



Olefins and Polymers Europe

**GENERAL TERMS AND CONDITIONS
FOR THE SALE AND PURCHASE
OF PETROCHEMICAL PRODUCTS (2015)**

TABLE OF CONTENTS

<u>Part</u>	<u>Content</u>	<u>Page</u>
<u>One</u>	In respect of FOB Deliveries by sea	3
<u>Two</u>	In respect of CFR, CIF and DAP deliveries by sea	10
<u>Three</u>	In respect of FOB, CFR and CIF deliveries by barge	18
<u>Four</u>	In respect of DAP, DDP and EXW deliveries as applied to Ex Tank, Into Tank, In Situ (stock transfer) and Pipeline deliveries	20
<u>Five</u>	In respect of deliveries by Road and Rail	22
<u>Six</u>	Applicable to each of Parts One, Two, Three, Four and Five	24
<u>Seven</u>	Schedules:	
	Schedule A Seller's Indemnity format	39
	Schedule B Documentary Letter of Credit format	40
	Schedule C Standby Letter of Credit format	41
	Schedule D Supplement in respect of EU documentation etc.	42
	Schedule E Requirements in respect of Vessels at the Loading Terminal or Discharge Port and, where applicable, during the Voyage	44
	Schedule F INEOS Emergency Instructions	46

PART ONE

In respect of FOB deliveries by sea

1.1 Measurement and Sampling

Measurement of the quantities and the taking of samples for the purposes of determining the compliance of the Product with the quality and quantity provisions of the Special Provisions shall be carried out by Seller in accordance with good standard practice at the Loading Terminal at the time of shipment. Notwithstanding the provisions of sub-section 1.2, the certificates of quantity and quality (or such other equivalent documents as may be issued at the Loading Terminal) of the Product comprising the shipment issued in accordance with such standard practice shall, except in cases of manifest error or fraud, be conclusive and binding on both parties for invoicing purposes but without prejudice to the rights of either party to make any claim pursuant to Section 29. Quantity shall be measured in vacuum.

1.2 Independent Inspection

1.2.1 Where the Loading Terminal is operated by the Seller or an Affiliate of the Seller, the Buyer shall have the right to appoint an independent inspector at the Loading Terminal, subject to prior agreement of the Loading Terminal operator having, where necessary, been obtained. Such appointment shall be notified in writing to the Seller. However, except with the specific prior written agreement of the Seller, all charges in respect thereof shall be for the Buyer's account and the duties of such inspector shall be considered solely as a service to the Buyer.

1.2.2 Where the Loading Terminal is not operated by the Seller or an Affiliate of the Seller, either party shall have the right to appoint a mutually acceptable independent inspector at the Loading Terminal, subject to prior agreement of the Loading Terminal operator having, where necessary, been obtained. Such appointment shall be notified in writing to the other party. All charges in respect thereof shall be shared equally between the parties and the inspector's report shall be made available to both parties.

Section 2 - Risk and title

2.1 Notwithstanding any right of the Seller to retain the documents referred to in Section 34 until payment, the risk and title in the Product delivered under the Agreement shall pass to the Buyer as the Product passes the Vessel's permanent hose connection at the Loading Terminal. If the Product delivered hereunder forms an unascertained part of a larger bulk, payment for the Product delivered hereunder shall, solely for the purpose of enabling property in such Product to pass to the Buyer pursuant to Section 20(A) of the Sale of Goods Act 1979, be deemed to have been made as such Product passes the Vessel's permanent hose connection at the Loading Terminal.

2.2 Any loss of or damage to the Product during loading, if caused by the Vessel or its officers or crew, shall be for the account of the Buyer. Any claim made by Seller's supplier(s) against the Seller in respect of damage to any facilities at the Loading Terminal (excluding facilities operated by the Seller or an Affiliate of the Seller) caused by the Buyer's Vessel shall be borne by the Buyer.

Section 3 - Nomination of Vessels, etc.

3.1 Full and Part Cargo lots

Unless otherwise provided in the Special Provisions, delivery hereunder shall be given and taken in full cargo lots.

3.2 Nomination of Vessel

3.2.1 Each Vessel which is to load Product hereunder shall be nominated in writing by the Buyer to the Seller. Such notice ("the Nomination") shall specify:

- (a) the name of the Vessel, date built, flag and Loading Terminal agent;
- (b) the grade and approximate quantity to be loaded;
- (c) the loading terminal laydays and the ETA of the Vessel at the Loading Port;
- (d) the destination(s) of the Vessel;
- (e) the length of the Vessel and such other information as may be required by the Loading Terminal operator from time to time;
- (f) full written instructions regarding the particulars and destination of the bills of lading and such other customary Loading Terminal documentation which may be required, including but not limited to an AAD and, where appropriate, the information specified in the Schedules hereto (and, for the avoidance of doubt,
 - (i) the Buyer shall be liable for all costs resulting from any delays in loading Product hereunder due to failure by the Buyer to supply such information in a timely manner, and;
 - (ii) any such delays shall not count as used Laytime or, if the Vessel is on demurrage, as time on demurrage); and
- (g) details of any cargo on board if loading a part cargo.
- (h) the laytime, applicable demurrage rate, currency and charter party (as amended)
- (i) in the case of LPG, or liquefied or partially liquefied petrochemical gases, the loading temperature of the Vessel's cargo tanks

3.2.2 The Nomination shall be made

- (a) on or about the time the Agreement is entered into between the parties, or
- (b) at least 5 days prior to the first day of the Loading Terminal Laydays of the Vessel so nominated, whichever is the later.

3.3 Substitution of Vessels

In respect of any Vessel named in the Nomination, the Buyer may, or if necessary to perform its obligations under the Agreement must, substitute therefor another Vessel provided always that:

3.3.1 the Buyer shall give the Seller notice in writing of the name of the proposed substitute Vessel not less than one London banking day before the first of the Loading Terminal Laydays as agreed in the original Nomination, whereas requests outside this time frame are subject to mutual agreement by the Parties;

3.3.2 any proposed substitute vessel shall be subject to the approval of the vetting department of Seller;

3.3.3 the size of the substitute Vessel and the quantity to be loaded shall not, without the prior written consent of the Seller, differ materially from the size of the Vessel previously named and the quantity specified in the Nomination;

3.3.4 the Laydays which would have applied in respect of the Vessel originally nominated shall apply to the substitute Vessel.

3.4 ETA

The Buyer or its representative shall notify the Seller or its representative of any change or changes in the ETA notified pursuant to sub-sections 3.2 or 3.3, but the Laydays shall be revised only with the Seller's specific written agreement.

3.5 Equipment of Vessels/Acceptance / Rejection of Nominations and Vessels

3.5.1 All Vessels shall have double hull cargo tanks and are subject to INEOS Marine Assurance Services (IMAS) approval.

3.5.2 The Seller shall inform the Buyer of its acceptance or rejection of the Vessel nominated by the Buyer before the close of the business day following the day on which the nomination has been received.

3.5.3 Notwithstanding anything to the contrary express or implied elsewhere herein, the Seller shall have the right:

3.5.3.1 to reject any Nomination made by the Buyer pursuant to sub-sections 3.2 or 3.3 on any reasonable ground, which must be disclosed to the Buyer; and/or

3.5.3.2 to refuse, on any reasonable ground, which must be disclosed to the Buyer, to accept for loading any Vessel named pursuant to sub-sections 3.2 or 3.3; and/or

3.5.3.3 to reject the Vessel in question, notwithstanding any prior acceptance of such Vessel (whether named in the Special Provisions or nominated or substituted pursuant to sub-sections 3.2 or 3.3), on a reasonable ground, if such Vessel is involved in any incident or more recent information regarding such Vessel becomes available to the Seller at any time after such prior acceptance which constitutes a reasonable ground for rejection. Any such reasonable ground must be disclosed to the Buyer without undue delay.

