE THE MARINE FUELS (DEBUNKER) UNLESS PREAPPROVED IN WRITING BY THE SELLERS AND ALWAYS PROVIDED THAT THE SELLERS' AND THE PHYSICAL SUPPLIER'S INSTRUCTIONS ARE STRICTLY ADHERED TO. THE SELLERS MAY ASSIST IN OBTAINING PRICES FROM OTHER SUPPLIERS WHO ARE WILLING TO PURCHASE THE DEBUNKERED MARINE FUELS, PROVIDED THAT THE PURCHASE PRICE CORRESPONDS TO THE VALUE OF THE MARINE FUELS. THE MARINE FUELS CANNOT BE SOLD AT A PRICE BELOW WHAT IS ACCEPTABLE TO THE SELLERS, AS THE BUYERS ARE OBLIGATED TO MITIGATE THEIR LOSS AS MUCH AS POSSIBLE. ALL COSTS AND EXPENSES RELATED TO DEBUNKERING, STORAGE, ETC., SHALL ALWAYS BE BORNE BY THE BUYERS.
- (e) LUBRICATING OIL. FOR THE SALE OF LUBRICATING OILS, ADDITIVES AND SIMILAR MARINE FUELS IT HAS BEEN AGREED (I) THAT CLAUSE 6(D) DOES NOT APPLY AS THE QUALITY OF THE LUBRICANT MUST LIVE UP TO THE MANUFACTURER'S FACT SHEET OR OTHER TECHNICAL DESCRIPTION OF THE PRODUCT ISSUED BY THE MANUFACTURER, WHICH MAY BE PROVIDED BY THE SELLERS UPON REQUEST; (II) IN THE EVENT OF A DISPUTE RELATING TO THE QUALITY OF THE LUBRICATING OIL DELIVERED, THE BUYERS SHALL PROVE THAT THE PRODUCT WAS DELIVERED BY THE SELLERS AND JOINT TESTING SHALL BE CARRIED OUT ON UNOPENED CONTAINER(S) ON BOARD THE VESSEL IN ACCORDANCE WITH THE MANUFACTURER'S TESTING AND IN COMPLIANCE WITH THE SELLERS' INSTRUCTIONS.
- (f) QUALITY CLAIMS – NOTIFICATION AND TIME BAR. THE BUYERS OR THE VESSEL MUST NOTIFY THE SELLERS OF ANY CLAIMS RELATING TO THE QUALITY OF THE MARINE FUELS WITHOUT DELAY AND **AT THE LATEST WITHIN FOURTEEN (14) DAYS AFTER COMPLETION OF DELIVERY**. THE NOTIFICATION MUST BE IN THE FORM OF A WRITTEN LETTER OF PROTEST WITH



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FULL SUPPORTING DOCUMENTATION. IF THE BUYERS OR THE VESSEL FAILS TO PRESENT SUCH LETTER OF PROTEST TO THE SELLERS WITHIN THE MENTIONED TIMEFRAME, THE BUYERS' CLAIM SHALL BE EXTINGUISHED AS NON-EXISTENT AND THE BUYERS SHALL BE DEEMED TO HAVE EXPRESSLY WAIVED ANY SUCH CLAIM AGAINST THE SELLERS. IN ADDITION, ANY AND ALL CLAIMS OF THE BUYERS THAT HAVE BEEN NOTIFIED TO THE SELLERS IN DUE TIME SHALL BECOME TIME-BARRED UNLESS ARBITRATION HAS BEEN COMMENCED AS PER CLAUSE 23 BELOW WITHIN 6 (SIX) MONTHS FROM THE DATE OF DELIVERY.

- (g) DETERMINATION OF QUALITY – EVIDENCE. ANY CLAIMS RELATING TO QUALITY SHALL BE SOLVED AMICABLY OR IN ARBITRATION IN ACCORDANCE WITH CLAUSE 23. THE EVIDENCE OBTAINED UNDER THE PROCEDURE THAT GOVERNS THE TAKING OF SAMPLES AND THE TESTING OF SUCH SAMPLES (THE FULL PROCEDURE IS DETAILED IN CLAUSE 6(D) ABOVE) SHALL BE FINAL AND BINDING ON THE PARTIES AND SHALL ACCORDINGLY BE CONCLUSIVE FOR THE ARBITRAL TRIBUNAL'S DECISION WITH RESPECT TO THE EVIDENCE RELIED ON BY THE TRIBUNAL TO ASSESS QUALITY.
- (h) USE OF OWN CONTAINERS. THE BUYERS MAY NOT MAKE ANY QUALITY CLAIM IF THE MARINE FUELS HAVE BEEN TRANSPORTED OR STORED IN CONTAINERS NOT PROVIDED OR APPROVED BY THE SELLERS, UNLESS THE BUYERS CAN PROVE THAT SUCH USE OF OWN CONTAINERS IS NOT THE ROOT-CAUSE OF THE ALLEGED QUALITY DEFICIENCY.
- (i) NO LIABILITY FOR COMMINGLING. THE SELLERS' POTENTIAL LIABILITY CEASES IN CIRCUMSTANCES WHERE THE CIRCUMSTANCES INDICATE THAT THE BUYERS HAVE COMMINGLED THE MARINE FUELS ON BOARD THE VESSEL WITH OTHER FUEL PRODUCTS.
- (j) REPRODUCIBILITY OR REPEATABILITY. ISO 4259 AND AS PROVIDED FOR IN ISO 8217:2017 (OR ANY OTHER AGREED QUALITY STANDARD FOR THE PRODUCTS SUPPLIED) SHALL APPLY. TO THE EXTENT THAT THE COMPONENTS/PARAMETERS DETECTED DURING TESTING ARE WITHIN THE ALLOWED TOLERANCES IN RESPECT OF REPRODUCIBILITY OR REPEATABILITY AS SET OUT IN ISO 4259 THE MARINE FUELS SHALL BE DEEMED TO BE ON-SPECIFICATION AND CONFORMING TO THE CONTRACT.
- (k) DUTY OF MITIGATION. THE BUYERS AND THE END USER SHALL MITIGATE THEIR LOSSES AND MINIMISE THE CONSEQUENCES OF THE VESSEL RECEIVING DEFECTIVE MARINE FUELS, E.G. BY USING ADDITIVES, DILUTING THE MARINE FUELS AND/OR HEATING THE MARINE FUELS, OR OTHERWISE TREATING THE MARINE FUELS AS TO ENSURE THAT THE MARINE FUELS MAY BE USED FOR THE PROPULSION OF THE VESSEL. THE BUYERS AND THE END USER ARE AT ALL TIMES REQUIRED TO TREAT AND HANDLE THE MARINE FUELS ACCORDING TO CURRENT STANDARDS, INCLUDING THE STANDARDS SET OUT IN ISO 8217:2017, CLAUSE 1 SCOPE ("CONVENTIONAL



+971 42542052
+971 42572273



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U.A.E, P.O. Box : 452911

ONBOARD TREATMENT (SETTLING, CENTRIFUGATION, FILTRATION) BEFORE USE”) (OR ANY OTHER AGREED VERSION OF ISO 8217).

7. CLAIMS – QUANTITY

- (a) ALL QUANTITIES REFERRED TO IN THE CONTRACT ARE UNDERSTOOD TO BE APPROXIMATE WITH A MARGIN OF 10 PER CENT MORE OR LESS IN THE SELLERS’ OPTION. THE SELLERS SHALL BE ENTITLED TO INVOICE THE ACTUAL QUANTITY DELIVERED WITHIN SUCH TOLERANCE, AND THE BUYERS SHALL NOT REJECT DELIVERY OR DISPUTE THE INVOICE SOLELY BECAUSE THE DELIVERED QUANTITY FALLS WITHIN SUCH OPERATIONAL TOLERANCE.
- (b) DETERMINATION OF QUANTITY – EVIDENCE. THE QUANTITY OF THE MARINE FUELS DELIVERED SHALL BE DETERMINED SOLELY FROM THE INFORMATION ON QUANTITY INSERTED INTO THE BUNKER DELIVERY NOTE, OR, IF THE BDN HAS NOT BEEN SIGNED, A MASS FLOW METER (IF APPLICABLE) OR THE OFFICIAL GAUGE/SOUNDING OF THE DELIVERING BARGE, ROAD WAGON, OR RAIL TANK CAR, DELIVERY NOTE FOR DRUM DELIVERIES, OR BY GAUGING IN THE SELLERS’ SHORE TANK OR BY THE SELLERS’ OIL METER, AT THE SELLERS’ ELECTION. THE BUYERS ARE ENTITLED TO BE PRESENT OR REPRESENTED BY A PROPERLY ACCREDITED AGENT OR SURVEYOR WHEN QUANTITY MEASUREMENTS ARE TAKEN. IF THE BUYERS ARE NOT PRESENT OR REPRESENTED, THE SELLERS’ DETERMINATION OF QUANTITIES **SHALL BE FINAL AND BINDING ON THE PARTIES. QUANTITY CALCULATIONS BASED ON THE VESSEL’S OWN SOUNDINGS SHALL NOT BE CONSIDERED.**
- (c) QUANTITY CLAIMS – NOTIFICATION AND TIME BAR. UNLESS THE BUYERS OR THE MASTER OF THE VESSEL **IMMEDIATELY AND PRIOR TO SIGNING THE BUNKER DELIVERY NOTE** CLAIMS A SHORT SUPPLY OR OTHER QUANTITY DEFICIENCY, THE CLAIM **SHALL BE EXTINGUISHED AS NON-EXISTENT AND SHALL BE DEEMED TO HAVE BEEN WAIVED AND ABSOLUTELY BARRED.** IN ADDITION, ANY AND ALL CLAIMS OF THE BUYERS THAT HAVE BEEN NOTIFIED TO THE SELLERS IN DUE TIME SHALL BECOME TIME BARRED UNLESS ARBITRATION HAS BEEN COMMENCED AS PER CLAUSE 23 BELOW WITHIN 6 (SIX) MONTHS FROM THE DATE OF DELIVERY.

8. DELIVERY AND RISK OF DELAY

- (a) APPROXIMATE TIMES. THE TIME OF DELIVERY STATED BY THE SELLERS IS AN APPROXIMATE TIME.
- (b) 72/48/24 HOURS’ NOTICE. THE BUYERS SHALL NOTIFY THE SELLERS OF THE VESSEL’S ESTIMATED TIME OF ARRIVAL AT LEAST 72 HOURS IN ADVANCE (SATURDAY, SUNDAY AND LOCAL HOLIDAYS EXCLUDED), FOLLOWED BY A CONFIRMED UPDATE AT 48 HOURS AND A FIRM



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+971 42572273



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Tower, Cluster T, JLT, Dubai,
U.A.E, P.O. Box : 452911

NOTICE OF ARRIVAL AT 24 HOURS PRIOR TO THE VESSEL'S READINESS TO TAKE DELIVERY. IF THE VESSEL'S ETA CHANGES AT ANY POINT DURING THE 72-HOUR WINDOW, THE BUYERS SHALL IMMEDIATELY NOTIFY THE SELLERS OF THE REVISED ETA. FAILURE TO PROVIDE THE 48-HOUR UPDATE OR THE 24-HOUR FIRM NOTICE, OR FAILURE TO PROMPTLY NOTIFY ANY ETA CHANGE, SHALL ENTITLE THE SELLERS TO REVISE THE AGREED PRICE, PLACE THE DELIVERY ON BEST-EFFORTS BASIS, OR CANCEL THE ORDER, WITHOUT PREJUDICE TO ANY CLAIM FOR COSTS OR DAMAGES AGAINST THE BUYERS.

- (c) RANGE FOR DELIVERY. THE ORDER CONFIRMATION INCLUDES THE EARLIEST ESTIMATED TIME OF THE VESSEL'S ARRIVAL (ETA) AS ADVISED BY THE BUYERS. THE VESSEL SHALL ALWAYS BEGIN TO TAKE DELIVERY WITHIN THE ETA PROVIDED FOR IN THE ORDER CONFIRMATION. IF THE ETA LISTED IN THE ORDER CONFIRMATION EXCEEDS 3 (THREE) CALENDAR DAYS, THE VESSEL SHALL ALWAYS BEGIN TO TAKE DELIVERY OF THE MARINE FUELS WITHIN THE FIRST 3 (THREE) CALENDAR DAYS. THE CONTRACT PRICE SHALL BE VALID ONLY FOR DELIVERIES HAVING BEGUN WITHIN THE ETA STATED IN THE ORDER CONFIRMATION, OR, WITHIN THE 3 (THREE) CALENDAR DAY-PERIOD IF THE ETA AS INFORMED BY THE BUYERS EXCEEDS 3 (THREE) CALENDAR DAYS. IF THE BUYERS TAKE DELIVERY OR REQUEST DELIVERY TO BEGIN LATER, THE SELLERS SHALL – WITHOUT PREJUDICE TO THE SELLERS' POTENTIAL CLAIM AGAINST THE BUYERS – BE ENTITLED TO AMEND THE AGREED PRICE(S) UNDER THE CONTRACT.
- (d) FAILURE TO TAKE DELIVERY. IF THE BUYERS FAIL TO TAKE DELIVERY OF THE MARINE FUELS WITHIN THE AGREED TIME FRAME, THE SELLERS SHALL BE ENTITLED, AT THE BUYERS' RISK AND EXPENSE, EITHER, TO TRANSPORT THE PRODUCTS BACK TO STORAGE, OR, TO SELL THE PRODUCTS AT THE PRICE AVAILABLE IN THE MARKET AND CLAIM DAMAGES AGAINST THE BUYERS, WITHOUT PREJUDICE TO THE SELLERS' OTHER RIGHTS. THE SELLERS SHALL ALSO BE ENTITLED TO CHARGE A MINIMUM CANCELLATION FEE OF 5 (FIVE) PERCENT OF THE AGREED PRICES.
- (e) DELIVERY CIRCUMSTANCES PERMITTING. THE VESSEL SHALL BE BUNKERED AS PROMPTLY AS THE PREVAILING CIRCUMSTANCES PERMIT, HAVING REGARD TO CIRCUMSTANCES SUCH AS WEATHER, SHIP TRAFFIC, CONGESTION AND BUNKER BARGE/DELIVERY FACILITY'S ACCESSIBILITY AND OTHER DELAYS CAUSED BY LOCAL AUTHORITIES AND OTHER LOCAL CONDITIONS. THE SELLERS AND/OR THE PHYSICAL SUPPLIER SHALL NOT BE LIABLE FOR ANY TIME LOST OR OTHER CONSEQUENCES OF THE BUNKERING NOT COMMENCING OR BEING COMPLETED. THE SELLERS SHALL NOT BE OBLIGATED TO DELIVER PRIOR TO THE ETA.
- (f) SHORTAGE OF SUPPLY. IF THE SELLERS ANTICIPATE ANY SHORTAGE OF SUPPLY AT THE AGREED PLACE FOR DELIVERY, THE SELLERS MAY ALLOCATE THEIR AVAILABLE AND ANTICIPATED SUPPLY AMONG THEIR BUYERS IN SUCH A MANNER AS IT MAY IN THEIR SOLE DISCRETION DETERMINE,



+971 42542052
+971 42572273



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Tower, Cluster T, JLT, Dubai,
U.A.E, P.O. Box : 452911

ACTING REASONABLY. THE BUYERS MAY RAISE NO CLAIM AGAINST THE SELLERS IN THESE CIRCUMSTANCES.

