

GENERAL TERMS OF SALE AND DELIVERY OF INCARGO S.L.

1. -GENERAL

- a) These General Terms of Sale and Delivery shall be applicable to any and all of our offers, contracts, agreements, deliveries and services of all kinds and to all negotiations in respect thereof.
- b) Should marine fuels be ordered by an Agent, then such Agent as well as the principal, shall be bound by, and liable for, all obligations as fully and as completely as if he were himself the principal whether such principal be disclosed or undisclosed, and whether or not such Agent purposes to contract as Agents only, both principal and Agents shall be considered buyers for purposes of this agreement.
- c) Deliveries of marine fuel made hereunder as delivered not only on the credit of buyer, but also on credit of the vessel receiving delivery of marine fuel and it is agreed and buyers warrant that seller will have and may assert a lien against the receiving vessel for the amount of the purchase of said marine fuel.
- d) General Terms of another party shall not apply, unless expressly accepted by us in writing.
- e) Contracts shall only be concluded when we have confirmed same in writing.
- f) We shall be free at all times to withdraw any offer made by us.

2.- QUALITY

a) The quality of the oils to be supplied will be under the commercial grades of Marine Fuels as generally offered to customers at the time and place of delivery, SELLER OTHERWISE MAKES NO WARRANTIES OF QUALITY, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE AND ANY IMPLIED WARRANTIES OR CONDITIONS WHETHER STATUTORY OR OTHERWISE ARE EXPRESSLY EXCLUDED.

INCARGO S.L. will give detail of the main specifications of the Fuels to be supplied to the officer in charge, before starting the delivery. Where standard specifications are being given or referred to, tolerance of 5% in quality are to be accepted without compensation or other consequences whatsoever. In case this information would not be given, Master, Ch Engineer or their representatives must request it.

b) One sealed sample of the product delivered shall be handled to the purchaser at his request. One such sample shall be retained by us for one month.

c) Any complaint of claim on the part of the purchaser with regard to the quality /quantity, etc., of the product delivered under the contract or the execution thereof, must be made to us by registered letter or fax, within 7 days from the date of delivery.

Quality claims must be based on the sealed sample closed and signed by vessels and suppliers representative, and quantity as per bunker receipt determined.

3.- QUANTITY

a) The amount of Fuels delivered shall be determined by measurements of shore tank, in case of delivery ex wharf, from the official gauge or meter of the bunkering barge or tank delivery and buyer will be charged on the basis of these measurements, which will be final and binding for both parties.

b) In respect of the quantity agreed upon, the Seller always have the right to deliver 10% more or less, with no other consequence than a similar variation to the corresponding invoice from the Seller. Seller shall always have the right to deliver, in his opinion, the quantity agreed upon to purchaser in one consignment or in parties.

c) Buyer, at his own expense, shall have the right to appoint an approved petroleum surveyor to inspect the Marine Fuels to be delivered, any sampling shall be done prior to product leaving shore tanks.

d) Seller shall not be responsible for any claim arising from the commingling of fuel delivered by Seller with other fuel aboard Buyer's vessel.

4.- PRICE.

a) The price to be paid for Marine Fuels delivered shall be as contracted for each operation, without taxes, charges or expenses.

b) All taxes, duties and additional delivery charges, including, but not limited to, barging or trucks charges, night, weekend or holiday surcharges or overtime charges, or other delivery charges customary for the port, cancellation fees, ecc, are for the account of Buyer. Seller reserves the right to pass on to Buyer any increase imposed by on Seller or on sales by Seller by any governmental authority subsequent to the date the price is offered or delivered is made, whether retroactive or not, and for this purpose Buyer expressly waives any applicable statute of limitations or prescription.

c) Should, after the agreement has been concluded, the prices on the world market or those of our suppliers, the costs of storage and/or transport, have risen, Seller shall be entitled to increase the price agreed upon and charge for the increase in the value.