3.6 Regulations at the Loading Terminal

All applicable governmental, local and port authority regulations, the Seller's or the Seller's suppliers' regulations and any other requirements of whatever nature and in force at the Loading Terminal shall apply to the Buyer's Vessel (including without limitation the requirements set out in Schedule E). Notwithstanding anything to the contrary express or implied in Sections 4 and 5 or in this Section 3, if any Vessel nominated by the Buyer does not comply with the foregoing provisions or any of them, the Seller or the Seller's supplier may refuse to berth or load the Vessel in question.

3.7 Changes in procedures

Without prejudice to the Buyer's obligations as set out in sub-section 4.3.1, this Section 3 shall be subject to reasonable modification, by written notice from the Seller to the Buyer, to take account of changes in the Nomination and/or other procedures applicable from time to time at the Loading Terminal.

3.8 Prompt delivery

If the date of the Agreement is later than any of the dates for notification specified in the Special Provisions or this Section 3, then both parties shall make best efforts to complete within one banking day in London of the date of the Agreement all procedures which would have preceded the date of the Agreement aforesaid.

3.9 Liability

The Seller shall not be liable for the consequences of (i) rejection or delay (including but not limited to demurrage) of the Vessel or (ii) other restriction suffered in respect of the Vessel, in each case by virtue of the application of any regulations or other requirements of this Section 3 and/or Schedule E, and the Buyer shall be liable for any costs or damages incurred by the Seller arising out of any such rejection of, delay to or restriction of the Vessel.

Section 4 - Arrival of Vessel, loading, Berth etc.

4.1 Arrival of Vessel

4.1.1 The Buyer shall arrange for its Vessel to report to the Seller or its representative at the Loading Terminal each of 72, 48, 24 and 12 hours prior to its arrival and otherwise in accordance with the standard reporting procedure applicable from time to time at the Loading Terminal in question.

4.1.2 The Buyer shall ensure that by 24:00 hours (local time) on the last day of the Laydays:

4.1.2.1 the Vessel nominated by the Buyer hereunder shall arrive at the Loading Terminal in question (or the usual waiting place), complete all formalities and in all respects be ready to commence loading the Product deliverable hereunder; and

4.1.2.2 a valid NOR has been tendered.

4.1.3 Once NOR has been tendered pursuant to sub-section 4.1.2, the Buyer shall be obliged to receive delivery of the Product in accordance with sub-section 4.2.1.

4.2 Loading

4.2.1 After receipt of the NOR pursuant to sub-section 4.1, the Seller, having regard to the requirements of the Loading Terminal, Loading Terminal procedures and the time when the Vessel has complied with the provisions of sub-section 4.1, shall commence loading as soon as reasonably practicable, even if this means that loading is effected or completed outside the Laydays or outside any other period specified in the Special Provisions.

4.3 Berth

4.3.1 Subject to compliance by the Buyer and its nominated Vessel with all other requirements of the Loading Terminal at the time in question, the Seller shall provide or cause to be provided free of charge to the Buyer (subject to the provisions of sub-section 32.4) a Berth to be indicated by the Seller or its representative at which a Vessel having the characteristics of length overall, draught and any other dimensions not exceeding the length, draught and any other dimensional restrictions then in force at the Loading Terminal at the time in question, can safely reach and leave and where it can always lie safely afloat.

4.3.2 It shall be the absolute responsibility of the Buyer to acquaint itself, and comply, with the requirements of the Loading Terminal current at the relevant time.

4.3.3 Notwithstanding the foregoing, if the Berth in question requires the Buyer's Vessel to be loaded from a floating storage facility, lighter or other Vessel by means of ship-to-ship transfer, such Berth shall be subject to the Buyer's ship or Loading Terminal vetting procedures and the Buyer may, on any reasonable ground which must be disclosed to the Seller and without liability, refuse the use of such facility for the purpose of loading its nominated Vessel.

4.3.4 If, while the Vessel nominated by the Buyer is approaching, entering or departing from the Loading Terminal, or is present in the Loading Terminal, the length, draught or other dimensions of such Vessel shall exceed the length, draught or other dimensions so ascertained for the Loading Terminal in question for whatever reason, the Seller shall not be liable for any loss or damage caused as a result thereof and the Seller shall not be obliged to commence or continue loading.

4.4 Vacation of Berth

The Buyer's Vessel shall vacate the Berth as soon as loading hoses have been disconnected, provided that such Vessel's departure is not delayed awaiting production of Loading Terminal documents unless such documents can be delivered to the Vessel at a suitable anchorage or where early departure procedure ("EDP") is applied. If the Vessel fails to vacate the Berth, unless for reasons attributable to the Seller, its supplier or the Loading Terminal operator, any loss or damage suffered by the Seller or its supplier resulting from such failure, shall be paid by the Buyer to the Seller.

4.5 Shifting

4.5.1 The Seller shall have the right to shift the Vessel from one Berth to another. All costs for shifting, including but not limited to damages for delay, shall be for the Seller's account if such shifting is for the Seller's purposes and otherwise shall be for the Buyer's account.

4.5.2 The Buyer shall have the right to load at more than one Berth at each Loading Terminal on payment of expenses properly incurred as follows;

- (a) unmooring at, and pilotage and towage off, the first Loading place;
- (b) mooring and unmooring at, and pilotage and towage to and off the intermediate Loading place(s);
- (c) mooring at, and pilotage and towage to the last Loading place.

4.5.3 The Buyer shall also pay any port dues and/or other charges incurred in excess of those which would have been incurred if all the Cargo(es) involved at the particular port had been loaded at the first place only. Time consumed on account of shifting between berths shall count as Laytime or, if the vessel is on Demurrage, for Demurrage.

4.6 Dues on Vessels at the Loading Terminal

All duties, fees, taxes, quay dues, ISPS costs and other charges, whether similar to the foregoing or not and without limitation, due in respect of the Vessel as well as pilotage, mooring and towage expenses incurred at the Loading Terminal shall be borne by the Buyer.

Section 5 - Laytime and damages for delay

5.1 Laytime

Subject as hereinafter provided in this Section 5, the time allowed to the Seller for the loading of the quantity of Product deliverable hereunder to each Vessel shall be as per agreed Nomination in section 3.2.

5.2 Running hours

Running hours shall be determined in accordance with the charter party in the agreed Nomination and in the event that no charter party terms are agreed, running hours shall be as follows:

5.2.1 Subject as otherwise provided in this sub-section 5.2 or elsewhere in the Agreement, running hours shall commence berth or no berth 6 hours after a valid NOR is given to the Seller or its representative by the master of the Vessel (or his/her representative) after its arrival at the Loading Terminal, or on commencement of loading, whichever is the earlier, provided always that (a) the Buyer has complied with sub-section 4.1.1, and (b) such NOR is given in accordance with the provisions of sub-section 4.1.2.

5.2.2 If NOR is given for the Vessel before the first day of the Laydays, running hours shall commence at 06:00 hours on the first day of the Laydays or on commencement of loading, whichever is the earlier. If NOR is given for the Vessel after the last day of the Laydays and is accepted for loading by the Seller in its sole and absolute discretion, then, without prejudice to any of the Seller's other rights, running hours shall commence only on commencement of loading.