- (g) BUYERS' FAULT. THE BUYERS SHALL BE IN BREACH OF CONTRACT AND BE LIABLE ACCORDINGLY FOR HAVING CAUSED DELAY.
- (h) PERMITTED TANKS ONLY. THE SELLERS SHALL NOT BE REQUIRED TO DELIVER THE MARINE FUELS INTO ANY OF THE VESSEL'S TANKS WHICH ARE NOT PERMITTED FOR USE WITH SUCH PRODUCTS OR WHICH ARE NOT NORMALLY USED FOR SUCH PRODUCT. THE BUYERS MAY USE OWN CONTAINERS AT THEIR OWN RISK.
- (i) PORT LICENSES AND PERMITS. THE BUYERS AND THE VESSEL SHALL COMPLY WITH REQUIREMENTS OF LOCAL AUTHORITIES AND FACILITATE A SMOOTH DELIVERY. IF THE BUYERS FAIL TO COMPLY WITH SUCH REQUIREMENTS, THE BUYERS SHALL BE DEEMED TO HAVE BREACHED THE CONTRACT. THE SELLERS ARE ENTITLED TO CANCEL AND/OR STAY DELIVERY IF ANY CUSTOMARY REQUIREMENTS, OR REQUIREMENTS/PERMIT BY LOCAL AUTHORITIES, ARE NOT MET OR OBTAINED IN DUE TIME BEFORE DELIVERY.
- (j) MODES FOR DELIVERY. DELIVERY SHALL BE MADE EITHER FROM A SHORE TERMINAL, BY BARGE, TRUCK OR BY ANY OTHER ACCREDITED METHOD OF DELIVERY. IF ONE, OR MORE THAN ONE, METHOD OF DELIVERY IS AVAILABLE, THE SELLERS MAY AT THEIR DISCRETION SELECT ONE, PROVIDED THAT THE SELLERS DO NOT BREACH THEIR OBLIGATIONS UNDER THE CONTRACT.
- (k) THE BUYERS' OBLIGATION TO PROVIDE A SAFE BERTH, POSITION OR ANCHORAGE. THE BUYERS SHALL PROVIDE A CLEAR AND SAFE BERTH, POSITION OR ANCHORAGE ALONGSIDE THE VESSEL'S RECEIVING LINES FROM WHERE THE SELLERS AND THE PHYSICAL SUPPLIER MAY DELIVER THE AGREED QUANTITY AT NO EXTRA COSTS. THE SELLERS AND/OR THE PHYSICAL SUPPLIER HAVE THE SOLE DISCRETION TO DETERMINE IF SUCH BERTH, POSITION OR ANCHORAGE IS AVAILABLE. THE BUYERS SHALL INDEMNIFY THE SELLERS AGAINST ALL CLAIMS, EXPENSES, LOSS, DAMAGE, DEMURRAGE OR DELAY, OR SIMILAR, CAUSED BY THE BUYERS' FAILURE TO PROVIDE A SAFE BERTH, POSITION OR ANCHORAGE.
- (l) ASSISTANCE FROM THE BUYERS. THE BUYERS SHALL MAKE ALL CONNECTIONS AND DISCONNECTIONS BETWEEN PIPELINES OR DELIVERY HOSES AND VESSEL'S INTAKE LINES AND SHALL RENDER ALL NECESSARY ASSISTANCE THAT IS NECESSARY TO PERFORM DELIVERY. THE BUYERS MUST ALSO ENSURE THAT THE VESSEL HAS THE NECESSARY EQUIPMENT AND SUFFICIENT TANK CAPACITY TO TAKE PROMPT DELIVERY OF THE AGREED QUANTITY OF MARINE FUELS.



+971 42542052
+971 42572273



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- (m) TRANSFER OF RISK. THE MARINE FUELS SHALL BE DELIVERED, AND ALL RISKS IN AND LIABILITIES ARISING FROM THE MARINE FUELS, SHALL BE DEEMED TRANSFERRED TO THE BUYERS, (A) ONCE THE MARINE FUELS HAVE PASSED THE FLANGE CONNECTING THE PIPELINES OR DELIVERY HOSES OF THE SUPPLY BARGE WITH THE INTAKE LINES OF THE VESSEL, OR (B) IN CASE OF ANY OTHER MODE OF DELIVERY, SUCH AS MARINE FUELS DELIVERED IN CONTAINERS, ONCE THE MARINE FUELS HAVE LANDED FROM THE DELIVERY VEHICLE TO THE GROUND AT THE AGREED POINT OR PLACE OF DELIVERY (WHETHER (I) ON THE QUAY OR AT ANY OTHER POINT OF LAND NEAR TO THE VESSEL, (II) AT ANY TERMINAL, STORAGE OR WAREHOUSE FACILITY DESIGNATED BY THE BUYERS, (III) IN THE CUSTODY OF THE VESSEL'S LOCAL AGENT, (IV) IN CASE OF DELIVERY USING LIFTING EQUIPMENT OPERATED BY THE SELLERS OR THE PHYSICAL SUPPLIER, WHEN THE MARINE FUELS ARE LANDED ON THE DECK OF THE VESSEL, OR (V) IF DELIVERED BY USING LIFTING EQUIPMENT OPERATED BY ANY OTHER PARTY, WHEN THE MARINE FUELS ARE LIFTED OFF THE DECK OF THE BARGE OR OFF THE DELIVERY VEHICLE).
- (n) BUNKER DELIVERY NOTE. THE MASTER, OR OTHER AUTHORIZED REPRESENTATIVE OF THE VESSEL, SHALL CONFIRM THE DELIVERY ON BEHALF OF THE VESSEL AND THE BUYERS BY SIGNING A BUNKER DELIVERY NOTE PROVIDED BY THE PHYSICAL SUPPLIER. THE SELLERS MAY ASSUME THAT THE BUYERS' REPRESENTATIVE SIGNING THE BDN IS DULY AUTHORIZED. THE SELLERS SHALL NOT BE DEEMED TO HAVE ANY CONSTRUCTIVE KNOWLEDGE OF THE AUTHORITY OR LACK OF AUTHORITY OF ANY PURPORTED LOCAL REPRESENTATIVE OF THE BUYERS AND SHALL BE UNDER NO DUTY TO VERIFY AUTHORITY OF SUCH PURPORTED REPRESENTATIVE.
- (o) NORMAL WORKING HOURS. DELIVERY SHALL BE MADE DURING NORMAL WORKING HOURS. UNLESS OTHERWISE AGREED, DELIVERIES OUTSIDE NORMAL WORKING HOURS SHALL BE SUBJECT TO ADDITIONAL COSTS, WHICH SHALL BE BORNE BY THE BUYERS.

9. HEALTH, SAFETY AND ENVIRONMENT

- (a) REQUIREMENTS. IT SHALL BE THE SOLE RESPONSIBILITY OF THE BUYERS TO COMPLY WITH, AND TO ADVISE THEIR PERSONNEL, AGENTS AND/OR CUSTOMERS TO COMPLY WITH, ALL HEALTH, SAFETY AND ENVIRONMENTAL REQUIREMENTS APPLICABLE TO THE HANDLING OF THE MARINE FUELS, BOTH BEFORE AND AFTER DELIVERY. THE SELLERS ACCEPT NO RESPONSIBILITY FOR ANY CONSEQUENCES ARISING FROM THE BUYERS' FAILURE TO COMPLY WITH SUCH REQUIREMENTS. THE BUYERS ACKNOWLEDGE THAT THEY ARE KNOWLEDGEABLE OF THE HAZARDS INHERENT IN THE MARINE FUELS AND SHALL PROTECT, INDEMNIFY AND HOLD THE SELLERS HARMLESS AGAINST ANY CLAIMS AND LIABILITIES INCURRED AS A RESULT OF THE BUYERS' FAILURE TO COMPLY WITH THE AFOREMENTIONED REQUIREMENTS.



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+971 42572273



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- (b) ENVIRONMENT AND DUTY OF MITIGATION. THE SELLERS AND THE PHYSICAL SUPPLIER SHALL BEAR NO RISK OF HARM TO THE ENVIRONMENT. IN THE EVENT OF ANY LEAKAGE, SPILLAGE, OVERFLOW OF THE MARINE FUELS CAUSING, OR LIKELY TO CAUSE, HARM TO THE ENVIRONMENT, THE BUYERS SHALL, REGARDLESS AS TO WHETHER THE BUYERS, THE SELLERS OR ANY THIRD PARTY IS RESPONSIBLE, IMMEDIATELY TAKE SUCH ACTION TO LIMIT THE DAMAGE AND AS IS NECESSARY, TO EFFECTUATE CLEAN UP. IF THE BUYERS FAIL TO TAKE PROMPT ACTION, THE BUYERS (WHO HEREBY WARRANT THAT THEY HAVE BEEN AUTHORISED BY THE VESSEL'S OWNER) HEREBY AUTHORISE THE SELLERS TO TAKE ALL REASONABLE MEASURE(S) WHICH THE SELLERS DEEM NECESSARY TO EFFICIENTLY CLEAN UP AND RESTORE THE ENVIRONMENT AT THE BUYERS' COST AND EXPENSE, ACTING REASONABLY. THE BUYERS SHALL DEFEND, INDEMNIFY AND HOLD THE SELLERS AND/OR THE PHYSICAL SUPPLIER HARMLESS AGAINST ANY CLAIM OR LIABILITY ARISING OUT OF ANY LEAKAGE, SPILLAGE OR OVERFLOW. THIS CLAUSE DOES NOT APPLY IF ENVIRONMENTAL HARM IS CAUSED BY THE SELLERS' AND/OR THE PHYSICAL SUPPLIER'S GROSS NEGLIGENCE, IT BEING UNDERSTOOD THAT THE SELLERS HAVE NO LIABILITY IN CONTRACT, TORT OR OTHERWISE FOR ACTS AND OMISSIONS OF THE PHYSICAL SUPPLIER OR ANY PERSON ACTING ON BEHALF OF THE PHYSICAL SUPPLIER.
- (c) DANGEROUS GOODS. THE SELLERS MAY FROM TIME TO TIME DELIVER MARINE FUELS THAT CONSTITUTE DANGEROUS GOODS (HAZARDOUS MATERIAL). THE BUYERS ARE SOLELY RESPONSIBLE FOR SELECTING THESE GOODS AND ASSUMES ALL RISKS IN RECEIVING AND HANDLING SUCH GOODS. CLAUSE 9(B) SHALL APPLY MUTATIS MUTANDIS HERETO, EXCEPT THAT "GROSS NEGLIGENCE" SHALL BE REPLACED WITH THE "SELLERS' RECKLESSNESS COMMITTED WITH THE INTENTION OF CAUSING LOSS".
- (d) REGULATIONS. THE BUYERS WARRANTS THAT THE VESSEL AT ALL MATERIAL TIMES COMPLIES WITH ALL APPLICABLE NATIONAL AND INTERNATIONAL REGULATIONS. IT SHALL BE THE RESPONSIBILITY OF THE BUYERS AND THE MASTER OF THE VESSEL TO NOTIFY THE SELLERS OF ANY CONDITION OR DEFECTS IN THE VESSEL WHICH COULD ADVERSELY AFFECT DELIVERY. IT IS UNDERSTOOD THAT THE SELLERS ENTER INTO THE CONTRACT IN RELIANCE ON THE LAW, RULES, REGULATIONS, ETC., IN EFFECT ON THE DATE OF THE CONTRACTING AND THE RISK OF ADVERSE FUTURE REGULATION SHALL REST WITH THE BUYERS. ANY NEW REGULATION WHICH IS NOT COVERED BY OTHER PROVISIONS HEREIN AND HAS A MATERIAL ADVERSE ECONOMIC EFFECT ON THE SELLERS SHALL ENTITLE THE SELLERS TO RENEGOTIATE THE PRICE OR OTHER PERTINENT TERMS OF THE CONTRACT. IF NO AGREEMENT IS REACHED FOLLOWING 14 DAYS OF NEGOTIATIONS, THE SELLERS MAY TERMINATE THE CONTRACT AND REQUEST RESOLUTION IN ARBITRATION OF ANY UNSETTLED CLAIMS.



