



CALICO ENERGY DMCC

TERMS & CONDITIONS FOR PURCHASE AND DELIVERY OF MARINE FUELS

1. Definitions:

Seller: Calico Energy DMCC or affiliated nominee
Buyer: Broker/trader/owner/charterer as indicated in the stem confirmation.
Supplier: The Seller and or the company from whom the Seller contracts to procure the physical delivery of Marine Fuel.

Marine Fuel: All or any of the Marine Fuel Oil, Diesel Oil, Gas Oil, or other products which the Seller has agreed to supply to the Buyer in accordance with the Nomination.

Nomination: The pre-delivery e-mail communication from Buyer to Seller confirming acceptance of the prices, specifications, and other terms agreed upon by the Buyer and Seller for the sale and delivery of Marine Fuel. In the event of any conflict between the Nomination and this Agreement, the Nomination shall govern.

Vessel: The Vessel to which the Marine Fuel is to be delivered.

STS Point: The Point at which the Seller has agreed to deliver the Marine Fuel by STS under this Agreement.

Agreement: This Agreement between the Seller and the Buyer for the sale and supply of Marine Fuel forms part of the nomination as referred to in the stem.

2. Prices and Charges:

The prices and charges for Marine Fuel shall be as set forth in the Nomination.



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3. Quantity:

- 3.1 The quantities of Marine Fuel delivered shall be measured and calculated in accordance with the ASTM-API-IP Petroleum Measurement Tables.
- 3.2 Any discrepancy between Supplier's figure and Vessel's figure shall be resolved pursuant to Clause 16.
- 3.3 For safety reasons (overflow etc.), acceptance of final quantity to be delivered shall be in the option of the Master of receiving Vessel. In the event Master's final quantity determination results in a shutout of product, the Buyer will be responsible for all reasonable and substantiated expenses involved in return of the product, unless non-acceptance is due to Supplier's default.

4. Quality:

The quality of the Marine Fuel shall be within the Min/Max limits of the International Standard ISO 8217:2005.

5. Sampling:

- 5.1 Samples shall be representative of the Marine Fuel supplied. Sampling by Supplier shall be done at the time and place where the product leaves barges.
- 5.2 Supplier shall take three representative samples of each grade of marine fuel(s) to be delivered. One sample shall be given to the Master of the Vessel receiving the Marine Fuel; the other two samples shall be retained by Supplier.
- 5.3 The samples must be kept by the Supplier for at least three months from the date of delivery in a safe place for verification of the quality thereof. If Buyer makes a claim or complaint within fifteen (15) days of date of delivery one of the two remaining samples on bunkering barge shall be submitted for analysis to a locally independent laboratory mutually appointed by Buyer and Supplier.
- 5.4 The findings from the independent laboratory shall manifest the quality of the product delivered. Any results within reproducibility limits will be considered as accepted specifications.

6. Nomination:

- 6.1 The Nomination shall contain information regarding Vessel's name, expected date of delivery at STS point, quantity, and grades. The Supplier shall deliver the Marine Fuel at the terms and prices agreed to in the Nomination.
- 6.2 Buyer or Vessel's Bunker Trader shall provide the Supplier with as accurate information about the Vessel's arrival as possible.
- 6.3 Nominated price will be valid for 5 days. The ETA shall become the accepted date



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for delivery and Suppliers bind themselves to deliver with 24 hrs from arrival which would have been accepted as the delivery date.

- 6.4 Buyer is to provide Supplier with 72/48/24/12 hr notices of arrival and any cancellation within that period shall be deemed as a cancellation.

7. Delivery:

- 7.1 The buyer shall be responsible to make all connections and disconnections between the delivery hose(s) and the Vessel's intake pipe and to ensure that the hose(s) are properly secured to the Vessel's manifold prior to the commencement of delivery. The buyer will give instructions to the barge to commence pumping.
- 7.2 The Vessel shall be bunkered as promptly after readiness as possible, and the Supplier will ensure sufficient pumping capacity to deliver the Marine Fuel.
- 7.3 Subject to weather conditions, delivery of the Marine Fuel shall be made day and night, Sundays and holidays included without any overtime charges to Buyer unless such charges have been agreed prior to delivery.
- 7.4 Buyer is to ensure that all tanks are clean and cargo worthy. Buyer is responsible to have vessel ready to receive bunkers and all blank flanges removed and all gaskets and hoses fitted.
Buyer is to ensure that vessel's representative takes all ullages of Suppliers barge prior and after delivery. Failing to do so will be the full and sole responsibility of the buyer and no claims on shortage will be entertained. In such a case Suppliers determination of quantity shall be deemed as correct and binding.
- 7.5 The Sellers will not be held responsible for any delay/demurrage /loss of charter/ taxes/ anchorage dues etc if buyers stem another supply of any similar or other grade with other suppliers during this bunker call. Sellers also reserve the right to claim for any delays/demurrage if supply cannot be made on arrival due to other suppliers taking preference.