5.2.3 For the purposes of calculating running hours, loading shall be deemed to be completed upon disconnection of loading hoses.

5.2.4 Any delay arising out of or in connection with any of the following situations shall not be counted or included in calculating the time taken by the Seller to load the shipment or the time in respect of which the Seller is liable for demurrage (whether or not the Vessel is already on demurrage):-

- (a) on an inward passage moving from waiting place, even if lightening has taken place at the waiting place, to the Loading Terminal or Discharge Port;
- (b) due to breakdown, inefficiency or other cause(s) attributable to the vessel and/or Owners;
- (c) as a result of strike, lock out, stoppage or restraint of labour of Master, Officers or crew of the vessel or tug boats or pilot or other port, harbour or dock authority personnel;
- (d) in handling ballast, cleaning or drying cargo tanks;
- (e) in waiting for tides.

5.3 Damages for delay

5.3.1 In the event of any delay of any kind or from any cause whatsoever whether in connection with the scheduling of the Vessel's turn to load (including any change in such scheduling), provision of a Berth for the Vessel, berthing or loading of the Vessel or otherwise howsoever without limitation and provided always that the Vessel is eventually loaded pursuant to sub-section 4.2.1, any rights of the Buyer against the Seller, however the same may arise and whether or not arising under the Agreement, shall be limited to any claim for the payment of demurrage as hereinafter specified, and the Buyer shall not be entitled to complain directly or indirectly of any delay except for the purpose of founding a claim to such demurrage.

5.3.2 Subject to sub-section 5.4:-

5.3.2.1 if the shipment is not loaded within the time allowed in accordance with sub-section 5.1, the time so allowed shall be extended by the excess time but the Seller shall pay to the Buyer

demurrage, in the same currency as is prescribed for payment in the Nomination, in respect of the excess time at the appropriate rate per day (or pro rata for part of a day) as hereinafter specified. The Seller shall not be liable (other than for demurrage as aforesaid) for any loss or damage, direct or indirect, which the Buyer may suffer as a result of the shipment not being loaded within the time allowed in accordance with sub-section 5.1;

5.3.2.2 the appropriate rate of demurrage shall be either the rate, if any, specified in the Nomination or in the Special Provisions and in the event of conflict, the Special Provisions shall prevail.

5.4 Demurrage claims

In no event shall the Seller be liable for demurrage hereunder unless the demurrage claim has been submitted to the Seller in writing within 60 days of the date of disconnection of loading hoses, stating in reasonable detail the specific facts upon which the claim is based, provided that all documentation which is not at that time available to the Buyer shall be submitted to the Seller within 90 days of the date of disconnection of loading hoses. If the Buyer fails to give such notice or fails to provide such documentation within the aforesaid limits, then any liability of the Seller for demurrage shall be waived and time-barred.

5.5 Part cargo lots

If any delivery hereunder is co-loaded with Product being delivered to the Buyer by another supplier at the same Berth, the Seller shall only be liable for that proportion of the demurrage equal to the ratio of the volume delivered by the Seller to the total volume loaded onto the Vessel at that Berth.

Section 6 – International Ship and Port Security (ISPS) Code

6.1 Buyers shall procure that the vessel shall comply with the requirements of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS Code) and where the loading port is within the USA and US territories or waters, with the US Maritime Transportation Security Act 2002 (MTSA),

6.2 The vessel shall when required submit a Declaration of Security (DoS) to the appropriate authorities prior to arrival at the loading port.

6.3 Notwithstanding any prior acceptance of vessel by Seller, if at any time prior to the passing of risk and title the vessel ceases to comply with the requirements of the ISPS code or MTSA., Seller shall have the right not to berth such nominated vessel and any demurrage resulting shall not be for the account of the Seller, and Buyer shall be obliged to substitute such nominated vessel with a vessel complying with the requirements of the ISPS Code and MTSA.

6.4 Seller shall procure that the loading port/terminal/installation shall comply with the requirements of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS Code) and if located within the USA and US territories, with the US Maritime Transportation Security Act 2002 (MTSA).

6.5 Any costs or expenses in respect of the vessel including demurrage or any additional charge, fee or duty levied on the vessel at the loading port and actually incurred by Buyer resulting directly from the failure of the loading port/terminal/installation to comply with the ISPS Code and if located within the USA and US territories, with the MTSA, shall be for the account of the Seller, including but not limited to the time required or costs incurred by the vessel in taking any action or any special or additional security measures required by the ISPS code or MTSA.

6.6 Save where the vessel has failed to comply with the requirements of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS Code) and within the USA and US territories or waters, with the US Maritime Transportation Security Act 2002 (MTSA), the Seller shall be responsible for any demurrage

actually incurred by the Buyer arising from delay to the vessel at the loading port resulting directly from the vessel being required by the port facility or any relevant authority to take any action or any special or additional security measures or undergo additional inspections by virtue of the vessel's previous ports of call.

6.7 The Seller's liability to the Buyer under this agreement for any costs, losses or expenses incurred by the vessel, the charterers or the vessel owners resulting from the failure of the loading port/terminal/installation to comply with the ISPS Code or MTSA shall be limited to the payment of demurrage and costs actually incurred by the Buyer in accordance with the provisions of this clause.

PART TWO

In respect of CFR, CIF and DAP deliveries by sea

Section 7 - Measurement and sampling; independent inspection

7.1 Measurement and sampling

7.1.1.

Measurement of the quantities and the taking of samples for the purposes of determining the compliance of the Product with the quality and quantity provisions of the Special Provisions shall be carried out in accordance with good standard practice (i) in case of CFR and CIF Deliveries at the Loading Terminal by Buyer at the time of shipment, and (ii) in case of DAP deliveries, at the Discharge Port at the time of unloading by Seller. Notwithstanding the provisions of sub-section 7.2, the certificates of quantity and quality (or such other equivalent documents as may be issued in connection with the measurement of the quantities and the taking of samples) of the Product comprising the shipment issued in accordance with such standard practice shall, except in cases of manifest error or fraud, be conclusive and binding on both parties for invoicing purposes but without prejudice to the rights of either party to make any claim pursuant to Section 29. Quantity shall be measured in vacuum.

7.2 Independent inspection

7.2.1 CFR and CIF deliveries

7.2.1.1 Where the Loading Terminal is operated by the Seller or an Affiliate of the Seller, the Buyer shall have the right to appoint an independent inspector at the Loading Terminal, subject to the prior agreement of the Loading Terminal operator having been obtained where necessary. Such appointment shall be notified in writing to the Seller. However, except with the specific prior written agreement of the Seller, all charges in respect thereof shall be for the Buyer's account and the duties of such inspector shall be considered solely as a service to the Buyer.

7.2.1.2 Where the Loading Terminal is not operated by the Seller or an Affiliate of the Seller, either party shall have the right to appoint an independent inspector at the Loading Terminal, subject to the prior agreement of the Loading Terminal operator having been obtained where necessary. Such appointment shall be notified in writing to the other party. All charges in respect thereof shall be shared equally between the parties and the inspector's report shall be made available to both parties.