+971 42542052
+971 42572273



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U.A.E, P.O. Box : 452911

10. INDEMNITY

- (a) WITHOUT PREJUDICE TO ANY OTHER CLAIMS ARISING UNDER OR IN CONNECTION WITH THIS CONTRACT, THE BUYERS SHALL DEFEND, INDEMNIFY AND HOLD THE SELLERS HARMLESS WITH RESPECT TO ANY AND ALL LIABILITY, LOSS, CLAIMS, EXPENSES OR DAMAGE THE SELLERS MAY SUFFER OR INCUR BY REASON OF, OR IN ANY WAY CONNECTED WITH, THE FAULT OR DEFAULT BY THE BUYERS AND/OR THEIR AGENTS IN THE PURCHASE OF, RECEIPT, USE, STORAGE HANDLING OR TRANSPORTATION OF THE MARINE FUELS IN CONNECTION WITH EACH TRANSACTION.

11. WARRANTY

- (a) SELLERS' WARRANTY. SUBJECT TO CLAUSES 11(D), 11(E) AND 25, THE SELLERS WARRANT THAT AT THE TIME OF DELIVERY THE MARINE FUELS CONFORMED TO THE CONTRACT AND WERE DELIVERED WITH REASONABLE SKILL AND CARE.
- (b) THE BUYERS' REMEDY FOR THE SELLERS' BREACH OF WARRANTY. IN THE EVENT OF A BREACH BY THE SELLERS OF THE WARRANTY IN CLAUSE 11(A), THE SELLERS SHALL ONLY BE OBLIGED (AND SHALL HAVE NO FURTHER LIABILITY IN CONTRACT, TORT, LAW OR OTHERWISE) AT THEIR OPTION EITHER TO:
- (i) CREDIT THE PRICE (IF ALREADY PAID) ATTRIBUTABLE TO THE NON-CONFORMING PRODUCTS; OR
 - (ii) REPLACE AND/OR REDELIVER THE NON-CONFORMING PRODUCTS, PROVIDED THAT ANY PRODUCTS ARE RETURNED TO THE SELLERS IN THEIR DELIVERED STATE AT THE BUYERS' EXPENSE. THE SELLERS SHALL NOT BE RESPONSIBLE FOR DEBUNKERING, NOR FOR STORAGE, TRANSPORTATION, CUSTOMS CLEARING AND/OR ANY OTHER PRECONDITION NECESSARY TO RETURN THE NON-CONFORMING PRODUCTS.
- (c) THIS CLAUSE 11(C) SHALL BE THE BUYERS' SOLE REMEDY FOR BREACH IN LIEU OF ANY OTHER RIGHTS AND REMEDIES WHICH MIGHT OTHERWISE HAVE BEEN AVAILABLE TO THE BUYERS UNDER LAW. ANY REPAIR, RECTIFICATION OR REPLACEMENT OF THE PRODUCTS CAN ONLY BE PERFORMED ON THE TERMS SET OUT IN THIS CLAUSE 11(C). THE SELLERS WILL ASSIST THE BUYERS IN OBTAINING BEST POSSIBLE PRICES FROM THE SUPPLIERS AT THE PLACE OF DEBUNKERING.
- (d) NO LIABILITY BEYOND WARRANTY. THE BUYERS ACCEPT THAT THE SELLERS HAVE NO FURTHER LIABILITY BEYOND THE WARRANTY THAT THE SELLERS UNDERTAKE PURSUANT TO THE



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PRECEDING CLAUSES AND THAT THE BUYERS MAY NOT EXERCISE ANY OTHER REMEDIES FOR BREACH BEYOND THESE CLAUSES.

(e) EXCLUSIONS FROM THE SCOPE OF WARRANTY. THE WARRANTY GIVEN UNDER THESE CLAUSES WILL NOT APPLY:

- (i) WHERE THE WARRANTY CLAIM ARISES FROM NORMAL WEAR AND TEAR, THE BUYERS' WILFUL DAMAGE OR WILFUL MISCONDUCT, THE BUYERS' NEGLIGENCE, ABNORMAL WORKING CONDITIONS, USE FOR UNINTENDED PURPOSE, MISUSE, ABUSE OR LACK OF MAINTENANCE;
- (ii) IF THE BUYERS FAIL TO COMPLY WITH THE SELLERS' AND/OR THE PHYSICAL SUPPLIER'S SPECIFIC ADVICE OR GENERAL INSTRUCTIONS (WHETHER ORAL OR IN WRITING);
- (iii) IF THE MARINE FUELS SUPPLIED ARE DEBUNKERED, UNLESS THE SELLERS HAVE ACCEPTED DEBUNKERING IN ADVANCE;
- (iv) IF THE BUYERS HAVE NOT NOTIFIED THE SELLERS OF THE WARRANTY CLAIM WITHIN 14 DAYS AFTER THE TIME THE BUYERS DISCOVERED, OR OUGHT TO HAVE DISCOVERED, THE MATERIAL CIRCUMSTANCES WHICH GAVE RISE TO THE CLAIM; OR
- (v) IN THE EVENT THE BUYERS HAVE NOT COMPLIED WITH THE NOTIFICATION AND TIME-BARRING PROVISIONS SET OUT IN CLAUSES 6 AND 7(C) ABOVE.

12. LIMITATION OF LIABILITY

(a) LIMITATION OF LIABILITY. CONSIDERING THAT THE SELLERS UNDERTAKE CERTAIN WARRANTY OBLIGATIONS (AS SET OUT IN CLAUSE 11), THE SELLERS SHALL BE UNDER NO LIABILITY WHATSOEVER TO THE BUYERS FOR ANY LOSS, DAMAGE, DELAY OR EXPENSE INCURRED OF WHATSOEVER NATURE, WHETHER DIRECT OR INDIRECT – INCLUDING BUT NOT LIMITED TO – (I) ANY LOSS OF PROFIT, HIRE, TIME, DEMURRAGE, DETENTION, TOWAGE, BUSINESS CONTRACTS, TRADING, REVENUES OR ANTICIPATED SAVINGS, OR (II) FOR DAMAGE TO THE BUYERS' REPUTATION OR GOODWILL, OR (III) FOR ANY LOSS RESULTING FROM ANY CLAIM MADE BY ANY THIRD PARTY, OR (IV) FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR INCIDENTAL LOSS OR DAMAGE OF ANY NATURE WHATSOEVER.

(b) LIABILITY CAP. THE SELLERS' LIABILITY SHALL NEVER EXCEED THE LOWEST OF (I) USD 250,000, (II) THE AGREED PRICE FOR THE MARINE FUELS, OR (III) THE LIABILITY CAP IMPOSED ON THE SELLERS BY THE PHYSICAL SUPPLIER UNDER THE SELLERS' SUPPLY CONTRACT WITH THAT



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PHYSICAL SUPPLIER, WHERE APPLICABLE AND WHERE DISCLOSED IN THE ORDER CONFIRMATION.

- (c) DATA PROTECTION. THE SELLERS SHALL IN NO EVENT BE HELD LIABLE FOR HAVING DISCLOSED ANY DATA OR INFORMATION OF ANY KIND WHATSOEVER, INCLUDING, WITHOUT LIMITATION, IN COMPLIANCE WITH RULES OF LAW, MARKET RULES OR TRADE CUSTOM.
- (d) CYBER RISKS. THE SELLERS SHALL IN NO EVENT BE HELD LIABLE FOR ANY REDUCTION IN THE FUNCTIONALITY, ANY BREAKDOWN, ALTERATION, TERMINATION, DAMAGE TO, INTERVENTION IN (HACKING OR SIMILAR) OR LACK OF ACCESS TO THE INTERNET OR OTHER FORMS OF TELE OR DATA COMMUNICATION, COMPUTER SYSTEMS, HARDWARE, APPLICATIONS, SOFTWARE, DATA, MICROPROCESSOR(S), INTEGRATED CIRCUITS OR NETWORKS OR SIMILAR COMPUTER- AND NOT COMPUTER-RELATED DEVICES, WHETHER OR NOT OWNED OR IN THE POSSESSION OF THE SELLERS, THE BUYERS OR A THIRD PARTY. THIS INCLUDES ANY HACKING OF INVOICES. SUCH CYBER RISKS ARE NOT WITHIN THE CONTROL OF THE SELLERS AND ARE ASSUMED BY THE BUYERS.
- (e) VALIDITY AND ENFORCEMENT OF LIMITATION OF LIABILITY CLAUSES. THE BUYERS ACCEPT THAT THE CLAUSES HEREIN WHICH LIMIT THE SELLERS' LIABILITY ARE VALID EVEN FOR CLAIMS ARISING FROM THE SELLERS' OWN NEGLIGENCE, WHETHER SIMPLE OR GROSS, OR THAT OF THE SELLERS' AGENTS OR SUBCONTRACTORS. ONLY IF DAMAGE OR LOSS IS CAUSED INTENTIONALLY SHALL THE SELLERS NOT BE CONTRACTUALLY ENTITLED TO LIMIT OR EXCLUDE THEIR LIABILITY UNDER THE CONTRACT.

13. SELLERS' RIGHT OF CANCELLATION

- (a) CANCELLATION. WITHOUT PREJUDICE TO ANY OTHER REMEDIES AND RIGHTS UNDER THE CONTRACT, THE SELLERS MAY CANCEL THE CONTRACT, SHALL HAVE NO LIABILITY AND MAY STORE OR PROCURE THE STORAGE OF THE MARINE FUELS FOR THE ACCOUNT AND RISK OF THE BUYERS AND MAY CHARGE THE BUYERS THE EXPENSES THEREBY INCURRED OR TAKE ANY OTHER MEASURES WHICH THE SELLERS DEEM APPROPRIATE, INCLUDING CLAIMING DAMAGES, IN ANY ONE OF THE FOLLOWING CASES:
- (i) THE BUYERS, FOR WHATEVER REASON, FAIL TO TAKE TIMELY DELIVERY OF THE MARINE FUELS, IN WHOLE OR IN PART, AT THE AGREED PLACE FOR DELIVERY; OR
 - (ii) THE BUYERS FAIL TO PAY ANY AMOUNT DUE TO THE SELLERS OR ARE OTHERWISE IN BREACH; OR



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- (iii) IT BECOMES APPARENT IN THE REASONABLE OPINION OF THE SELLERS THAT THE FINANCIAL POSITION OF THE BUYERS ENTAILS A RISK TO THE SELLERS; OR
- (iv) THE BUYERS ARE DECLARED BANKRUPT; OR
- (v) THE BUYERS ENTER INTO ANY OTHER FORM OF INSOLVENCY PROCEEDINGS, SUCH AS US CHAPTER 11 PROCEEDINGS OR SIMILAR PROCEEDINGS IN OTHER JURISDICTIONS, SUCH AS REHABILITATION OR RECONSTRUCTION PROCEEDINGS, COMPULSORY AGREEMENTS WITH CREDITORS, SUSPENSION OF PAYMENT OR ANY OTHER FORM OF PROCEEDINGS IN CONTEMPLATION OF A STRUCTURAL DEBT ARRANGEMENT BEING MADE VIS-À-VIS THE BUYERS AND THEIR CREDITORS; OR
- (vi) THE BUYERS MAKE ANY PROPOSAL TO ANY OF THEIR CREDITOR(S) FOR A REORGANISATION, RESTRUCTURING, REHABILITATION OR ANY OTHER FORM OF VOLUNTARY ARRANGEMENT; OR
- (vii) A RECEIVER, LIQUIDATOR, ADMINISTRATOR OR THE LIKE IS APPOINTED IN RESPECT OF THE BUYERS' BUSINESS; OR
- (viii) THE BUYERS BREACH ANY OF THEIR FINANCIAL COVENANTS OR WARRANTIES PROVIDED BY THE BUYERS TO THEIR FINANCIERS; OR
- (ix) IN CASE OF FORCE MAJEURE (AS DEFINED IN CLAUSE 15 BELOW), OR, IF THE SELLERS HAVE REASONABLE GROUNDS TO EXPECT FORCE MAJEURE; OR
- (x) IN CASE OF ANY BREACH, OR ANY SUSPECTED BREACH, OF CLAUSE 14 BELOW.

(b) THE SELLERS SHALL ALSO BE ENTITLED TO RECOVER ALL LOSSES AND EXPENSES ARISING FROM THE BUYERS' CANCELLATION OR DEFAULT, INCLUDING SUPPLIER CANCELLATION CHARGES, HEDGING LOSSES, STORAGE COSTS, DEMURRAGE, FREIGHT DIFFERENTIALS, FINANCING COSTS, LEGAL COSTS AND INTEREST.

14. COMPLIANCE: SANCTIONS, ANTI-CORRUPTION AND BRIBERY

- (a) THE BUYERS REPRESENT, WARRANT AND UNDERTAKE FROM THE DATE OF ENTERING INTO THE CONTRACT AND CONTINUING UNTIL DELIVERY OF THE MARINE FUELS AND PAYMENT BY THE BUYERS TO THE SELLERS IN FULL THAT:
 - (i) THE BUYERS AND ANY OF THEIR ASSIGNEES, AGENTS, PRINCIPALS OF AGENTS,



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SHAREHOLDERS, SUBSIDIARIES, SISTER COMPANIES, ASSOCIATED COMPANIES AND/OR PARENT COMPANIES (INCLUDING THEIR SUCCESSORS);

- (ii) ANY PERSON OR ENTITY (I) WHICH THE BUYERS ENTER INTO TRANSACTIONS WITH, (II) WHICH BENEFICIALLY OWNS OR CONTROLS THE BUYERS, OR (III) WHICH IS CONTROLLED BY THE SAME INTEREST(S) THAT OWN AND/OR EXERCISE CONTROL OVER THE BUYERS;
- (iii) THE BUYERS' CONTRACTUAL COUNTERPARTY(IES) FOR THE MARINE FUELS AND/OR ANY OTHER PERSON OR ENTITY FURTHER DOWNSTREAM, INCLUDING THE END USER;
- (iv) THE OWNER OF THE VESSEL AND/OR HER CHARTERER, OPERATOR, MANAGER, AGENT OR DISPONENT OWNER;
- (v) THE VESSEL OR OTHER VESSELS THAT TAKE DELIVERY OF THE MARINE FUELS AND/OR WHICH ARE WITHIN THE BENEFICIAL OWNERSHIP OR CONTROL, MANAGEMENT OR CHARTER OF THE BUYERS; AND
- (vi) THE CARGO ONBOARD THE VESSEL AND THE OWNER OF THE CARGO;

ARE NOT COVERED BY, SUBJECT TO OR THE TARGET OF ANY SANCTIONS REGULATIONS AND THAT THE MARINE FUELS WILL NOT BE USED DIRECTLY OR INDIRECTLY FOR ANY PURPOSE CONTRARY THERETO, INCLUDING ANY ACTS OF CIRCUMVENTING SANCTIONS REGULATIONS.