8. Delivery Note:

The bunker barge will present to the receiving vessel a copy of the BDR indicating the quantity and grade of fuel to be supplied. Together with Viscosity at 50 degrees Centigrade, Density at 15 degrees Centigrade, water content in percent volume and flash point.

A copy of this delivery note will be signed by the responsible officer onboard the receiving Vessel as acknowledgement of receipt.

9. Payment:

- 9.1 Payment for Marine fuel shall be made by Buyer to seller by telegraphic transfer



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within the agreed time frame as per nomination.

A copy of the bunker delivery receipt signed by Supplier and Vessel shall be made available to Buyer before payment date.

9.2 The Supplier's invoice must as a minimum include:

- Name of receiving Vessel
- Place and date of delivery
- Description of quantities and grades
- Payment Bank details, and corresponding bank, if required

9.3 The Marine Fuel under this contract delivered on credit to the Buyer. The Supplier shall not exercise a lien against the receiving Vessel before the expiry date for payment unless sufficient reason to do so.

9.4 Full Payment is to be received free of any bank charges on the due date. Interest at 5% (five) per month or part thereof will be charged on overdue accounts together with a late payment fee of USD 1000.

9.5 When due date is a Saturday / Sunday Bank or public holiday, payment must reach the supplier on a working day before or after such closures. If the due date proceeding or following one of these days is also a Bank or public holiday, payment is to be received on the working day before or after such closures. Any costs or expense including legal fees incurred by CALICO ENERGY DMCC. in recovering any debt for unpaid bunkers shall be borne by the debtor's vessel.

9.6 Any costs of any nature and/or legal fees incurred by Calico Energy DMCC. in recovering any outstanding invoice in connection with the supply shall be for the buyer's account. Calico Energy DMCC. shall be entitled o claim all these costs incurred in recovering the outstanding amount from the buyer/vessel.

10. Title & Risk:

Title in and risk of loss of the Marine Fuel shall remain with the Supplier until the Marine Fuel has passed the inlet flange on the receiving Vessel. The Marine Fuel shall be transported and pumped by and at the risk of the Supplier until it has passed the inlet flange on the receiving Vessel.

Title to the products in the specific stem shall remain with the supplier until they would have been paid in full. The supplier shall have a lien on the vessel and on any bunker on board in respect of such claim for payment for the products including payments of interest, legal and ancillary costs in purchasing these bunkers, the buyers are warranting that they have the authority to bind the vessel with this lien and that they are making the stem on behalf of both the owners and charterers. It is the buyers' responsibility to obtain authority and to advise any other interested party of the condition mentioned here. A disclaimer note issued



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by the vessel's representative does not in any way waive the supplier's lien on the vessel.

11. Claims:

- 11.1 Written notice of claims shall be submitted within 15 days after date of delivery.
- 11.2 The Buyer's representative may state any protest, regarding the supplied quantity and/or the Suppliers performance on the bunker delivery receipt or by submitting separate letter of protest.
- 11.3 Buyer will be responsible for all demurrage, or any other expense incurred by the Suppliers if the documents are not signed and the barge not released from alongside the vessel.

12. Indemnity:

- 12.1 The Buyer will indemnify and hold harmless, the Supplier against any claims, losses, costs, damages, or expenses incurred by the Supplier and resulting from the supply of the Marine Fuel under this Agreement to the extent that such claims, losses, costs, damages, or expenses are caused by the negligence, error, omission, or violation of law of the Buyer or its agents or subcontractors, in performing any obligation under this



Agreement. Notwithstanding any other provision, the Buyer will not indemnify or hold harmless the Supplier against any claims, losses, costs,

damages, or expenses caused by the act or omission of any third party that is not an agent or sub-contractor of the Buyer.