7.2.2 DAP deliveries

Either Buyer or Seller shall have the right to appoint a mutually acceptable independent inspector at the Discharge Port to witness the measurement of the quantities and, where applicable, the taking and testing of samples. The Buyer shall ensure that the independent inspector (and any representative of the Seller which the Seller may appoint at its own expense) shall have full access to the facilities at the Discharge Port necessary to enable them to perform their duties. The report of such independent inspector shall include the quantity and the quality and shall, except in cases of fraud or manifest error, be conclusive and binding on both parties but without prejudice to the rights of either party to make any claim pursuant to Section 29. All charges in respect thereof shall be shared equally between the parties and the inspector's report shall be made available to both parties.

7.3 Part cargo lots delivered CFR, CIF or DAP

Where delivery is made as an un-segregated part cargo lot to the Buyer and a third party, the quantity determined in accordance with the foregoing shall be adjusted so that, following completion of discharge of the relevant part cargo lots, the Buyer and such third party shall each be allocated a percentage of the total loaded quantity equal to that percentage of the total

outturn quantity which was discharged at its Discharge Port. A mutually acceptable independent inspector shall be appointed to witness the measurement of quantities. The costs of such independent inspection shall be shared equally between the parties for their respective Discharge Ports and the inspector's report shall be made available to all parties.

Section 8 - Risk and Title

8.1 CFR and CIF deliveries

8.1.1 Notwithstanding any right of the Seller to retain the documents referred to in Section 34 until payment, the risk in the Product delivered under the Agreement shall pass to the Buyer as the Product passes the Vessel's permanent hose connection at the Loading Terminal and title in the Product shall pass:-

8.1.1.1 in the case of delivery as a full cargo lot or, in the case of a part cargo lot where the Product and/or quantity is separately ascertainable, as the Product passes the Vessel's permanent hose connection at the Loading Terminal; or

8.1.1.2 in the case of delivery as a part cargo lot where the Product deliverable hereunder is not identifiable and ascertainable on board the Seller's Vessel separately from Product which is destined for receivers other than the Buyer:-

(a) as the Product passes the Vessel's permanent hose connection at the Discharge Port, if such part cargo is not the last part cargo to be discharged; or

(b) immediately upon completion of discharge of all other Product at the previous place(s) of discharge, if such part cargo is the last cargo to be discharged as the case may be.

8.1.2 If the Vessel has commenced or completed loading prior to being nominated to the Buyer pursuant to Section 11, then, subject to the provisions of sub-section 8.1.1.2, notwithstanding any right of the Seller to retain the documents referred to in Section 34 until payment, the risk in the Product delivered under the Agreement shall be deemed to have passed to the Buyer as the Product passed the Vessel's permanent hose connection at the Loading Terminal and title in the Product shall pass immediately upon receipt by the Seller of the Buyer's acceptance of such Nomination.

8.2 DAP deliveries

The risk and title in the Product delivered under the Agreement shall pass to the Buyer as the Product passes the Vessel's permanent hose connection at the Discharge Port.

Section 9 – Insurance

9.1 CFR deliveries

The responsibility for securing insurance, whether against marine or other risks, shall rest wholly with the Buyer.

9.2 CIF deliveries

9.2.1 The Seller undertakes to procure and pay for insurance against marine risks, from underwriters or an insurance company of good repute, to the full value of the shipment hereunder plus 10%. Such insurance, which shall operate from shore tank at the Loading Terminal to shore tank at the Discharge Port, shall be in accordance with the provisions of a Marine Insurance Cargo Policy subject to Bulk Oil Clauses SP 13C, or, at Seller's option, Institute Cargo Clauses (A), and the benefit thereof shall accrue to the Buyer upon the passing of risk in the shipment as provided for in the Agreement.

9.2.2 The Seller does not undertake to procure insurance against war, piracy, strikes, riots and civil commotions risks in respect of the delivery of Product hereunder save where the Seller shall, by written notice actually received by it at least 2 banking days in London prior to the commencement of loading, have been requested by the Buyer to procure such insurance. Where, upon request as aforesaid, the Seller procures such insurance, it shall be subject to Institute War Clauses (Cargo) and Institute Strikes Clauses (Cargo) or other Institute Cargo Clauses as may be relevant current on the date of sailing of the Vessel and the actual premium

payable at the current London Market rate for the voyage to be performed ruling on the said date shall be for the Buyer's account.

9.3 DAP deliveries

The Seller shall have no obligation to secure insurance, whether against marine or other risks.

9.4 Additional Vessel insurance, etc.

9.4.1 In all cases, if and for so long as the voyage to the Discharge Port, or any seas through which the Vessel has to travel in performance of the Agreement, the Seller shall incur additional insurance for any reason or war risk insurance premia in excess of those prevailing as at the date of the Agreement for either the Vessel's hull and machinery or cargo or both, the cost of such additional insurance and/or additional premia shall be paid by the Buyer to the Seller in addition to the price payable pursuant to the Agreement.

9.4.2 The Seller reserves the right to refuse at any time:-

9.4.2.1 to direct any Vessel to undertake or to complete the voyage to the Discharge Port if such Vessel is required in the performance of the Agreement:-

9.4.2.1.1 to transit or to proceed to or to remain in waters so that the Vessel concerned would be involved in a breach of any Institute Warranties (if applicable) or, in the Seller's opinion, to risk its safety or to risk ice damage; or

9.4.2.1.2 to transit or to proceed to or to remain in waters where there is or is a risk of piracy or war (de facto or de jure) or threat thereof;

9.4.2.2 prior to the commencement of loading to direct any Vessel to undertake the voyage to the intended Discharge Port if such Vessel is required in the performance of the terms of the Agreement to transit waters which, in the Seller's reasonably held opinion, would involve abnormal delay; or

9.4.2.3 to undertake any activity in furtherance of the voyage which in the opinion of the Vessel's master could place the Vessel, its cargo or crew at risk.

9.4.3 If the Seller agrees to direct a Vessel to undertake or to complete the voyage as referred to in sub-section 9.4.2, the Buyer undertakes to reimburse the Seller, in addition to the price payable under the Agreement, for costs incurred by the Seller in respect of any additional insurance premia (including those referred to in sub-section 9.2) and any other sums that the Seller may be required to pay to the Vessel's owner including but not limited to any sums in respect of any amounts deductible under such owners' insurance and any other costs and/or expenses incurred by the Seller.

Section 10 - Charter party conditions

10.1 In this Section, only sub-section 10.3 shall apply in the case of DAP delivery.

10.2 The Seller may arrange shipment or procure a shipment having been made under bills of lading which may incorporate any of the charter party conditions normally in use for Vessels. Without prejudice to the generality of the foregoing, such conditions shall be deemed to include:-

10.2.1 the provision that the shipment shall be pumped out of the Vessel at the Vessel's expense;

10.2.2 the provision that if, at any time after loading but before commencement of discharge (i) importation of the Product comprising the shipment at the port at which discharge was to have taken place is prohibited under the laws of the country in which such Product was produced, or by regulations, rules, directives or guidelines applied by the government of that country or any relevant agency thereof; and/or (ii) the country, state, territory or region at which discharge was to have taken place becomes a restricted jurisdiction (as defined in Section 41), the shipment shall be discharged at an alternative safe port nominated by the Buyer which is not subject to any such prohibition and which is acceptable to the Seller (which acceptance shall not be unreasonably withheld).

10.3 If any prohibition referred to in sub-section 10.2.2 becomes applicable, such alternative port shall be deemed to be the Discharge Port stipulated under the Agreement for the shipment in question and all extra expenses (if any) involved in the Vessel's reaching such alternative Discharge Port and/or in the discharge of the shipment thereat shall be for the Buyer's account.