- (b) THE BUYERS FURTHER REPRESENT, WARRANT AND UNDERTAKE THAT THE VESSEL OR ANY OTHER VESSEL UNDER THE BUYERS' OWNERSHIP, MANAGEMENT, CHARTER OR OTHERWISE CONTROLLED BY THE BUYERS HAS NOT CALLED AND WILL NOT CALL ANY PORT OR PERFORM ANY SHIP-TO-SHIP TRANSFER IN VIOLATION OF ANY SANCTIONS REGULATIONS.
- (c) THE SELLERS SHALL NOT BE REQUIRED TO CARRY OUT ANY ACT OR OMISSION WHICH CONSTITUTES, OR MAY CONSTITUTE, IN THE SELLERS' SOLE DISCRETION, ACTING REASONABLY, A VIOLATION OF SANCTIONS REGULATIONS AND/OR ANY OTHER LAWS AND REGULATIONS IN FORCE WHERE THE SELLERS CARRY OUT BUSINESS. THIS APPLIES EQUALLY TO ANY LAW TO WHICH THE SELLERS ARE MADE SUBJECT PURSUANT TO ANY CONTRACT.
- (d) IF THE BUYERS AT ANY POINT BECOME AWARE OF A BREACH, OR A POTENTIAL BREACH, OF THIS CLAUSE 14, THE BUYERS SHALL IMMEDIATELY INFORM THE SELLERS IN WRITING AND THE SELLERS SHALL BE ENTITLED TO CANCEL THE CONTRACT AND/OR EXERCISE OTHER



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REMEDIES FOR BREACH, TO NOTIFY THE RELEVANT AUTHORITIES IN ANY RELEVANT JURISDICTION AND/OR SAY OR DO ANY ACT TO COMPLY WITH THE LAWS AND REGULATIONS OF ANY SUCH AUTHORITIES AND TO COMPLY WITH THE SANCTIONS REGULATION, AND THE BUYERS SHALL INDEMNIFY AND HOLD THE SELLERS HARMLESS AGAINST ANY CLAIMS, DAMAGES, COSTS, LOSSES, LIABILITIES, AND EXPENSES, INCLUDING BUT NOT LIMITED TO FINES AND ATTORNEYS' FEES, ARISING AS A CONSEQUENCE OF ANY BREACH, OR A POTENTIAL BREACH, OF THIS CLAUSE 14.

- (e) DUTY OF DISCLOSURE AND AUDITING. UPON DEMAND AND WITHOUT DELAY, THE BUYERS ARE OBLIGATED TO PROVIDE ANY AND ALL INFORMATION AND DOCUMENTATION TO THE SELLERS, AS REQUIRED IN THE SELLERS' SOLE DISCRETION, ACTING REASONABLY, FOR THE SELLERS TO PERFORM REASONABLE COMPLIANCE SCREENINGS OR OTHER DUE DILIGENCE TO AVOID BREACHING ANY SANCTIONS REGULATION. THE SELLERS MAY REQUIRE AUDITING OF THE BUYERS AS PART OF THE SELLERS' DUE DILIGENCE TO MITIGATE AGAINST AND AVOID BREACHING ANY SANCTIONS REGULATIONS.
- (f) PAYMENT INTERFERENCE. THE BUYERS SHALL BEAR THE RISK OF ANY PAYMENT INTERFERENCE. PAYMENT SHALL ALWAYS BE RECEIVED BY THE SELLERS IN THE BANK ACCOUNT DESIGNATED BY THE SELLERS. THE BUYERS' PAYMENT OBLIGATIONS SHALL BY NO MEANS BE DEEMED PERFORMED, AND THE BUYERS SHALL NOT BE RELEASED, UNLESS AND UNTIL THE FUNDS ARE RECEIVED IN FULL IN THE SELLERS' ACCOUNT. ANY FUNDS FROZEN OR OTHERWISE BLOCKED BY THE SELLERS' BANK, OR THEIR CORRESPONDENT BANK ARE NOT DEEMED PAID INTO THE SELLERS' ACCOUNT.
- (g) ANTI-CORRUPTION, ANTI-BRIBERY, ANTI-MONEY LAUNDERING & ANTI-TERRORIST FINANCING. THE BUYERS REPRESENT, WARRANT AND UNDERTAKE TO COMPLY WITH ALL APPLICABLE ANTI-CORRUPTION, ANTI-BRIBERY, ANTI-MONEY LAUNDERING AND ANTI-TERRORIST FINANCING LAWS, RULES AND REGULATIONS BY THE UNITED KINGDOM, THE UNITED STATES OF AMERICA, THE EUROPEAN UNION OR ANY MEMBER STATE THEREOF OR ANY OTHER JURISDICTION WHERE THE MARINE FUELS ARE SUPPLIED OR WHERE THE SELLERS CARRY OUT BUSINESS. THIS INCLUDES, BUT IS NOT LIMITED TO, THE UK BRIBERY ACT 2010, UK ANTI-MONEY LAUNDERING AND ANTI-TERRORISM LAWS AND REGULATIONS AND THE US FOREIGN CORRUPT PRACTICES ACT, INCLUDING BOTH THE EFFECTIVE VERSIONS AND ANY SUCCESSOR VERSIONS THEREOF. THE PARTIES REPRESENT, WARRANT AND UNDERTAKE NEVER TO TAKE ACTION THAT WOULD SUBJECT THE OTHER TO ANY FINES OR PENALTIES UNDER SUCH LAWS, REGULATIONS, RULES OR REQUIREMENTS. CLAUSE 12(E) WILL APPLY MUTATIS MUTANDIS TO THIS CLAUSE 14 (G).
- (h) RETURN OF SUSPICIOUS PAYMENTS. THE SELLERS ARE COMMITTED TO COMPLYING WITH



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ALL LAWS AND REGULATIONS AND ARE NOT OBLIGED TO ACCEPT ANY SUSPICIOUS PAYMENTS. THE BUYERS ARE NOT ALLOWED TO ROUTE PAYMENT TO THE SELLERS VIA NON-CONTRACTUAL ENTITIES. THE BUYERS ACCEPT THAT THE ENTITY STATED IN THE SELLERS' INVOICE SHALL ALWAYS REMIT PAYMENT, AND THE SELLERS ARE NOT OBLIGED TO ACCEPT ANY PAYMENT MADE BY A THIRD PARTY ON BEHALF OF THE BUYERS. THE SELLERS MAY REJECT SUCH PAYMENTS, MAY RETURN THE FUNDS AND DEMAND PAYMENT FROM THE BUYERS.

- (i) THE SELLERS MAY REFUSE, SUSPEND, DELAY OR TERMINATE PERFORMANCE OF THE CONTRACT WITHOUT LIABILITY WHERE, IN THE SELLERS' REASONABLE OPINION, PERFORMANCE MAY EXPOSE THE SELLERS, THEIR AFFILIATES, SUPPLIERS, INSURERS OR FINANCIAL INSTITUTIONS TO SANCTIONS, EXPORT CONTROL OR COMPLIANCE RISKS.

15. FORCE MAJEURE

- (a) NEITHER THE SELLERS NOR THE PHYSICAL SUPPLIER SHALL BE LIABLE FOR ANY LOSS, CLAIM, DAMAGE, DELAY, DEMURRAGE, ETC., IN CASE OF FAILURE IN THEIR PERFORMANCE UNDER THE CONTRACT DUE TO:
 - (i) ORDERS/DIRECTIONS FROM PUBLIC AUTHORITIES OR PERSONS WHO ACT OR PURPORT TO ACT ON THEIR BEHALF;
 - (ii) FAILURE IN, OR UNAVAILABILITY OF, THE PRODUCTION, MANUFACTURE, SUPPLY, STORAGE, TRANSPORTATION, DISTRIBUTION OR DELIVERY OF THE MARINE FUELS, OR IF THE DELIVERY CANNOT BE COMPLETED DUE TO SHIPPING TRAFFIC OR FOR OTHER REASONS WITHOUT THE FAULT OF THE SELLERS;
 - (iii) ANY CAUSE NOT WITHIN THE IMMEDIATE CONTROL OF THE SELLERS, SUCH AS LABOUR DISPUTES, STRIKES, STOPPAGES, LOCK-OUT, GOVERNMENTAL INTERVENTION, EMBARGO, IMPORT OR EXPORT RESTRICTION, LOCKDOWN, WARS WHETHER DECLARED OR NOT, CIVIL WARS, CIVIL COMMOTION, RIOT, QUARANTINE, FIRE FLOOD, EARTHQUAKE, ACCIDENT, STORM, SWELL, ICE, ADVERSE WEATHER, EPIDEMIC OR PANDEMIC, ACTS OF PIRACY, ACTS OF SABOTAGE OR SIMILAR, EXPLOSIONS, FIRE, NATURAL DISASTERS AND ANY ACT OF GOD;
 - (iv) ANY CYBER RISKS MENTIONED IN CLAUSE 12(D); OR
 - (v) ANY OTHER SIMILAR CIRCUMSTANCES.



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- (b) ANY OF THE EVENTS SET OUT ABOVE ARE DEEMED FORCE MAJEURE. NEITHER THE SELLERS NOR THE PHYSICAL SUPPLIER SHALL BE REQUIRED TO REMOVE ANY SUCH CAUSE OR REPLACE ANY AFFECTED SOURCE OR SUPPLY OR FACILITY IF DOING SO SHALL INVOLVE ADDITIONAL EXPENSE.
- (c) IF A CASE OF FORCE MAJEURE FALLS WITHIN THE SCOPE OF THE SANCTIONS COMPLIANCE CLAUSE (CLAUSE 14), THIS CLAUSE 15 SHALL NOT APPLY.
- (d) FOR THE AVOIDANCE OF DOUBT, FORCE MAJEURE SHALL INCLUDE, WITHOUT LIMITATION, WAR, CIVIL UNREST, TERRORISM, PIRACY, CYBER-ATTACKS, GOVERNMENTAL INTERVENTION (OTHER THAN SANCTIONS GOVERNED BY CLAUSE 14), REFUSAL OR REVOCATION OF LICENCES OR PERMITS, REFINERY SHUTDOWNS, SHORTAGES OF PRODUCTS, TERMINAL CLOSURES, PORT CONGESTION, VESSEL DETENTION, INTERRUPTION OR FAILURE OF BANKING SYSTEMS NOT ARISING FROM SANCTIONS OR COMPLIANCE REVIEWS, INTERRUPTION OF TRANSPORTATION OR LOGISTICS SERVICES, FAILURE OF UTILITIES OR COMMUNICATIONS, EPIDEMICS, PANDEMICS, QUARANTINE RESTRICTIONS AND ANY OTHER EVENT AFFECTING THE SELLERS, THEIR SUPPLIERS, TERMINALS, STORAGE PROVIDERS OR LOGISTICS PROVIDERS WHICH PREVENTS, DELAYS OR MATERIALLY HINDERS THE PERFORMANCE OF THE CONTRACT. FOR THE AVOIDANCE OF DOUBT, ANY SANCTIONS, EXPORT CONTROL OR TRADE COMPLIANCE MATTERS SHALL BE GOVERNED EXCLUSIVELY BY CLAUSE 14 OF THESE GENERAL TERMS AND CONDITIONS.

16. TITLE

- (a) RETENTION OF TITLE. TITLE SHALL ONLY TRANSFER TO THE BUYERS WHEN (I) THE SELLERS HAVE RECEIVED FULL PAYMENT IN ACCORDANCE WITH THE SELLERS' INVOICE(S) AND (II) THE SELLERS HAVE PAID THE PHYSICAL SUPPLIER IN FULL.
- (b) UNTIL THE TIME WHEN TITLE IS TRANSFERRED TO THE BUYERS, THE BUYERS SHALL:
- (i) HOLD THE MARINE FUELS AS BAILEE FOR THE SELLERS AND SHALL NOT BE ENTITLED TO USE THEM OTHER THAN FOR THE PROPULSION OF THE VESSEL;
 - (ii) STORE THEM IN SUCH A WAY THAT THEY CAN BE IDENTIFIED AS THE SELLERS' PROPERTY AND KEEP THEM SEPARATE FROM THE BUYERS' OWN PROPERTY AND THE PROPERTY OF ANY THIRD PARTY;
 - (iii) KEEP THEM AT THE BUYERS' RISK AND EXPENSE FROM THE TIME OF DELIVERY AND UNTIL THE TIME WHEN THE SELLERS TAKE REDELIVERY OR REPOSSESSION (IN CASE OF



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DEFAULT BY THE BUYERS); AND

- (iv) INSURE THEM AGAINST ANY LOSS AND DAMAGE, AND, IN THE EVENT OF SUCH LOSS OR DAMAGE, THE BUYERS SHALL NOTIFY THE RELEVANT INSURERS THAT THE INSURED PROPERTY IS OWNED BY THE SELLERS AND THAT INSURANCE PROCEEDS ARE TO BE PAID OUT TO THE SELLERS; ANY INSURANCE PROCEEDS RECEIVED BY THE BUYERS SHALL BE HELD BY THE BUYERS ON BEHALF OF THE SELLERS AS TRUSTEE TO BE WIRED TO THE SELLERS UPON DEMAND.