12.2 The Supplier/seller will indemnify and hold harmless the Buyer and the Vessel Owner/Operator against any claims, losses, costs, damages, or expenses incurred by the Buyer or Vessel Owner/Operator and resulting from the supply of the Marine Fuel under this Agreement to the extent that such claims, losses, costs, damages, or expenses are caused by the negligence, error, omission, or violation of law of the Supplier, or its agents or subcontractors, in performing its obligations under this Agreement. Notwithstanding any other provision, the Supplier will not indemnify or hold harmless the Buyer or Vessel Owner/Operator against any claims, losses, costs, damages, or expenses caused by the act or omission of any third party that is not an agent or subcontractor of the Supplier.

12.3 In the event that the Marine Fuel is found to be outside the applicable quality specifications of this Agreement, Supplier shall pay Buyer full compensation for any direct costs, expenses, or damages to the extent incurred by the Buyer because of such breach, including but not limited to mechanical damages and loss of time and hire for the Vessel to which the Marine Fuel was supplied.

12.4 Both buyers and suppliers shall be responsible for ensuring that their respective vessels have an adequate P & I cover. Any disputes arising between the buyer and supplier related to any damages caused during manoeuvring as well as during the supply, shall be handled by the respective clubs. Both buyers and sellers are obliged to indicate names of such clubs together with details. Buyers have no right to withhold payment for bunkers supplied in lieu of any damage caused during manoeuvring or during the supply. If this is done buyers are in breach of their contractual obligation on this agreement and incur a fine of USD 3000 besides the late payment fees and interest as stipulated in this agreement.

13. Environmental Protection:



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- 13.1 If during any delivery performed under this Agreement there is any escape or spillage of Marine Fuel prompt action shall be taken by both the Buyer and the Supplier to contain the spillage and limit the damage to the environment, persons and/or property.
- 13.2 The Supplier will ensure that oil spill contingency plans exist and so far, as It is able that such plans are approved by the appropriate authorities and that required personnel and equipment are present. Supplier shall require all its agents and subcontractors to meet all oil spill response planning, personnel, and equipment regulations.
- 13.3 The indemnification and hold harmless provisions of clause 12 are hereby expressly made applicable to liability arising in respect of any escape or spillage of Marine Fuel.
- 13.4 The Supplier shall be responsible for ensuring that the barge company is adequately insured for oil spill damages. The insurance shall cover liability for all spills caused in whole or in part by the acts or omissions of the Supplier, including spills caused by the Supplier from the Vessel during delivery.

14. Force Majeure:

- 14.1 Neither the Buyer nor the Supplier shall be responsible for failure to fulfil their respective obligations under this Agreement if such failure is caused by circumstances beyond their control.
- 14.2 This clause shall not apply to Supplier's obligations to deliver Marine Fuel within the agreed specifications or to Supplier's obligations according to 13.3 and 13.4.

15. Agreement:

Unless otherwise agreed in writing, the terms and conditions of this Agreement shall apply to the exclusion of all others.

16. Disputes:

- 16.1 Disputes arising from this Agreement and/or deliveries effected under this Agreement shall be solved by amicable discussions between the parties concerned. Should this fail the provisions of this agreement shall be governed by the law of United Arab Emirates and disputes shall be heard before the competent Court of United Arab Emirates.
- 16.2 In addition to the above clause, 16.1 and in case of breach of contract by the Buyer, the Seller shall moreover be entitled to take any legal action in any court of law or commence arbitration in any state or country which the Seller may freely choose and which the Seller finds relevant in order to safeguard or exercise the Seller's rights in pursuance of this present Agreement. The Seller shall be entitled to assert its rights of lien or attachment or other rights,

whether in law, in equity, or otherwise, in any jurisdiction and applicable law where the Vessel may be found.

- 16.3 As soon as the bunkers have been supplied to the buyer's vessel, these Terms & Conditions shall be automatically deemed accepted by the buyer and binding to the buyer.

17. Amendment:

The Company reserves the right to amend these Standard Terms and Conditions of Trading at any time without notifying the Customer. Such amendments will not, of course, apply retrospectively, and will not affect any business transaction which the Company has contracted with the Customer prior to such amendment.

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