10.4 Without prejudice to the Buyer's obligations under Section 13, the Seller undertakes in all cases to settle freight and demurrage due to the ship owners.

Section 11 - Nomination of Vessels, etc.

11.1 Full and part cargo lots

Unless otherwise provided in the Special Provisions, delivery hereunder shall be given and taken in full cargo lots.

11.2 Nomination of Vessels

The Seller shall give to the Buyer a notice of Nomination ("the Nomination") either (1) on or about the time the Agreement is entered into between the parties, or (2) at least 2 days prior to the first day of the Loading Terminal Laydays of the Vessel so nominated, whichever is the later. Such Nomination shall specify:-

- (a) the name of the Vessel, date built and flag;
- (b) the Product, the Product quality, if known, and approximate quantity to be loaded (or, the bill of lading quantity, if known);
- (c) the Product(s) carried by the Vessel on its previous 3 voyages;
- (d) the Loading Terminal Laydays (or the bill of lading date, if known) and the ETA at the Load and Discharge Ports;
- (e) the Vessel/charterer's agent at the Discharge Port; and
- (f) details of any other cargo on board if delivery is of a part cargo.
- (g) the laytime, applicable rate of demurrage, currency and charter party (as amended).
- (h) in the case of LPG, or liquefied or partially liquefied petrochemical gases, the loading and discharge temperatures of the Vessel's cargo tanks.

The Seller undertakes to inform the Buyer of any changes to the ETA advised pursuant to sub-section 11.2(d) as soon as practicable after receipt thereof from its supplier or the Vessels' owner or agent and, where applicable, such information as shall be necessary so as to establish the time and place of the passing of property pursuant to sub-section 8.1.

11.3 Buyer's Nomination

The Buyer shall, within the later of one London banking day after receipt of the Seller's Nomination or at least 5 days prior to the first day of Loading Terminal Laydays of the Vessel so nominated, made pursuant to sub-section 11.2, notify the Seller of:-

11.3.1 the final Discharge Port, if not already specified in the Special Provisions. No change to the final Discharge Port so nominated or specified shall be made without the Seller's prior written acceptance which shall not be unreasonably withheld and subject always to the provisions of sub-section 11.7; and

11.3.2 in the case of delivery CFR or CIF, full written instructions regarding the particulars and destination of the bills of lading and such other customary Loading Terminal documentation which may be required (and, for the avoidance of doubt, the Buyer shall be liable for all costs resulting from any delays in loading Product hereunder due to failure by the Buyer to supply such information in a timely manner). The Seller shall have the right to issue its own instructions if such instructions are not so provided by the Buyer. All costs (including but not limited to demurrage) arising out of any failure by the Buyer to comply with the foregoing shall be for the Buyer's account.

11.4 Substitution of Vessels

In respect of any Vessel named in the Nomination, the Seller shall be entitled to substitute therefor another Vessel provided always that any proposed substitute vessel shall be subject to the approval of INEOS` vetting department and;

11.4.1 the size of the substitute Vessel and the quantity to be loaded shall not, without the prior written consent of the Buyer, differ materially from the size of the Vessel previously named and the quantity specified in the Nomination; and

11.4.2 the Seller shall give to the Buyer notice in writing of the name of the substitute Vessel not less than 1 banking day in London before:-

11.4.2.1 in the case of delivery CFR or CIF, the last day of the Loading Terminal Laydays of the substitute Vessel or the last day of the Loading Terminal Laydays of the Vessel originally nominated, whichever is the earlier, provided always that such substitution shall not be allowed after commencement of loading of the Vessel originally nominated unless otherwise specifically agreed between the parties; or

11.4.2.2 in the case of delivery DAP, the ETA of the substitute Vessel or the ETA of the Vessel originally nominated, whichever is the earlier.

11.4.3 Requests outside this time frame are subject to mutual agreement by the Parties.

11.5 Acceptance of Vessels

11.5.1 Notwithstanding anything to the contrary express or implied elsewhere, the Buyer shall have the right (which right may only be exercised without undue delay, and, in any case, prior to the passing of risk and title hereunder) to refuse, on any reasonable ground, to accept any Vessel named pursuant to sub-sections 11.2 or 11.4. The Buyer shall not be liable for any loss or damage, direct or indirect, which the Seller may suffer as a result of the Buyer exercising such right.

11.5.2 Notwithstanding any prior acceptance of a Vessel (whether named in the Special Provisions or nominated or substituted pursuant to sub-sections 11.2 or 11.4), the Buyer shall have the right (which right may only be exercised without undue delay, and in any case, prior to the passing of risk and title hereunder) to reject the Vessel in question on any reasonable ground if such Vessel is involved in any incident or more recent information regarding such Vessel becomes available to the Buyer at any time after such prior acceptance which constitutes a reasonable ground for rejection. Any such reasonable ground must be disclosed to the Buyer without undue delay.

11.5.3 If the facilities at the Loading Terminal in question require the Seller's Vessel to be loaded from a floating storage facility, lighter or other Vessel by means of ship-to-ship transfer, such Berth shall be subject to the Buyer's ship or Loading Terminal vetting procedures and the Buyer may, on any reasonable ground and without liability, refuse the use of such facility for the purpose of loading the nominated Vessel.

11.6 Regulations at the Loading Terminal and/or Discharge Port

All applicable governmental, local and port authority regulations, the Seller's or the Seller's suppliers' regulations, and any other requirements of whatever nature and howsoever communicated in force at the Loading Terminal and all applicable governmental, local and port authority regulations, the Buyer's or the Buyer's customers' regulations, and any other requirements of whatever nature and howsoever communicated in force at the Discharge Port (including without limitation the requirements set out in Schedule E) shall apply to the Seller's Vessel. Notwithstanding anything to the contrary express or implied in Sections 12 and 13 or in this Section 11, if the Vessel nominated by the Seller does not comply with the foregoing provisions or any of those at the Discharge Port,

11.6.1, the Buyer or the Buyer's customer may refuse to berth or discharge the Vessel in question; and

11.6.2 the Buyer shall not be liable for the consequences of rejection or delay of the Vessel or other restriction suffered in respect of the Vessel by virtue of the application of such regulations or other requirements and the Seller shall be liable for any costs or damages incurred by the Buyer arising out of and such rejection of or delay to the Vessel.

11.7 Alternative Discharge Port(s)

Where the Buyer exercises any Discharge Port options in accordance with the Special Provisions or sub-section 11.3.1 and available to the Seller under the terms of the relevant charter party:-

11.7.1 the price stated in the Special Provisions shall be adjusted by the freight differential calculated in accordance with such charter party terms or, if the Vessel has not been voyage chartered, such rate as shall be mutually agreed between the parties in respect of such Discharge Port, provided always that any delays arising out of such failure to agree shall be for the Buyer's account; and

11.7.2 the Buyer shall be liable for any additional costs incurred by the Seller, including but not limited to deviation costs and costs in respect of any additional bunker consumption.

11.8 Loaded details (CFR and CIF deliveries)

As soon as possible after the loading has been completed, the Seller shall notify the Buyer of the actual quantity(ies) loaded and the latest ETA of the Vessel at the Discharge Port.

11.9 Liability

The Buyer shall not be liable for the consequences of (i) rejection or delay (including but not limited to demurrage) of the Vessel or (ii) other restriction suffered in respect of the Vessel, in each case by virtue of the application of any regulations or other requirements of this Section 11 and/or of Schedule E, and the Seller shall be liable for any costs or damages incurred by the Buyer arising out of any such rejection of, delay to or restriction of the Vessel.