- (c) RES COGITANS CLAUSE. THE TRANSACTION CONTEMPLATED UNDER THESE GENERAL TERMS AND CONDITIONS IS NOT A CONTRACT FOR THE SALE OF GOODS BUT A *SUI GENERIS*. THE CONTRACT IS NOT SUBJECT TO ANY EXPRESS OR IMPLIED TERMS FOR THE TRANSFER OF TITLE AS A CONDITION TO THE BUYERS' OBLIGATION TO MAKE PAYMENT ON THE DUE DATE. THE BUYERS HAVE AGREED TO CONTRACT NOT FOR THE TRANSFER OF PROPERTY IN THE WHOLE OF THE MARINE FUELS PRIOR TO PAYMENT BUT FOR THE DELIVERY OF A CERTAIN QUANTITY OF MARINE FUELS WHICH THE BUYERS HAVE AN IMMEDIATE RIGHT TO USE FOR THE VESSEL'S PROPULSION AGAINST NOT HAVING TO PAY THE PRICE FOR THE MARINE FUELS UNTIL THE AGREED PERIOD OF CREDIT HAS EXPIRED.

- (d) CESSATION OF THE BUYERS' RIGHT OF POSSESSION AND USAGE. NOTWITHSTANDING CLAUSE 16(A) ABOVE, THE BUYERS' RIGHTS TO POSSESSION AND USE OF THE MARINE FUELS SHALL CEASE IF:
 - (i) THE BUYERS DEFAULT ON THEIR OBLIGATIONS TOWARDS THE SELLERS WHEN DUE, OR THE SELLERS HAVE REASON TO BELIEVE THAT THE BUYERS WILL NOT FULFIL THEIR OBLIGATIONS;

 - (ii) THE BUYERS ENTER INTO ANY OTHER FORM OF INSOLVENCY PROCEEDINGS, SUCH AS US CHAPTER 11 PROCEEDINGS OR SIMILAR PROCEEDINGS IN OTHER JURISDICTIONS, REHABILITATION OR RECONSTRUCTION PROCEEDINGS, COMPULSORY AGREEMENTS WITH CREDITORS, SUSPENSION OF PAYMENT OR ANY OTHER SIMILAR IN-COURT PROCEEDINGS;

 - (iii) THE BUYERS MAKE A PROPOSAL TO THEIR CREDITOR(S) FOR RESTRUCTURING OR REHABILITATION;

 - (iv) A RECEIVER, LIQUIDATOR, ADMINISTRATOR OR THE LIKE IS APPOINTED IN RESPECT OF THE BUYERS' BUSINESS; OR



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- (v) THE BUYERS BREACH ANY OF THEIR FINANCIAL COVENANTS OR WARRANTIES PROVIDED BY THE BUYERS TO THEIR FINANCIERS.
- (e) UPON CESSATION OF THE BUYERS' RIGHT TO POSSESSION OF THE MARINE FUELS AS PROVIDED FOR UNDER THESE GENERAL TERMS AND CONDITIONS, THE BUYERS SHALL AT THEIR OWN EXPENSE MAKE THE MARINE FUELS AVAILABLE TO THE SELLERS AND ALLOW THE SELLERS TO REPOSSESS THEM. THE BUYERS HEREBY GRANT THE SELLERS, THE SELLERS' AGENTS AND EMPLOYEES AN IRREVOCABLE LICENSE TO ENTER ANY PREMISES WHERE THE MARINE FUELS ARE STORED IN ORDER TO REPOSSESS THEM AT ANY TIME.
- (f) NOTWITHSTANDING DELIVERY OF THE MARINE FUELS OR CARGO AND THE PASSING OF RISK, LEGAL AND BENEFICIAL TITLE TO THE MARINE FUELS OR CARGO SHALL REMAIN WITH THE SELLERS UNTIL THE SELLERS HAVE RECEIVED PAYMENT IN FULL OF ALL SUMS DUE UNDER THE CONTRACT. UNTIL SUCH PAYMENT HAS BEEN RECEIVED, THE BUYERS SHALL NOT PLEDGE, ASSIGN, CREATE ANY SECURITY INTEREST OVER OR OTHERWISE DISPOSE OF THE MARINE FUELS OR CARGO IN A MANNER PREJUDICIAL TO THE SELLERS' OWNERSHIP RIGHTS.

17. SPECIAL CLAUSES APPLICABLE TO SALES TO INTERMEDIARIES (TRADERS)

- (a) THE FOLLOWING CLAUSES SHALL APPLY IN EACH CASE WHERE THE CONTRACT IS MADE WITH AN INTERMEDIARY AS THE BUYERS AND NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THESE GENERAL TERMS AND CONDITIONS:
- (i) THE INTERMEDIARY'S CLAIM AGAINST THEIR CUSTOMER IS ASSIGNED TO THE SELLERS AS SECURITY FOR THE INTERMEDIARY'S DUE PAYMENT OF THE SELLERS' CLAIM FOR PAYMENT AGAINST THE INTERMEDIARY. UNTIL THE SELLERS RECEIVE PAYMENT FROM THE INTERMEDIARY, THE INTERMEDIARY SHALL HAVE NO RIGHT TO COLLECT PAYMENT FROM THEIR CUSTOMER OR FROM THE END USER. IF THE INTERMEDIARY RECEIVES PAYMENT FROM THEIR CUSTOMER OR FROM THE END USER PRIOR TO THE INTERMEDIARY'S PAYMENT TO THE SELLERS, THE PAYMENT TO THE INTERMEDIARY SHALL BE HELD IN TRUST BY THE INTERMEDIARY ON BEHALF OF THE SELLERS AND THE AMOUNT, MINUS THE INTERMEDIARY'S MARGIN/PROFIT, SHALL BE PAID TO THE SELLERS.
- (ii) IN THE EVENT OF THE INTERMEDIARY'S BANKRUPTCY OR SIMILAR SITUATION OF INSOLVENCY AS SET OUT IN CLAUSE 13(A)(V), THE MARINE FUELS AND THE SELLERS' CLAIM FOR PAYMENT SHALL NOT FORM PART OF THE INSOLVENCY ESTATE, AND THE INTERMEDIARY OR INSOLVENCY ESTATE MUST TRANSFER ANY SUM TO THE SELLERS THAT IT HAS RECEIVED FROM THEIR CUSTOMER OR FROM THE END USER. IF THE



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INTERMEDIARY OR THEIR INSOLVENCY ESTATE HAS NOT RECEIVED PAYMENT YET FOR THE MARINE FUELS, THEIR CUSTOMER OR THE END USER SHALL BE ENTITLED TO PAY THE PURCHASE PRICE DIRECTLY TO THE SELLERS. SUCH PAYMENT WILL CONSTITUTE FULFILMENT OF THE CUSTOMER OR THE END USER'S PAYMENT OBLIGATIONS TOWARDS THE INTERMEDIARY, AND THE PAYMENT SHALL ALSO CONSTITUTE FULFILMENT OF THE SELLERS' CLAIM AGAINST THE INTERMEDIARY FOR THE SALE OF THE MARINE FUELS, MINUS THE INTERMEDIARY'S MARGIN/PROFIT, WHICH SHALL BE THE INTERMEDIARY'S SOLE ENTITLEMENT.

- (iii) THE INTERMEDIARY MUST ENSURE THAT THIS CLAUSE IS INCORPORATED IN EVERY CONTRACT, CONCLUDED WITH OR BY OTHER PARTIES IN THE SUPPLY CHAIN DOWN TO AND INCLUDING THE CONTRACT THAT IS CONCLUDED WITH THE END USER.

18. DRUGS AND ALCOHOL POLICY

- (a) EACH PARTY SHALL ENFORCE A COMPANY DRUG AND ALCOHOL POLICY ONBOARD THE VESSEL AND BUNKER TANKER, AND IN THE CASE OF THE SELLERS, ALSO WITHIN THEIR FACILITIES.
- (b) THESE DRUG AND ALCOHOL POLICIES MUST MEET OR EXCEED THE STANDARDS SET BY THE INTERNATIONAL CONVENTION ON STANDARDS OF TRAINING, CERTIFICATION, AND WATCHKEEPING FOR SEAFARERS, 1978, AS AMENDED.
- (c) BUYERS' PERSONNEL MUST ADHERE TO THE SELLERS' DRUG AND ALCOHOL POLICY WHEN IN THE SELLERS' FACILITIES OR ONBOARD THE BUNKER TANKER, WHILE THE SELLERS' PERSONNEL MUST FOLLOW THE BUYERS' POLICY WHEN ONBOARD THE VESSEL.
- (d) BOTH PARTIES ACKNOWLEDGE AND AGREE THAT THE SELLING, POSSESSION, DISTRIBUTION, USE, OR BEING UNDER THE INFLUENCE OF ALCOHOL OR CONTROLLED SUBSTANCES, EXCEPT THOSE MEDICALLY PRESCRIBED, IS STRICTLY PROHIBITED.

19. CONFIDENTIALITY

- (a) NEITHER PARTY SHALL DISCLOSE ANY CONFIDENTIAL INFORMATION RELATED TO PRE-CONTRACTUAL DISCUSSIONS AND/OR THE TERMS AND CONDITIONS OF THE CONTRACT TO THIRD PARTIES WITHOUT THE PRIOR WRITTEN CONSENT OF THE OTHER PARTY, WHICH SHALL NOT BE UNREASONABLY WITHHELD, EXCEPT AS REQUIRED BY LAW OR IN RESPONSE TO A REQUEST FROM A GOVERNMENT OR ITS AGENCY.



+971 42542052
+971 42572273



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- (b) BOTH PARTIES SHALL TAKE REASONABLE PRECAUTIONS TO ENSURE THAT NO UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL INFORMATION OCCURS.
- (c) IF A PARTY IS UNCERTAIN WHETHER SPECIFIC INFORMATION IS CONFIDENTIAL, THE SELLERS OR BUYERS, AS APPLICABLE, SHALL CONSULT WITH THE OTHER PARTY.
- (d) IF EITHER PARTY IS REQUIRED BY LAW TO DISCLOSE CONFIDENTIAL INFORMATION, THE DISCLOSING PARTY WILL, WHERE PERMITTED, NOTIFY THE OTHER PARTY AND WILL ONLY DISCLOSE THE MINIMUM AMOUNT OF CONFIDENTIAL INFORMATION NECESSARY TO COMPLY WITH LEGAL OBLIGATIONS.
- (e) INFORMATION SHALL NOT BE CONSIDERED CONFIDENTIAL UNDER THIS CLAUSE IF IT WAS IN THE POSSESSION OF THE RECEIVING PARTY BEFORE BEING PROVIDED BY THE OTHER PARTY, BECOMES PUBLICLY AVAILABLE THROUGH NO FAULT OF EITHER PARTY, OR IS LAWFULLY OBTAINED FROM A THIRD PARTY.
- (f) THIS CLAUSE SHALL SURVIVE THE TERMINATION OF THE CONTRACT.

20. THIRD PARTY RIGHTS

- (a) NO THIRD PARTY SHALL HAVE ANY RIGHT TO ENFORCE ANY TERM OF THIS CONTRACT.

21. ASSIGNMENT

- (a) THE SELLERS SHALL BE ENTITLED TO ASSIGN OR TRANSFER ANY AND ALL OF THEIR RIGHTS AND OBLIGATIONS UNDER THE CONTRACT.
- (b) THE BUYERS SHALL NOT BE ENTITLED TO ASSIGN OR TRANSFER ANY OF THEIR RIGHTS UNDER THE CONTRACT WITHOUT THE PRIOR WRITTEN CONSENT OF THE SELLERS WHICH SHALL NOT BE UNREASONABLY WITHHELD OR DELAYED, UNLESS OTHERWISE AGREED.

22. VALIDITY

- (a) IF ANY PROVISION OF THE CONTRACT IS OR BECOMES ILLEGAL, INVALID, OR UNENFORCEABLE UNDER ANY LAW OR JURISDICTION, THAT PROVISION SHALL BE DEEMED AMENDED TO THE EXTENT NECESSARY TO AVOID SUCH ILLEGALITY, INVALIDITY, OR UNENFORCEABILITY. IF AMENDMENT IS NOT POSSIBLE, THE PROVISION SHALL BE DEEMED DELETED TO THE EXTENT OF THE ILLEGALITY, INVALIDITY, OR UNENFORCEABILITY, AND THE REMAINING PROVISIONS SHALL CONTINUE IN FULL FORCE AND EFFECT, UNAFFECTED AND UNIMPAIRED.



+971 42542052
+971 42572273



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- (b) FAILURE BY EITHER PARTY AT ANY TIME TO ENFORCE ANY PART OF THESE GENERAL TERMS AND CONDITIONS SHALL NOT BE DEEMED A WAIVER OF RIGHTS BY SUCH PARTY AND SHALL NOT IN ANY WAY AFFECT THE VALIDITY OF THESE GENERAL TERMS AND CONDITIONS.