5.- PAYMENT.

a) Payment shall be made by buyer, in U.S. dollars, unless specifically another currency be agreed, without discount, offset or deduction upon receipt by Buyer of written, telegraphic or other notification of quantities delivered and amounts due. Subsequent adjustments, if any, will be made upon receipt by Seller of the relevant bunker delivery receipt. Payment will be directed to the account mentioned in the relevant invoice.

b) Buyers are compelled to pay the full amount of sellers invoice within the agreed payment terms, let us say that money must be credited in sellers account maximum on the maturity date. Any duties and costs on the payment shall be for purchaser's account.

c) Buyer's failure to make payment in full of the amount noted by Seller shall be a breach of Buyer's obligations hereunder and Buyer agrees that any claims related to the delivery do not constitute a valid defence against Seller's claim for payment in full. Payment shall be considered past due if not received by Seller within thirty (30) days from the date delivery commences. Overdue payments shall be subject, at Seller's sole discretion, to a charge at the rate of two percent (2%) per thirty (30) day period or the maximum rate permitted under applicable law, whichever is less. If at any time Seller considers Buyer's financial condition inadequate to meet Buyer's obligation hereunder, cash payment in advance or security acceptable to Seller may be required before delivery and Seller may declare any amount then outstanding from Buyer to be immediately due and payable.

d) Buyer is enforced to pay total transportation costs (lorry/barge) of the oil requested by vessel, even the totality or part of the product would not be stored on board by short capacity or any other reasons imputable to the vessel. Buyer will pay too, returning costs and any losses incurred by Seller to downgrade the non accepted fuel, or otherwise are for the account of the buyer and are to be paid latest at the date the invoice is due.

e) If the purchaser is adjudicated bankrupt, applies for a moratorium in respect of his debts, loses the free control over his property or has in any other way apparently got into financial difficulties which justify the expectation that he will not make payments, in the sole discretion of the seller. Seller shall have the right to regard (without the intervention of any court or lay being required) the agreement(s) made with him or (as the case may be) parts thereof as dissolved and to claim compensation for the damage or loss resulting from such dissolution.

f) All judicial and extra-judicial costs and expenses, including the extra - judicial costs, expenses and disbursements of our lawyers which shall be incurred by us in connection with such non-payment or delayed payment or by any other breach, by the purchaser or these terms, shall be for his account. 10 (ten) percent of the amount to be claimed shall be charged by way of fixed extra-judicial costs and expenses without prejudice to our right to prove that the amount of such costs and expenses was excess of the said percentage and to claim in that event payment of such exceed amount.

6.- NOMINATIONS AND DELIVERIES.

a) Each bunker operation must be contracted explicitly with INCARGO S.L., and will not be closed until it be confirmed in writing or by / Fax, etc.

b) Buyer shall nominate vessel at least five (5) working days in advance of expected date of arrival (hereinafter "ETA"), specifying loading port, ETA, grades and quantities required. Nominations will be automatically cancelled without liability to either party if vessel does not arrive at delivery port and present itself for delivery within five days of indicated ETA. INCARGO S.L., without prejudice of any other remedies, reserves its right to impose a penalty of USD 6,00 per m.t., if buyer cancel unilaterally a firm nomination, except by force majeure.

c) In the event seller's capacity to perform becomes impracticable for any reasons including, but not limited to supplies, priorities, rationing or allocations of any product, Seller may reduce or stop deliveries in such a manner as it may in its sole discretion determine and shall be relieved of its obligations to perform hereunder.

d) Seller shall not be liable for any demurrage paid or incurred by Buyer or for any loss or damage of any nature whatsoever due to delays in berthing or any delay in delivery of Marine Fuels and, including but not limited to barge reasons, bad weather, waiting turn to be supplied, barge deliveries changes programme, etc.

7.- ENVIRONMENTAL PROTECTION.

a) Buyer is familiar with the health effects related to the Marine Fuels supplied hereunder and with relevant protective safety and health procedures for the handling and use of such Marine Fuels. Buyer shall adhere to such safety and health procedures while using or handling Seller's Marine Fuels. Buyer shall also facilitate the dissemination of health and safety information to all employees, users, and others potentially exposed to the Marine Fuels sold hereunder. Buyer shall be responsible for compliance by its employees, agents, and other users with all health and safety requirements or recommendations related to the Marine Fuels supplied hereunder and shall exert its best efforts to assure that any of its employees or agents, users, and others avoid frequent or prolonged contact with or exposure to the Marine Fuels both during and subsequent to delivery. Seller or Seller's supplier accepts no responsibility for any consequence arising from failure by Buyer, its employees or agents, any users, or any other party to comply with relevant health and safety requirements or recommendations relating to such contact or exposure.