Section 12 - Arrival of Vessel, Berth, discharge, etc.

12.1 Arrival of Vessel

The Seller shall arrange for its Vessel to report to the Buyer or its representative at the Discharge Port each of 72, 48, 24, and 12 hours prior to its arrival and otherwise in accordance with the standard reporting procedure applicable from time to time at the Discharge Port.

12.2 Berth

For the discharge of each shipment the Buyer shall provide or cause to be provided free of charge to the Seller (subject to the provisions of sub-section 32.4) a Berth to be indicated by the Buyer or its representative at which the Vessel can when fully laden safely reach and leave and where it can always lie safely afloat. It shall be the absolute responsibility of the Seller to acquaint itself, and comply, with the requirements of the Discharge Port current at the relevant time.

12.3 Shifting

The Buyer shall have the right to shift the Vessel from one Berth to another. All costs, including but not limited to damages for delay, shall be for the Seller's account if such shifting is due to reasons within the control of the Seller and/or the Vessel and shall otherwise be for the Buyer's account.

12.4 Lightering

12.4.1 Vessels shall not be compelled to lighter at the Discharge Port, but if any lightering shall be undertaken at the request of the Buyer the expense thereof shall be for the Buyer's account and all time expended in connection with such lightering or additional time incurred due to a reasonable refusal to lighter (without any deduction therefrom) shall count as discharging time for the purposes of calculating the liability for demurrage under the provisions of Section 13.

12.4.2 Any lightering or ship-to-ship transfer operations shall be carried out in accordance with the procedures set out in the ICS/OCIMF Ship-to-Ship transfer guides. The lightering Vessel shall be subject to the Seller's prior acceptance.

12.4.3 All time used for any lightering operation (excluding any time consumed for the purposes set out in Section 13.2.2) shall be counted or included in calculating the time taken by the Buyer to discharge the Vessel or the time in respect of which the Buyer is liable for demurrage. Any additional steaming and/or waiting time used solely for the purposes of any lightering operation shall count as Laytime or, if the Vessel is on demurrage, as demurrage.

12.4.4 Except in relation to any lightering carried out at the request of and for the purposes of the Seller, any lightering operation carried out shall be at the Buyer's risk and the Buyer shall be liable to the Seller in respect of any losses, costs, damages and proceedings arising therefrom and shall indemnify the Seller in respect thereof. This sub-section shall not be included in the scope of sub-section 37.1.

12.5 Dues on Vessels at the Discharge Port

All dues and other charges on the Seller's Vessel at the Discharge Port, other than those defined by Worldscale as being for the Vessel owners' account, shall be borne by the Buyer.

Section 13 - Laytime and damages for delay

13.1 Laytime

The time allowed to the Buyer for the discharge of the quantity of Product deliverable by each Vessel hereunder shall be as per accepted Nomination given in accordance with section 11.

13.2 Running hours

Running hours shall be determined in accordance with the charter party terms in the agreed Nomination and in the event that no charter party terms are agreed, running hours shall be as follows:

13.2.1 Running hours shall commence berth or no berth 6 hours after a valid NOR is given or on commencement of discharge, whichever is the earlier. For the purposes of calculating running hours, discharge shall be deemed to be completed upon disconnection of discharging hoses.

13.2.2 Any delay arising out of or in connection with any of the following situations shall not be counted or included in calculating the time taken by the Buyer to discharge the shipment or the time in respect of which the Buyer is liable for demurrage (whether or not the Vessel is already on demurrage):-

- (a) awaiting free pratique, tugs, tides, pilot or daylight;
- (b) inward passage until the Vessel is securely moored at the Berth and its gangway, if it is to be used, is in place;
- (c) preparing for and handling or shifting of ballast, bilges, slops or other substances or bunkering;
- (d) any delay attributable to the Vessel, the Seller or agent(s) of the Seller such as, but without limitation, restrictions imposed by the owner, charterer or master of the Vessel; breakdown of the Vessel's equipment or failure to comply with the requirements of the Discharge Port with respect to equipment aboard; time spent complying with any of the regulations and other requirements referred to in sub-section 11.6;

13.3 Damages for delay

If the shipment is not discharged within the time allowed in accordance with section 11, the Buyer shall pay to the Seller demurrage, in the same currency as is prescribed for payment of Product delivered under the Agreement, unless otherwise agreed in the Special Provisions or in the accepted Nomination, in respect of the excess time at the appropriate rate per day (or pro rata for part of a day). The appropriate rate of demurrage shall be either, the rate, if any, specified in the Seller's Nomination, or if none, the applicable charter party rate.

13.4 Demurrage Claims

In no event shall the Buyer be liable for demurrage hereunder unless the demurrage claim has been submitted to the Buyer in writing within 60 days of the date of disconnection of discharging hoses, stating in reasonable detail the specific facts upon which the claim is based, provided that

any relevant documentation relating to the claim which is not at that time available to the Seller shall be submitted to the Buyer within 90 days of the date of disconnection of said hoses. If the Seller fails to give such notice or fails to provide such documentation within the aforesaid limits, then any liability of the Buyer for demurrage shall be waived and time-barred.

Section 14 – International Ship and Port Security (ISPS) Code

14.1 Seller's shall procure that the vessel shall comply with the requirements of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS Code) and if located within the USA and US territories or waters, with the US Maritime Transportation Security Act 2002 (MTSA),

14.2 The vessel shall when required submit a Declaration of Security (DoS) to the appropriate authorities prior to arrival at the discharge port.

14.3 Notwithstanding any prior acceptance of the vessel by the Buyer, if at any time prior to; the arrival of the vessel at the discharge port the vessel ceases to comply with the requirements of the ISPS code or MTSA, Buyer shall have the right not to berth such nominated vessel at the discharge port and any demurrage resulting shall not be for the account of the Buyer, and Seller shall be obliged to substitute such nominated vessel with a vessel complying with the requirements of the ISPS Code and MTSA. If title and risk to the cargo on board the vessel subsequently substituted has already passed to the Buyer, such title and risk shall be deemed to have reverted to the Seller.

14.4 Buyer shall procure that the discharge port/terminal/installation shall comply with the requirements of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS Code) and if located within the USA and US territories, with the US Maritime Transportation Security Act 2002 (MTSA).

14.5 Any costs or expenses in respect of the vessel including demurrage or any additional charge, fee or duty levied on the vessel at the discharge port and actually incurred by the Seller resulting directly from the failure of the discharge port/terminal/installation to comply with the ISPS Code and if located within the USA and US territories, with the MTSA shall be for the account of the Buyer, including but not limited to the time required or costs incurred by the vessel in taking any action or any special or additional security measures required by the ISPS code or MTSA.

14.6 Save where the vessel has failed to comply with the requirements of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS Code) and within the USA and US territories or waters, with the US Maritime Transportation Security Act 2002 (MTSA), the Buyer shall be responsible for any demurrage actually incurred by the Seller arising from delay to the vessel at the discharge port resulting directly from the vessel being required by the port facility or any relevant authority to take any action or any special or additional security measures or undergo additional inspections, by virtue of the vessel's previous ports of call.

14.7 The Buyer's liability to the Seller under this agreement for any costs, losses or expenses incurred by the vessel, the charterers or the vessel owners resulting from the failure of the discharge port/terminal/installation to comply with the ISPS Code or MTSA shall be limited to the payment of demurrage and costs actually incurred by the Seller in accordance with the provisions of this clause.