23. DISPUTE RESOLUTION CLAUSE

- (a) LAW. THESE GENERAL TERMS AND CONDITIONS AND ANY CONTRACT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH ENGLISH LAW, EXCEPT WITH RESPECT TO THE EXISTENCE OF THE SELLERS' MARITIME LIEN. THE GENERAL MARITIME LAW OF THE UNITED STATES OF AMERICA SHALL ALWAYS APPLY WITH RESPECT TO THE EXISTENCE OF THE SELLERS' MARITIME LIEN, REGARDLESS OF THE COUNTRY IN WHICH THE SELLERS TAKE LEGAL ACTION. THE SELLERS SHALL BE ENTITLED TO ASSERT THEIR RIGHTS OF LIEN OR ATTACHMENT OR OTHER RIGHTS, WHETHER IN LAW, IN EQUITY OR OTHERWISE, IN ANY JURISDICTION WHERE THE VESSEL MAY BE FOUND.
- (b) ARBITRATION. ANY DISPUTE ARISING FROM OR RELATED TO THE CONTRACT SHALL BE RESOLVED THROUGH ARBITRATION IN LONDON, IN ACCORDANCE WITH THE ARBITRATION ACT 1996 OR ANY SUBSEQUENT AMENDMENTS OR REPLACEMENTS OF THAT ACT, AS REQUIRED BY THIS CLAUSE. IF THE BUYER HAS ITS PRINCIPAL PLACE OF BUSINESS IN CHINA, JAPAN, HONG KONG, SINGAPORE, MALAYSIA, INDONESIA OR ANY OTHER JURISDICTION IN SOUTH EAST ASIA, THE PARTIES MAY AGREE TO REFER ANY DISPUTE TO ARBITRATION IN SINGAPORE ADMINISTERED BY THE SINGAPORE INTERNATIONAL ARBITRATION CENTRE ("SIAC"). THIS REQUIRES A SEPARATE AGREEMENT IN WRITING BY THE PARTIES TO SUBMIT DISPUTES TO SIAC ARBITRATION.
- (c) IN THE ABSENCE OF SUCH AGREEMENT, DISPUTES WILL BE RESOLVED THROUGH ARBITRATION IN LONDON TO BE CONDUCTED UNDER THE TERMS OF THE LONDON MARITIME ARBITRATORS ASSOCIATION (LMAA) APPLICABLE AT THE TIME THE ARBITRATION BEGINS.

DISPUTES WILL BE HANDLED BY A PANEL OF THREE ARBITRATORS. THE PARTY INITIATING ARBITRATION MUST APPOINT THEIR ARBITRATOR AND NOTIFY THE OTHER PARTY IN WRITING, REQUESTING THEM TO APPOINT THEIR OWN ARBITRATOR WITHIN FOURTEEN (14) CALENDAR DAYS. THE NOTICE WILL ALSO INDICATE THAT IF THE OTHER PARTY DOES NOT APPOINT AN ARBITRATOR WITHIN THE GIVEN TIMEFRAME, THE INITIATING PARTY WILL APPOINT THEIR ARBITRATOR AS THE SOLE ARBITRATOR. IF THE OTHER PARTY FAILS TO DO SO WITHIN THE FOURTEEN (14) DAYS, THE INITIATING PARTY MAY PROCEED BY APPOINTING ITS ARBITRATOR AS THE SOLE ARBITRATOR, WHOSE DECISION WILL BE FINAL AND BINDING ON BOTH PARTIES AS IF MUTUALLY AGREED UPON.



+971 42542052
+971 42572273



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Tower, Cluster T, JLT, Dubai,
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THE PARTIES MAY ALSO AGREE IN WRITING TO MODIFY THESE TERMS TO APPOINT A SOLE ARBITRATOR.

FOR DISPUTES WHERE NEITHER THE CLAIM NOR ANY COUNTERCLAIM EXCEEDS USD 100,000 (OR ANOTHER AMOUNT AGREED BY THE PARTIES), THE ARBITRATION WILL FOLLOW THE LMAA SMALL CLAIMS PROCEDURE IN EFFECT AT THE TIME OF COMMENCEMENT OF THE ARBITRATION.

FOR DISPUTES WHERE THE CLAIM OR COUNTERCLAIM SURPASSES THE THRESHOLD FOR THE SMALL CLAIMS PROCEDURE BUT REMAINS UNDER USD 400,000 (OR ANOTHER AGREED AMOUNT), ARBITRATION WILL PROCEED UNDER THE LMAA INTERMEDIATE CLAIMS PROCEDURE APPLICABLE AT THAT TIME.

- (d) IF THE PARTIES HAVE AGREED TO REFER DISPUTES TO ARBITRATION IN SINGAPORE, THE ARBITRATION WILL BE CONDUCTED UNDER THE ARBITRATION RULES OF THE SINGAPORE INTERNATIONAL ARBITRATION CENTRE (“SIAC RULES”) IN FORCE AT THE TIME OF COMMENCEMENT OF PROCEEDINGS WHICH RULES ARE DEEMED TO BE INCORPORATED BY REFERENCE IN THIS SUBCLAUSE (D).

THE SEAT OF THE ARBITRATION SHALL BE SINGAPORE, AND THE LANGUAGE OF THE ARBITRATION SHALL BE ENGLISH.

THE TRIBUNAL SHALL CONSIST OF THREE ARBITRATORS.

IN RESPECT OF ANY COURT PROCEEDINGS IN SINGAPORE COMMENCED UNDER THE INTERNATIONAL ARBITRATION ACT 1994 IN RELATION TO THE ARBITRATION, THE PARTIES AGREE (A) TO COMMENCE SUCH PROCEEDINGS BEFORE THE SINGAPORE INTERNATIONAL COMMERCIAL COURT (“THE SICC”); AND (B) IN ANY EVENT, THAT SUCH PROCEEDINGS SHALL BE HEARD AND ADJUDICATED BY THE SICC.

- (e) THE PARTIES MAY MUTUALLY AGREE AT ANY TIME TO REFER ANY DISAGREEMENT AND/OR DISPUTE ARISING FROM OR RELATED TO THE CONTRACT TO MEDIATION. IF ARBITRATION HAS ALREADY BEEN INITIATED FOR ANY DISPUTE, THE FOLLOWING PROVISIONS SHALL APPLY:

- (i) EITHER PARTY MAY, AT ANY TIME, CHOOSE TO REFER THE DISPUTE, OR PART OF IT, TO MEDIATION BY SENDING A WRITTEN NOTICE (“MEDIATION NOTICE”) TO THE OTHER PARTY, REQUESTING THEIR AGREEMENT TO MEDIATE.



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+971 42572273



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Tower, Cluster T, JLT, Dubai,
U.A.E, P.O. Box : 452911

- (ii) THE OTHER PARTY MUST RESPOND WITHIN FOURTEEN (14) CALENDAR DAYS OF RECEIVING THE MEDIATION NOTICE, CONFIRMING THEIR AGREEMENT TO MEDIATION. THE PARTIES MUST THEN AGREE ON A MEDIATOR WITHIN THE NEXT FOURTEEN (14) CALENDAR DAYS. IF THEY FAIL TO DO SO, A MEDIATOR WILL BE PROMPTLY APPOINTED BY THE ARBITRATION TRIBUNAL ("THE TRIBUNAL") OR A PERSON DESIGNATED BY THE TRIBUNAL. THE MEDIATION WILL TAKE PLACE AT A LOCATION, FOLLOWING PROCEDURES, AND UNDER TERMS AGREED UPON BY THE PARTIES, OR IF THEY CANNOT AGREE, AS DETERMINED BY THE MEDIATOR.
 - (iii) IF THE OTHER PARTY REFUSES TO MEDIATE, THIS FACT CAN BE PRESENTED TO THE TRIBUNAL, WHICH MAY CONSIDER IT WHEN DECIDING HOW TO ALLOCATE ARBITRATION COSTS BETWEEN THE PARTIES.
 - (iv) MEDIATION WILL NOT INTERFERE WITH EITHER PARTY'S RIGHT TO SEEK RELIEF OR TAKE ANY NECESSARY STEPS TO PROTECT THEIR INTERESTS.
 - (v) EITHER PARTY MAY INFORM THE TRIBUNAL THAT THEY HAVE AGREED TO MEDIATION. ARBITRATION WILL CONTINUE DURING MEDIATION, BUT THE TRIBUNAL MAY ADJUST THE ARBITRATION SCHEDULE TO ACCOMMODATE THE MEDIATION PROCESS.
 - (vi) UNLESS OTHERWISE AGREED OR SPECIFIED IN THE MEDIATION TERMS, EACH PARTY WILL COVER THEIR OWN MEDIATION COSTS, AND BOTH PARTIES WILL SHARE THE MEDIATOR'S FEES AND EXPENSES EQUALLY.
 - (vii) THE MEDIATION PROCESS WILL BE CONFIDENTIAL AND WITHOUT PREJUDICE, MEANING THAT NO INFORMATION OR DOCUMENTS DISCLOSED DURING MEDIATION WILL BE SHARED WITH THE TRIBUNAL UNLESS REQUIRED BY THE GOVERNING LAW AND ARBITRATION PROCEDURE. (NOTE: THE PARTIES SHOULD BE AWARE THAT THE MEDIATION PROCESS MAY NOT PAUSE OR AFFECT ANY LEGAL TIME LIMITS.)
- (f) ENFORCEMENT OF RIGHTS – SHIP ARREST. IF THE BUYERS FAIL TO PAY ON THE DUE DATE FOR PAYMENT OR IN THE EVENT OF ANY OTHER FORM OF BREACH OF CONTRACT THE SELLERS ARE ENTITLED TO TAKE ANY SUCH LEGAL ACTION AS THEY SHALL IN THEIR SOLE DISCRETION CONSIDER NECESSARY TO ENFORCE, SAFEGUARD OR SECURE THEIR RIGHTS UNDER THE CONTRACT. THE SELLERS ARE ENTITLED TO TAKE SUCH ACTION IN ANY COURT OR TRIBUNAL IN ANY STATE OR COUNTRY, INCLUDING FOR THE PURPOSE OF OBTAINING SECURITY (SUCH AS THE ARREST OF THE VESSEL OR OF OTHER SHIPS OR ATTACHMENT OF OTHER ASSETS). FOLLOWING ANY SUCH LEGAL ACTION AS MENTIONED HEREIN, THE SELLERS MAY BRING SUBSTANTIVE LEGAL ACTION IN ANY COMPETENT COURT AGAINST
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+971 42542052
+971 42572273



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THE BUYERS OR AGAINST THE OWNER OF THE ARRESTED VESSEL OR OTHER ATTACHED ASSET.

24. NOTICES

- (a) ANY PARTY PROVIDING NOTICE UNDER THE CONTRACT MUST ENSURE IT IS PROPERLY DELIVERED. THE NOTICE WILL BE CONSIDERED RECEIVED DURING THE RECIPIENT'S OFFICE HOURS. IF THE NOTICE IS SENT OUTSIDE OF THE RECIPIENT'S OFFICE HOURS, IT WILL BE DEEMED RECEIVED ON THE RECIPIENT'S NEXT WORKING DAY.

25. ENTIRE AGREEMENT AND PRIORITY OF TERMS

- (a) THE WRITTEN TERMS OF THIS CONTRACT FORM THE COMPLETE AGREEMENT BETWEEN THE BUYERS AND SELLERS REGARDING THE SALE AND PURCHASE OF MARINE FUELS, OVERRIDING ANY PRIOR AGREEMENTS, WHETHER VERBAL OR WRITTEN, BETWEEN THE PARTIES ON THIS MATTER. ANY CHANGES TO THE CONTRACT MUST BE MUTUALLY AGREED UPON IN WRITING.
- (b) BOTH PARTIES CONFIRM THAT IN ENTERING INTO THIS CONTRACT, THEY HAVE NOT RELIED ON, AND WILL NOT SEEK ANY REMEDY BASED ON, ANY STATEMENT, REPRESENTATION, ASSURANCE, OR WARRANTY (WHETHER NEGLIGENT OR NOT), EXCEPT AS EXPRESSLY STATED IN THE CONTRACT.
- (c) ANY TERMS IMPLIED BY APPLICABLE LAWS OR STATUTES ARE EXCLUDED TO THE EXTENT LEGALLY PERMISSIBLE. HOWEVER, THIS CLAUSE DOES NOT LIMIT OR EXCLUDE LIABILITY FOR FRAUD BY ANY PARTY INVOLVED IN THE CONTRACT.
- (d) IN CASE OF ANY CONFLICT BETWEEN THE PROVISIONS OF THESE GENERAL TERMS AND CONDITIONS AND THE ORDER CONFIRMATION, THE PROVISIONS OF THE ORDER CONFIRMATION SHALL TAKE PRECEDENCE, BUT ONLY TO THE EXTENT OF THE CONFLICT.

26. ENTRY INTO FORCE

- (a) ENTRY INTO FORCE. THESE GENERAL TERMS AND CONDITIONS ENTER INTO FORCE WITH EFFECT FROM 6th JULY 2026 AND SHALL APPLY TO ALL CONTRACTS AND ORDER CONFIRMATIONS AGREED ON THIS DATE OR THEREAFTER.
- (b) AVAILABILITY. THESE GENERAL TERMS AND CONDITIONS ARE AVAILABLE AT THE WEBSITE WWW.FLEXCOMMODITIES.COM, ON WHICH SITE THE SELLERS MAY PUBLISH AMENDMENTS, ALTERATIONS, CHANGES OR VERIFICATIONS TO THE GENERAL TERMS AND CONDITIONS. SUCH



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Unit 202, Fortune Executive
Tower, Cluster T, JLT, Dubai,
U.A.E, P.O. Box : 452911

AMENDMENTS, ALTERATIONS, CHANGES OR VERIFICATIONS ARE DEEMED TO BE A PART OF THE ENTIRE GENERAL TERMS AND CONDITIONS ONCE THE SAME HAVE BEEN PUBLISHED ON THE SAID WEBSITE.

- (c) **GROUP-WIDE APPLICATION.** THESE GENERAL TERMS AND CONDITIONS APPLY TO AND ARE BINDING IN RESPECT OF ALL TRANSACTIONS CONDUCTED BY THE SELLERS AND ANY OF THEIR AFFILIATED OR ASSOCIATED ENTITIES, BRANCHES, REPRESENTATIVE OFFICES AND AGENTS OPERATING UNDER OR ON BEHALF OF THE FLEX COMMODITIES GROUP, REGARDLESS OF THE JURISDICTION IN WHICH SUCH ENTITY, BRANCH, OFFICE OR AGENT IS LOCATED OR FROM WHICH IT OPERATES. ANY ORDER CONFIRMATION ISSUED BY OR ON BEHALF OF ANY SUCH ENTITY, BRANCH, OFFICE OR AGENT SHALL INCORPORATE THESE GENERAL TERMS AND CONDITIONS IN FULL.