b) If a spill occurs while Marine Fuels are being delivered, Buyer and Seller shall promptly take such action as is reasonably necessary to remove the spilled Marine Fuels and mitigate the effects of such spills. Seller is hereby authorized, at its option and at the expense of Buyer, to take such measures and incur such expenses (whether by employing its own resources or contracting with others) as are reasonably necessary in the judgment of Seller to remove the spilled Marine Fuels and mitigate the effects of such spills. Buyer shall cooperate and render such assistance as is required by Seller in the course of such action. All expense, claims, loss, damage, liability and penalties arising from spills shall be borne by the party that caused the spill. If both parties are at fault, all expense, claims, loss, damage, liability and penalties shall be divided between the parties in accordance with the respective degrees of fault.

c) In the event of a spill during fuelling, Buyer shall provide Seller with such documents and information concerning the spill and any programs for the prevention of spills as may be required by Seller or by law or regulations applicable in the port where the spill occurred.

d) Buyer warrants that the Marine Fuels purchased hereunder are for the operation of the nominated Vessel and that Vessel and that vessel only.

e) Buyer warrants that the Vessel is in compliance with all applicable national and international laws and regulations. The Vessel is subject to Seller's acceptance and will not be supplied fuel unless free of all conditions, difficulties, peculiarities, deficiencies or defects that might impose hazards in connection with its mooring, unmooring or bunkering.

f) Buyer warrants the vessel nominated is in compliance with all national and international regulations. Furthermore, it is the responsibility of the Master to notify the Seller or Seller's Supplier of any special conditions, difficulties, peculiarities, deficiencies or defects with respect to engines, boilers, navigational equipment. Mooring lines, tackle gear, any other types of equipment or goods transported which may impose hazards in connection with or otherwise jeopardize handling, mooring, unmooring or bunkering of the vessel. Buyer's vessel will not be moored at wharf or boarded by barge unless she was free of the aforesaid conditions, difficulties, peculiarities, deficiencies or defect.

8.- TITLE.

- a) Title and risks of oil shall pass from Seller to Buyer upon delivery of the fuel at the F.O.B. delivery point, delivery shall be deemed completed at the permanent intake connection of the vessel. In case payment of the value of the oil delivered to a vessel or any other of same owners/charterers would not be settled in time, the title of the oil will be automatically retained by seller.
- b) The property of the product sold shall pass to the Buyer only after the same has been delivered to him and the selling price and all additional charges incidental thereto due and payable by him shall have been satisfied.
- c) If product delivered by Seller to the Buyer is re-sold by him to third parties and over which a right of property on Seller part still exists, he shall be obliged to preserve his right of property to such product relating to a transaction and to transfer to Seller already beforehand all rights as against those third parties, including the right to payment.

9.- INDEMNITY.

- a) Buyer shall indemnify and hold Seller and Seller's supplier harmless from and against any and all claims, demands, suits or liabilities for damage to property or for injury or death of any person, or for non-compliance with any requirement of any governmental entity arising out of an act or omission of Buyer or its agents or servants in receiving, using, storing or transporting Marine Fuels delivered hereunder, including exposure thereto.

10.- FORCE MAJEURE.

- a) Buyer or Seller will be excused from its obligations hereunder to the extent that performance of either or both is delayed or prevented by circumstances beyond its or their control (Force Majeure) including, but not limited to, acts of God, weather, harbor conditions, fire, explosions, mechanical breakdown, strikes, plant shutdowns, civil disturbances and government regulations. Such Force Majeure shall not excuse Buyer's obligation to make payment for Marine Fuels received. Seller shall not be liable for any demurrage or other costs resulting from any such delay or failure to perform on the part of Seller.

11.- JURISDICTION AND LAW.

- a) All agreements/contracts to which these General Terms apply shall be governed by the Spanish Law.
- b) All disputes which might arise under agreements contracts to which the General Terms apply or under subsequent agreements connected therewith shall be settled (unless that an agreement between both parties be reached) by judgement in the Spanish Court – Madrid.