PART THREE

In respect of deliveries by Barge (CFR, CIF, FOB)

Section 15 - Applicability

15.1 The provisions of Part One and Part Two shall apply accessorially, where appropriate.

Section 16 - Nominations in respect of FOB deliveries

16.1 The Buyer shall nominate the barge to the Seller on or about the time the Agreement is entered into between the parties or at least 2 days prior to the first of the Loading Laydays, whichever is the later. Such Nomination shall include:

- (a) Barge name and registration number;
- (b) previous cargo;
- (c) approximate quantity to be loaded;
- (d) Product;
- (e) full documentation instructions.
- (f) the loading time allowed and the applicable demurrage rate

Section 17 – Laytime and Demurrage in respect of FOB deliveries

Laytime and Demurrage rate, terms and conditions shall be at Buyer`s responsibility as per Incoterm if not agreed otherwise in the Nomination.

Section 18 – Nominations in respect of CFR and CIF deliveries

18.1 The Seller`s Nomination

The Seller shall nominate the barge to the Buyer on or about the time the Agreement is entered into between the parties or at least 2 days prior to the first of the Loading Laydays, whichever is the later. Such Nomination shall include:

- (a) Barge name and registration number;
- (b) Previous cargo;
- (c) Approximate quantity to be loaded;
- (d) Product and approximate/actual quality(ies)/grade;
- (e) Loading date;
- (f) Discharge time allowed;
- (g) Laytime, and Demurrage; allowance, rate, terms and conditions.

18.2 Documents

The Buyer shall, within the later of one London banking day after receipt of the Seller's Nomination made pursuant to 18.1 above, or one London banking day prior to barge loading at the Loading Terminal notify the Seller of:

- (a) the Buyer's VAT number and country of such VAT registration;
- (b) consignee's name, address, valid EU VAT and MOT number and fiscal agent (if applicable); and
- (c) fiscal and end destination (if it differs from the consignee); and
- (d) the Discharge Port, if not already specified in the Special Provisions. No change to the Discharge Port so nominated or specified shall be made without the Seller's prior written acceptance which shall not be unreasonably withheld and provided always that:
 - (i) such alternative discharge port is allowable pursuant to the charter party; and
 - (ii) the provisions of sub-section 11.8 shall apply; and

(e) full written instructions regarding the particulars and destination of any bills of lading and/or such other customary loading terminal documentation which may be required (and, for the avoidance of doubt, the Buyer shall be liable for all costs resulting from any delays in loading Product hereunder due to failure by the Buyer to supply such information in a timely manner). The Seller shall have the right to issue its own instructions if such instructions are not so provided by the Buyer.

18.3 Indemnity

Notwithstanding and without prejudice to the foregoing provisions of this Section 18, in consideration of the Seller agreeing at the Buyer's specific request to issue, or to procure the issue by the consignor of, an AAD, the Buyer shall indemnify and hold harmless the Seller and shall keep the Seller indemnified and held harmless from and against all liability for excise duty and mineral oil tax incurred by the Seller and/or reimbursement of amounts equivalent to such duty or tax incurred by the Seller, including but not limited to interest, penalties and costs in respect thereof.

Section 19 – Laytime and Demurrage (CIF and CFR)

19.1 Laytime

The applicable Laytime allowance and Demurrage rate shall be as contained in the agreed Nomination.

19.2 Laytime at the Loading Terminal shall start:

- (a) at time of arrival of the barge on the loading date as agreed in the valid Nomination, or
- (b) if the barge arrives before the loading date as agreed in the valid Nomination, laytime will start 00:01 hours on the agreed loading date or upon commencement of loading whichever is the earlier, or
- (c) if a specific loading hour was agreed, as from that agreed loading hour or upon commencement of loading whichever is the earlier, or
- (d) if the barge arrives after the agreed loading date as agreed in the valid Nomination, laytime will start at the commencement of loading.

19.3. In case of CIF and CFR deliveries, laytime at the Discharge Port shall start at the time of arrival of the barge at the Discharge Port.

19.4 Laytime shall end, when the hoses are disconnected and, in case of loading, the documents are on board.

19.5 All Laytime is reversible and Load and Discharge time sheets will be provided.

19.6 Demurrage:

Demurrage shall be payable on receipt of invoice for excess time used in accordance with these terms and at the rates as agreed in the valid Nomination. Claims will be submitted no later than 30 days after completion of discharge and include;

- (a) Invoice with time calculation and
- (b) any and all Letters of Protest and
- (c) a copy of the agreed valid barge Nomination

19.7 The TTB Rules shall not apply unless expressly agreed in the special provisions.

PART FOUR

In respect of deliveries Ex-Tank, Into Tank, In-Situ (stock transfer) and Pipeline (DAP, DDP, EXW, ITT, ITX, FIP)

Section 20 – Nominations

20.1 In the case of DAP and DDP delivery by pipeline, Nominations shall be made in accordance with the standard operating procedures of the relevant pipeline operating company(ies).

20.2 In the case of DAP and DDP delivery Ex-Tank or Into Tank, Nominations shall be made in accordance with the standard operating procedures of the relevant storage company(ies).

Section 21 – Inspection of Quality and Quantity

21.1 In the case of delivery by pipeline, unless otherwise specifically agreed between the parties and set out in the Special Provisions, no independent quality inspection shall be required. The quantity of the product delivered shall be determined by meter measurements carried out in accordance with good standard practice in use at the pumping terminal at the time of delivery.

21.2 In the case of delivery Ex-Tank, Into Tank or in-situ, the Buyer shall have the right to appoint an independent inspector at the storage facility(ies), subject to the prior agreement of the relevant storage company(ies) having been obtained. Such appointment shall be notified in writing to the Seller. However, except with the specific prior written agreement of the Seller, all charges in respect thereof shall be for the Buyer's account and the duties of such inspector shall be considered solely as a service to the Buyer.

Section 22 - Risk and title

The risk and title in the Product shall pass to the Buyer:

22.1 in the case of delivery by pipeline, as the Product passes the inlet flange of the Buyer's receiving pipeline system; or

22.2 in the case of delivery Ex-Tank, as the Product passes the outlet flange of the Seller's storage tank from which the Product is being delivered; or

22.3 in the case of delivery Into Tank, as the Product passes the inlet flange of the Buyer's receiving storage tank; or

22.4 where delivery is effected in-situ (by way of stock transfer), at such time and day and in such tank(s) as shall either be specified in the Special Provisions or as agreed between the parties prior to such transfer being effected and, where applicable, confirmed by the owner/operator of such tank(s).

Section 23 - Unofficial “Incoterms”

The following abbreviations, commonly used as Incoterms but which are not ICC Incoterms, shall have the following meaning in the context of the Agreement and in use each shall be immediately followed by the name of the place where the transfer takes place.

23.1 ITT and ITX: In To Tank and In Tank Transfer

23.1.1 Nominations shall be made in accordance with the standard operating procedures of the relevant storage company(ies).

23.1.2 The Seller shall appoint a mutually acceptable independent inspector who shall sample the product to be transferred, at the storage facility(ies), subject to the prior agreement of the relevant storage company(ies) having been obtained, determine the quality against contract specification and confirm the result and the transferred quantity in a certificate, a copy of which shall be given to each Party and which shall be final and binding on both Parties. Inspection, analysis and certification costs shall be shared equally between the Parties.