27. ADDITIONAL CLAUSES FOR CARGO TRADING

- (a) SPHERE OF APPLICATION. THIS CLAUSE 27 CONTAINS SPECIAL CLAUSES THAT APPLY TO THE SALE, SUPPLY AND DELIVERY OF MARINE FUELS WHEN SOLD AS CARGO (“**CARGO SALES**”) (AS OPPOSED TO THE SALE AND SUPPLY OF MARINE FUELS DELIVERED FOR PROPULSION OF THE VESSEL; SUCH SALES BEING GOVERNED SOLELY BY CLAUSE 1 – 26). CLAUSE – 26 SHALL APPLY TO CARGO SALES IN AREAS NOT EXPRESSLY REGULATED BY THIS CLAUSE 27 AND ANY REFERENCE TO MARINE FUELS IN CLAUSE 1 – 26 SHALL BE READ AS A REFERENCE TO CARGO AND/OR CARGO SALES. THIS MEANS, FOR INSTANCE, THAT THE DISPUTE RESOLUTION CLAUSE IN CLAUSE 23 APPLIES TO CARGO SALES BECAUSE DISPUTE RESOLUTION IS NOT EXPRESSLY MENTIONED IN THIS CLAUSE
- (b) CONFLICT. WITH RESPECT TO CARGO SALES, IN CASE OF CONFLICT BETWEEN THE PARAGRAPHS OF THIS CLAUSE 27 AND CLAUSE 1 – 26 , THIS CLAUSE 27 SHALL PREVAIL AND CLAUSE 1 – 26 SHALL OTHERWISE BE READ TOGETHER TO GIVE EFFECT TO THIS CLAUSE 27.
- (c) DEFINITIONS. THE FOLLOWING DEFINITIONS APPLY TO CARGO SALES:

“**CARGO**” MEANS MARINE FUEL WHEN SOLD AS CARGO DELIVERED INTO THE CARGO TANKS OF THE VESSEL (AS OPPOSED TO MARINE FUEL DELIVERED TO THE VESSEL AS BUNKERS PUMPED INTO THE BUNKER TANKS OF THE VESSEL FOR PROPULSION).

“**CARGO SALES**” HAS THE MEANING EXPRESSED IN CLAUSE 27(a).



+971 42542052
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Unit 202, Fortune Executive
Tower, Cluster T, JLT, Dubai,
U.A.E, P.O. Box : 452911

"CARGO CONTRACT" MEANS CONTRACTS SUBJECT TO THESE GENERAL TERMS AND CONDITIONS WHICH REGULATE CARGO SALES AGREED BETWEEN THE SELLERS AND THE BUYERS. CARGO CONTRACTS ARE EVIDENCED BY THE SELLERS' ORDER CONFIRMATION.

"DELIVERY BARGE" MEANS THE TANKER VESSEL, BUNKER BARGE OR SIMILAR VESSEL, WHETHER SELF-PROPELLED OR NOT, USED BY THE SELLERS TO DELIVER THE MARINE FUEL OR OTHER OIL PRODUCTS WHEN SOLD AND DELIVERED AS CARGO (AS OPPOSED TO THE SALE AND SUPPLY OF MARINE FUEL FOR PROPULSION OF THE VESSEL).

"LAYDAYS" SHALL BE THE DATE RANGE AGREED BY THE SELLERS AND THE BUYERS (AND, IN THE ABSENCE OF AGREEMENT, AS NOMINATED BY THE SELLERS, ACTING REASONABLY) WITHIN WHICH THE VESSEL SHALL TENDER NOR AT THE AGREED PLACE OF DELIVERY.

(d) INCOTERMS | DELIVERY AND TRANSFER OF RISK. UNLESS OTHERWISE SPECIFICALLY AGREED IN THE CARGO CONTRACT, THE PARTIES SHALL BE DEEMED TO HAVE AGREED TO SELL AND TRANSFER THE CARGO FROM THE SELLERS TO THE BUYERS IN BULK FOB AT THE LOADING TERMINAL OR ANY OTHER AGREED PLACE OF DELIVERY. THE CARGO SHALL BE DELIVERED, AND ALL RISKS IN AND LIABILITIES ARISING FROM THE CARGO SHALL BE DEEMED TRANSFERRED TO THE BUYERS, IF DELIVERED BY WAY OF A STS-TRANSFER, ONCE THE CARGO HAS PASSED THE FLANGE CONNECTING THE PIPELINES OR DELIVERY HOSES OF THE DELIVERY BARGE WITH THE INTAKE LINES OF THE VESSEL, OR, IN CASE OF EX-WHARF OR EX-TANK DELIVERIES, ONCE THE CARGO HAS PASSED THE OUTLET FLANGE OF THE SELLER'S STORAGE TANK. THE PARTIES MAY AGREE ON OTHER TERMS FOR DELIVERY THAN FOB, SUCH AGREEMENT TO BE RECORDED IN THE CARGO CONTRACT. UNLESS OTHERWISE EXPRESSLY AGREED IN WRITING, ANY REFERENCE TO AN INCOTERM SHALL BE CONSTRUED IN ACCORDANCE WITH THE LATEST EDITION OF THE INCOTERMS® RULES PUBLISHED BY THE INTERNATIONAL CHAMBER OF COMMERCE. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THE APPLICABLE INCOTERMS® RULES AND THESE GENERAL TERMS AND CONDITIONS, THESE GENERAL TERMS AND CONDITIONS SHALL PREVAIL TO THE FULLEST EXTENT PERMITTED BY LAW.

INSURANCE. THE BUYERS SHALL TAKE OUT OWN INSURANCE. UNLESS OTHERWISE AGREED, ANY INSURANCE TAKEN OUT BY THE SELLERS DOES NOT COVER THE BUYERS' RISK IN THE CARGO AFTER DELIVERY HAS TAKEN PLACE. THE BUYERS ARE INVITED TO TAKE OUT OWN CARGO RISK INSURANCE AND OTHER CUSTOMARY INSURANCES. IF THE SELLERS TAKE OUT INSURANCE FOR THE BENEFIT OF THE BUYERS OR FOR THE PURPOSES OF PERFORMANCE UNDER THE CARGO CONTRACT, THE COST OF SUCH ADDITIONAL INSURANCE AND/OR ADDITIONAL PREMIUM SHALL BE PAID BY THE BUYERS TO THE SELLERS, UNLESS OTHERWISE AGREED.



+971 42542052
+971 42572273



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U.A.E, P.O. Box : 452911

(e) SAMPLING | CERTIFICATES OF QUANTITY AND QUALITY. IN THE CASE OF DELIVERY FROM A SHORE TANK OR TERMINAL (SUCH AS EX-TANK OR EX-WHARF), MEASUREMENTS OF QUANTITY AND THE TAKING OF SAMPLES AND ANALYSIS THEREOF FOR THE PURPOSES OF ASCERTAINING CONFORMITY WITH THE AGREED REQUIREMENTS UNDER THE CARGO CONTRACT SHALL BE CARRIED OUT BY THE SELLERS OR THE TERMINAL'S OWN QUALIFIED INSPECTOR IN ACCORDANCE WITH THE GOOD STANDARD PRACTICE AT THE LOADING TERMINAL AT THE TIME OF SHIPMENT, UNLESS THE BUYERS AND THE SELLERS JOINTLY AGREE TO AN INDEPENDENT INSPECTOR. QUALITY SHALL BE DETERMINED IN ACCORDANCE WITH TEST RESULTS RUN ON A VOLUMETRICALLY CORRECT COMPOSITE OF SAMPLES DRAWN FROM THE TANK. FOR THE AVOIDANCE OF DOUBT, WHERE DELIVERY IS MADE FROM MORE THAN ONE TANK, THE QUALITY SHALL BE DETERMINED IN ACCORDANCE WITH TEST RESULTS RUN ON A BLEND OF VOLUMETRICALLY CORRECT COMPOSITE SAMPLES DRAWN FROM EACH OF THE TANKS AND THEN BLENDED ACCORDING TO THE PROPORTIONS FROM EACH TANK. IF NO SUCH SAMPLING IS PERFORMED AT THE TIME OF DELIVERY, THE CERTIFICATE OF QUANTITY AND QUALITY (OR SUCH OTHER EQUIVALENT DOCUMENTS AS MAY BE ISSUED) SHALL, EXCEPT IN CASES OF MANIFEST ERROR OR FRAUD, BE CONCLUSIVE AND BINDING ON ALL PARTIES. IN CASE OF DISPUTE, THE PARTIES SHALL USE BEST ENDEAVORS TO AGREE ON THE INDEPENDENT LABORATORY TO PERFORM TESTING OF SAMPLES DRAWN PURSUANT TO THIS CLAUSE. IF THE PARTIES HAVE NOT AGREED ON THE CHOICE OF LABORATORY WITHIN 7 CALENDAR DAYS, THE SELLERS ARE ENTITLED TO SEND THE SAMPLE TO A REPUTABLE AND INDEPENDENT LABORATORY OF ITS CHOICE TO CARRY OUT SUCH TESTS AS ARE MENTIONED IN THE SELLERS' TESTING PROTOCOL. THESE TEST RESULTS WILL BE FINAL AND BINDING UPON THE PARTIES WITH RESPECT TO THE PARAMETERS ANALYSED AS SET OUT ABOVE. SAMPLES AND TESTS WHICH ARE NOT DRAWN/CONDUCTED IN ACCORDANCE WITH THE PROCEDURE DESCRIBED ABOVE CANNOT BE USED AS EVIDENCE FOR THE QUALITY OF THE CARGO. THE BUYERS' OWN TEST RESULTS ARE NOT ADMISSIBLE EVIDENCE IN ARBITRATION. NOTWITHSTANDING THE FOREGOING, THE NOTIFICATION AND TIME-BAR PROVISIONS IN CLAUSES 6(F) AND 7(C) (14-DAY QUALITY NOTIFICATION; IMMEDIATE PRE-LOADING NOTIFICATION FOR QUANTITY; 6-MONTH ARBITRATION BACKSTOP) SHALL APPLY EQUALLY TO CLAIMS ARISING UNDER CARGO SALES

QUALITY DETERMINATION. UNLESS OTHERWISE AGREED IN WRITING, THE QUALITY OF THE CARGO SHALL BE DETERMINED EXCLUSIVELY BY THE CERTIFICATE OF QUALITY ISSUED BY AN INDEPENDENT INSPECTOR APPOINTED OR MUTUALLY ACCEPTED BY THE PARTIES AT THE LOADING TERMINAL. SUCH CERTIFICATE SHALL BE FINAL, CONCLUSIVE AND BINDING UPON THE PARTIES, SAVE IN THE CASE OF FRAUD OR MANIFEST ERROR.



+971 42542052
+971 42572273



info@flexcommodities.com
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Unit 202, Fortune Executive
Tower, Cluster T, JLT, Dubai,
U.A.E, P.O. Box : 452911

- (f) ARRIVAL OF VESSEL, BERTH, LOADING ETC. THE BUYERS SHALL GIVE WRITTEN NOTICE TO THE SELLER 72 AND 48 HOURS PRIOR TO THE VESSEL'S ESTIMATED TIME OF ARRIVAL AT THE AGREED PLACE OF DELIVERY AND SHALL GIVE 24 HOURS' DEFINITE NOTICE OF THE VESSEL'S ARRIVAL AT THE AGREED PLACE OF DELIVERY. IF THE BUYERS FAIL, FOR ANY REASON, TO GIVE SUCH 24 HOURS' NOTICE, THE SELLERS MAY MAINTAIN OR CANCEL THE CARGO CONTRACT AND CLAIM DAMAGES FROM THE BUYERS FOR ALL LOSSES SUFFERED DUE TO THE BUYERS' DELAY. IF THE CARGO CONTRACT IS MAINTAINED, THE TIME ALLOWED TO THE SELLERS FOR DELIVERY SHALL BE EXTENDED BY A PERIOD EQUAL TO THE DELAY IN GIVING SUCH NOTICE. THE BUYERS SHALL ENSURE THAT BY NO LATER THAN 2359 HOURS (LOCAL TIME) ON THE LAST DAY OF THE LAYDAYS, THE VESSEL SHALL ARRIVE AT THE AGREED PLACE OF DELIVERY AND IN ALL RESPECTS BE READY, AND NOR SHALL BE TENDERED. HEREAFTER, THE BUYERS SHALL FORTHWITH TAKE DELIVERY. UNLESS OTHERWISE AGREED IN WRITING BY THE SELLERS, THE SELLERS SHALL NOT BE UNDER ANY OBLIGATION TO ISSUE NOR AND COMMENCE LOADING HEREUNDER PRIOR TO 0600 HOURS (LOCAL TIME) ON THE FIRST DAY OF THE LAYDAYS. AFTER RECEIVING THE NOR, HAVING REGARD TO THE REQUIREMENTS AT THE PLACE OF DELIVERY, THE SELLERS SHALL COMMENCE AND COMPLETE LOADING AS SOON AS REASONABLY PRACTICABLE, EVEN IF THIS MEANS THAT LOADING IS EFFECTED OR COMPLETED OUTSIDE THE LAYDAYS. DELIVERY SHALL ALWAYS TAKE PLACE AT A SAFE PORT OR PLACE WHERE THE VESSEL CAN ALWAYS LIE SAFELY AFLOAT FULLY LADEN. SHIFTING OF BERTH AND/OR LIGHTERING SHALL BE PERMITTED BUT THE COSTS INCURRED AND ANY TIME LOST SHALL BE BORNE BY THE BUYERS, UNLESS REQUESTED OR OCCASIONED BY THE SELLERS.
- (g) DEMURRAGE IN CASE OF CIF/CFR/FOB DELIVERIES OR SIMILAR AGREED TERMS. THE BUYERS SHALL PAY DEMURRAGE TO THE SELLERS AT THE RATE APPLICABLE TO THE DELIVERY BARGE AS OF WHEN NOR HAS VALIDLY BEEN TENDERED AND THE DELIVERY BARGE IS IN ALL RESPECTS READY TO DELIVER AT THE AGREED PLACE FOR DELIVERY. DEMURRAGE SHALL END 2 HOURS AFTER DISCHARGE IS COMPLETED PROVIDED THE DISCHARGING DOCUMENTS HAVE BEEN RECEIVED ON BOARD, OR, IF THE DEPARTURE OF THE DELIVERY BARGE IS DELAYED BY REASON OF THE BUYERS, UPON TERMINATION OF SUCH DELAY. WHERE THE CARGO IS SOLD FOB, LAYTIME AND DEMURRAGE (IF ANY) SHALL BE AS AGREED IN THE CARGO CONTRACT OR, IN THE ABSENCE OF AGREEMENT, IN ACCORDANCE WITH THE CHARTERPARTY TERMS GOVERNING THE BUYERS' NOMINATED VESSEL. THE BUYERS SHALL BE LIABLE FOR ANY DEMURRAGE, DETENTION OR DELAY AT THE LOADING TERMINAL CAUSED BY THE LATE ARRIVAL, READINESS FAILURE OR SLOW LOADING OF THE BUYERS' NOMINATED VESSEL, AND SHALL INDEMNIFY THE SELLERS ACCORDINGLY.
- (h) CARGO DIVERSION. ANY REQUEST BY THE BUYERS TO CHANGE THE LOADING PORT, DISCHARGE PORT, DELIVERY SCHEDULE, NOMINATED VESSEL OR VOYAGE INSTRUCTIONS SHALL ONLY BECOME EFFECTIVE UPON THE SELLERS' PRIOR WRITTEN APPROVAL. THE BUYERS SHALL BEAR ALL ADDITIONAL COSTS, EXPENSES, LIABILITIES, LOSSES, DEMURRAGE,



+971 42542052
+971 42572273



info@flexcommodities.com
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DETENTION, FREIGHT DIFFERENTIALS, STORAGE CHARGES, INSURANCE COSTS AND ANY OTHER EXPENSES ARISING DIRECTLY OR INDIRECTLY FROM SUCH CHANGE.

- (i) FAILURE TO TAKE DELIVERY WITHOUT PREJUDICE TO THE SELLERS' RIGHTS UNDER CLAUSE 8(D) AND ANY OTHER PROVISION OF THESE GENERAL TERMS AND CONDITIONS, WHERE THE BUYERS FAIL TO RECEIVE OR TAKE DELIVERY OF THE CARGO IN ACCORDANCE WITH THE CONTRACT, THE SELLERS SHALL BE ENTITLED, AT THE BUYERS' SOLE RISK AND EXPENSE, TO STORE, REDIRECT, RESELL OR OTHERWISE DISPOSE OF THE CARGO IN SUCH MANNER AS THE SELLERS CONSIDER COMMERCIALY REASONABLE. THE BUYERS SHALL INDEMNIFY THE SELLERS AGAINST ALL LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES ARISING THEREFROM, INCLUDING BUT NOT LIMITED TO STORAGE COSTS, DEMURRAGE, DETENTION, FREIGHT, INSURANCE, FINANCING COSTS AND ANY LOSS INCURRED UPON RESALE.
- (j) DOCUMENTARY DISCREPANCIES. NO DISCREPANCY, OMISSION OR CLERICAL ERROR IN ANY SHIPPING OR COMMERCIAL DOCUMENT, INCLUDING BUT NOT LIMITED TO THE BILL OF LADING, CERTIFICATE OF QUALITY, CERTIFICATE OF QUANTITY, CERTIFICATE OF ORIGIN, ULLAGE REPORT, CARGO MANIFEST OR ANY OTHER SHIPPING DOCUMENT, SHALL ENTITLE THE BUYERS TO REJECT THE CARGO, REFUSE PAYMENT OR TREAT THE CONTRACT AS REPUDIATED UNLESS SUCH DISCREPANCY MATERIALLY AFFECTS THE IDENTITY, QUANTITY OR QUALITY OF THE CARGO.
- (k) CHARTERPARTY CONDITIONS. IN CASE OF CIF/CFR DELIVERIES, THE SELLERS SHALL TRANSPORT (AND, FOR CIF, INSURE) THE CARGO TO THE AGREED PLACE OF DELIVERY AND MAY DO SO BY ENTERING INTO A CHARTERPARTY AND/OR ARRANGE SHIPMENT UNDER BILLS OF LADING THAT INCORPORATE CUSTOMARY CHARTERPARTY CONDITIONS FOR VOYAGE CHARTERPARTIES. WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING, THE SELLERS MAY ENFORCE CLAUSE 27 (h) ABOVE UNLESS THE SAID CHARTERPARTY'S DEMURRAGE CONDITIONS ARE MATERIALLY DIFFERENT IN WHICH CASE SUCH CONDITIONS SHALL BE DEEMED TO BE INCORPORATED HEREIN AND SHALL BE AN ENFORCEABLE TERM UNDER THE CARGO CONTRACT INSTEAD OF CLAUSE 27(h) ABOVE.
- (l) STS PROCEDURE. ANY LIGHTERING, LOADING FROM FLOATING STORAGE, OR VESSEL-TO-VESSEL TRANSFER OPERATIONS SHALL BE CARRIED OUT IN ACCORDANCE WITH THE PROCEDURES SET OUT IN THE ICS/OCIMF SHIP-TO-SHIP TRANSFER GUIDES AND MARPOL ANNEX I AS AMENDED BY RESOLUTION MEPC.186 (59), CHAPTER 8: PREVENTION OF POLLUTION DURING TRANSFER OF OIL CARGO BETWEEN OIL TANKERS AT SEA, REGULATIONS 40, 41, 42 FOR THE TRANSFER OF CRUDE OIL AND PETROLEUM PRODUCTS OR ANY MODIFICATIONS THERETO, OR ANY NEWER VERSIONS THEREOF.



+971 42542052
+971 42572273



info@flexcommodities.com
www.flexcommodities.com



Unit 202, Fortune Executive
Tower, Cluster T, JLT, Dubai,
U.A.E, P.O. Box : 452911

- (m) NOMINATION AND SUBSTITUTION. THE SELLERS SHALL FORTHWITH NOMINATE THE DELIVERY BARGE AND MAY SUBSTITUTE SAME AGAINST RECEIVING THE BUYERS'S ACCEPTANCE, WHICH SHALL NOT BE UNREASONABLY WITHHELD. THE BUYERS SHALL NOMINATE THE VESSEL AT THE TIME OF CONTRACTING AND MAY ONLY SUBSTITUTE THE VESSEL UPON RECEIVING ACCEPTANCE BY THE SELLERS, WHICH SHALL NOT BE UNREASONABLY WITHHELD.
- (n) REGULATORY COMPLIANCE. THE BUYERS WARRANT COMPLIANCE WITH AND SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY REGULATORY APPROVALS AND PERMITS REQUIRED FOR ITS PERFORMANCE OF THE CARGO CONTRACT AND FOR THE CARRIAGE AND IMPORTATION OF THE CARGO. ANY COSTS ASSOCIATED WITH OR CONSEQUENCES ARISING FROM NON-COMPLIANCE SHALL BE BORNE BY THE BUYERS.
- (o) PAYMENT. IF THE PARTIES HAVE AGREED THAT PAYMENT SHALL BE MADE BY WAY OF A LETTER OF CREDIT, THE BUYERS SHALL PROCURE AN IRREVOCABLE LETTER OF CREDIT ("**LOC**") BY A FIRST-CLASS INTERNATIONAL BANK ACCEPTABLE TO THE SELLERS IN A FORM ACCEPTABLE TO THE SELLERS AND THEIR BANK. THE LOC SHALL BE DELIVERED TO THE SELLERS IN EXECUTED FORM NO LATER THAN 7 DAYS BEFORE THE FIRST DAY OF THE LAYDAYS. THE SELLERS SHALL BE ENTITLED TO DELAY PERFORMANCE UNTIL THEY HAVE RECEIVED AND APPROVED THE LOC AND MAY DECIDE TO TERMINATE THE CARGO CONTRACT AND CLAIM DAMAGES FROM THE BUYERS. THE LOC SHALL BE SUFFICIENT TO COVER THE PRICE AGREED FOR THE CARGO WITH AN UPLIFT OF 15% PLUS A FURTHER AMOUNT TO COVER ESCALATION IN DUTIES INCLUDING VAT IF APPROPRIATE. ALL COSTS AND CHARGES ASSOCIATED WITH THE ESTABLISHMENT, MAINTENANCE, AND UTILIZATION OF THE LOC AND/OR MAKING THE PREPAYMENT (IF APPLICABLE), INCLUDING BUT NOT LIMITED TO ISSUANCE FEES, CONFIRMATION CHARGES, HANDLING CHARGES, AND CANCELLATION CHARGES SHALL BE BORNE BY THE BUYERS. DOCUMENTS SHALL BE PRESENTED IN CONFORMITY WITH THE TERMS OF THE LOC AND ANY DISCREPANCIES IN THE DOCUMENTS SHALL BE PROMPTLY RECTIFIED. IF THE TERMS OF PAYMENT UNDER THE LOC ARE NOT MET ON THE AGREED DUE DATE FOR PAYMENT, THE BUYERS GUARANTEE PAYMENT TO THE SELLERS AND SHALL MAKE PAYMENT TO THE SELLERS UPON DEMAND. THE LOC WILL BECOME NULL AND VOID ONCE PAYMENT HAS BEEN REMITTED BY THE BUYERS AND RECEIVED BY THE SELLERS INTO THE SELLERS' BANK ACCOUNT AND THE SELLERS SHALL PROTECT, INDEMNIFY AND HOLD THE BUYERS HARMLESS FROM AND AGAINST ANY AND ALL DAMAGES, LOSSES, LIABILITIES, COSTS, CLAIMS AND REASONABLE EXPENSES WHICH THE BUYERS MAY SUFFER BY REASON OF THE SELLERS' FAILURE TO PRESENT ANY DOCUMENTS AS REQUIRED UNDER THE LOC OR BY REASON OF ANY CLAIMS FROM THIRD PARTIES ALLEGING TO HOLD TITLE TO OR A LIEN IN THE CARGO.



+971 42542052
+971 42572273



info@flexcommodities.com
www.flexcommodities.com



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- (p) VAT / GST / SIMILAR TAXES. FURTHER TO CLAUSE 4 (b), WHERE VAT, GST OR A SIMILAR TAX BECOMES DUE UNDER THE RULES APPLICABLE AT THE PLACE WHERE THE DELIVERY BARGE WAS LOADED OR AT THE PLACE OF DELIVERY, THE SELLERS SHALL ISSUE A TAX INVOICE AND BE ENTITLED TO PASS ON THE VAT, GST OR A SIMILAR TAX AS AN ADDITIONAL EXPENSE WHICH SHALL BE BORNE BY THE BUYERS. UPON DEMAND BY THE SELLERS, THE BUYERS SHALL PROVIDE SUCH INFORMATION AS IS SATISFACTORY TO THE RELEVANT AUTHORITIES OF ANY EU MEMBER STATE OR OTHER STATES TO ALLOW ZERO RATING OF THE CARGO.
- (q) INDEPENDENT INSPECTION. ANY INSPECTION, SAMPLING, TESTING OR CERTIFICATION CARRIED OUT BY AN INDEPENDENT INSPECTOR APPOINTED OR MUTUALLY ACCEPTED BY THE PARTIES SHALL BE CONDUCTED IN ACCORDANCE WITH THE INSPECTOR'S STANDARD PROCEDURES. THE FINDINGS, CERTIFICATES AND REPORTS ISSUED BY SUCH INDEPENDENT INSPECTOR SHALL BE FINAL, CONCLUSIVE AND BINDING UPON THE PARTIES, SAVE IN THE CASE OF FRAUD OR MANIFEST ERROR. THE BUYERS SHALL NOT REJECT THE CARGO UNLESS THE INDEPENDENT INSPECTOR HAS CERTIFIED THAT THE CARGO MATERIALLY FAILS TO COMPLY WITH THE CONTRACTUAL SPECIFICATION. THE BUYERS SHALL IN ALL CIRCUMSTANCES TAKE REASONABLE STEPS TO MITIGATE ANY ALLEGED LOSS.
- (r) VESSEL NOMINATION. THE BUYERS SHALL NOMINATE A SUITABLE VESSEL AND PROVIDE ALL INFORMATION REASONABLY REQUIRED BY THE SELLERS WITHIN THE TIME SPECIFIED IN THE CARGO CONTRACT. FAILURE TO MAKE A TIMELY AND VALID NOMINATION SHALL CONSTITUTE A BREACH OF THE CONTRACT AND SHALL ENTITLE THE SELLERS TO EXERCISE ALL RIGHTS AVAILABLE UNDER THESE GENERAL TERMS AND CONDITIONS.
- (s) TITLE TO CARGO. NOTWITHSTANDING CLAUSE 16, IN RESPECT OF CARGO SALES: LEGAL AND BENEFICIAL TITLE TO THE CARGO SHALL REMAIN WITH THE SELLERS UNTIL THE SELLERS HAVE RECEIVED PAYMENT IN FULL OF ALL SUMS DUE UNDER THE CARGO CONTRACT. PENDING SUCH PAYMENT, THE BUYERS SHALL HOLD THE CARGO AS BAILEE FOR THE SELLERS, SHALL KEEP THE CARGO FREE OF ANY LIEN, ENCUMBRANCE OR SECURITY INTEREST, AND SHALL NOT SELL, PLEDGE, BLEND OR OTHERWISE DISPOSE OF THE CARGO OTHER THAN IN THE ORDINARY COURSE OF RESALE, PROVIDED THAT ANY SUCH RESALE SHALL NOT PREJUDICE THE SELLERS' RIGHTS TO TRACE PROCEEDS OF SALE. IN THE EVENT OF THE BUYERS' INSOLVENCY OR DEFAULT, THE SELLERS MAY TRACE AND RECLAIM THE CARGO OR ITS PROCEEDS OF SALE.]



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