23.1.3 The risk in and title to the product shall pass to the Buyer simultaneously at the time agreed in the contract of sale and otherwise; (i) in the case of delivery into tank, as the product passes the inlet flange of the Buyer's receiving storage tank, or, (ii) in the case of in-tank transfer, at the date and time specified in the agreed Nomination.

23.2 FIP: Free in Pipe

23.2.1 Nominations shall be made in accordance with the standard operating procedures of the relevant pipeline operating company.

23.2.2 Unless otherwise specifically agreed between the parties and set out in the Special Provisions, no independent inspection shall be required by either the Buyer or the Seller.

23.2.3 The risk and title shall pass to the Buyer as the product passes the inlet flange of the Buyer's receiving pipeline system. The quantity of the product delivered shall be determined by meter measurements taken at the pumping terminal and carried out in accordance with good standard practice in use at the pumping terminal at the time of delivery.

PART FIVE

In respect of deliveries by Road and Rail

Section 24 - Measurement, sampling and Inspection

24.1 Measurement and sampling

24.1.1 Measurement of the quantities and the taking of samples for the purposes of determining the compliance of the Product with the quality and quantity provisions of the Special Provisions shall be carried out in accordance with good standard practice at the Loading Terminal.

24.1.2 Determination of quality shall be carried out by analysis of samples drawn from the storage tank/sphere prior to loading and shall be recorded in the certificate of quality.

24.1.3 The measurement of the quantity of Product delivered shall be carried out at the Loading Terminal using equipment certified for commercial transactions ("Measurement Device(s)") and will be based on properly calibrated weight or mass meters or weighbridge, as applicable. Costs shall be for the Seller's account.

24.1.4 The loaded quantity shall be determined as the difference between the weight of the RTC or road tanker before and after loading and a quantity certificate shall be issued by the Seller or the Seller's supplier on that basis.

24.1.5 Notwithstanding the provisions of sub-sections 24.1.1, 24.1.2, 24.1.3 and 24.1.4 the certificates of quantity and quality (or such other equivalent documents as may be issued at the Loading Terminal) of the Product comprising the shipment issued in accordance with such standard practice shall, except in cases of manifest error or fraud, be conclusive and binding on both parties for invoicing purposes but without prejudice to the rights of either party to make any claim pursuant to Section 29.

24.1.6 The Seller shall be responsible for the upkeep and maintenance of the Measurement Device(s) as well as for arranging for the testing and calibration of the Measurement Device(s) on an appropriate periodic basis. Test reports shall be made available to the Buyer on request and the Buyer shall be given a reasonable opportunity to attend and view any testing or calibration of the Measurement Device(s).

24.2 Inspection

24.2.1 Where the Loading Terminal is operated by the Seller or an Affiliate of the Seller, the Buyer shall have the right to appoint an independent inspector at the Loading Terminal, subject to the prior agreement of the Loading Terminal operator having been obtained where necessary. Such appointment shall be notified in writing to the Seller. However, except with the specific prior written agreement of the Seller, all charges in respect thereof shall be for the Buyer's account and the duties of such inspector shall be considered solely as a service to the Buyer.

24.2.2 Where the Loading Terminal is not operated by the Seller or an Affiliate of the Seller, either party shall have the right to appoint an independent inspector at the Loading Terminal, subject to the prior agreement of the Loading Terminal operator having been obtained where necessary. Such appointment shall be notified in writing to the other party. All charges in respect thereof shall be shared equally between the parties and the inspector's report shall be made available to both parties.

Section 25 - Risk and Title

25.1 In the case of delivery FCA, CIP or CPT title to the product shall transfer from the Seller to the Buyer simultaneously with risk as Product passes inlet flange of the RTC or road tanker at the point of loading.

25.2 In the case of delivery DAP, DAT or DDP title to the product shall transfer from the Seller to the Buyer simultaneously with risk when the Product is placed at the disposal of the Buyer at the agreed place.

Section 26 - Loading, unloading and damages for delay

RTCs shall be free for loading/unloading for 5 days from the agreed reception/delivery date as the case may be. Time shall start when RTCs arrive at the site gate. If these 5 days are exceeded, a rental fee of 30 € per day will be charged by the Party supplying the RTCs which shall be payable by the other Party on demand. Road tankers shall be unloaded promptly on arrival.

Section 27 – Claims

27.1 Notwithstanding the provisions of Section 29.2, claims in respect of quantity, or relating to the condition of RTCs or road tankers, must be made in writing (which shall include email) no later than 3 days after arrival of the Product at the agreed destination.

27.2 If at any time the Buyer has reasonable grounds to suspect that a Measurement Device is not accurate in any respect, the discrepancy or suspected discrepancy shall be immediately reported to the Seller in writing along with any evidence in support of such claim and the Seller shall promptly arrange for the testing of its Measurement Device(s) by a suitably qualified and reputable third party to be agreed by the Parties. The report of such independent third party shall be conclusive and binding on the Parties. The costs related to such tests shall be borne by the Party found to have been wrong in its estimation of the conformity of the Measurement Device(s).

27.3 If, upon testing, the Measurement Device is found not to be within a 0.5% (one half of one percent) accuracy then, for the purpose of this Agreement a reasonable adjustment in accordance with generally accepted practices shall be made correcting all relevant measurements made with the Measurement Device. Such adjustments shall reflect, if determinable, the actual period during which any inaccurate measurements were made. If such period cannot be determined, it shall be deemed to be such period as shall be equal to one-half of the time from the date of the previous test of such Measurement Device, provided that the period covered by any such correction shall not exceed six (6) Months.

PART SIX

Applicable to each of Parts One, Two, Three, Four and Five

Section 28 - Definitions, etc.

28.1 Definitions

In the Agreement (as hereinafter defined) unless the context otherwise requires:

28.1.1 "the Agreement" means these General Terms and Conditions (including, where applicable, the Schedules attached hereto) together with the Special Provisions;

28.1.2 "API" means the American Petroleum Institute and "MPMS" means the API Manual of Petroleum Measurement Standards as amended from time to time;

28.1.3 "Affiliate" shall, in relation to a party hereto, mean a party that controls, is controlled by or in common control with another party. (The term "control" as used in this context is the right to direct, appoint the management, direct the operations or ownership of fifty percent 50% or more of the voting stock, partnership or membership interests of any class of an entity. The status of a company/entity shall cease automatically if and when the aforementioned degree of affiliation no longer exists, however, orders concluded by such company/entity prior to the change of status shall remain unaffected).

28.1.4 "banking day" means a day other than a Saturday or Sunday when banks in a place in question referred to in these General Terms and Conditions or the Special Provisions are open for business;

28.1.5 "Barge" means (a) a self propelled vessel or towed/pushed dumb craft employed in port areas and sheltered waterways which is not classified as a sea-going vessel (inland barge), and/or (b) a towed/pushed dumb craft classified for sea-going trade (sea-going barge);

28.1.7 "barrel" means a barrel of 42 US gallons at 60° Fahrenheit;

28.1.8 "Berth" means a berth, dock, anchorage, submarine line, single point or single berth mooring facility, offshore location, alongside vessels or lighters or any other loading or discharge place as may be indicated by the party in question;

28.1.9 "CFR", "CIF", "CIP", "CPT", DAP, "DAT", "DDP", "EXW", "FAS", "FCA" and "FOB" shall each have the meaning ascribed thereto in Incoterms 2010, except as modified by the Agreement; further, if there is any inconsistency or conflict between Incoterms and the Agreement, the Agreement shall prevail;

28.1.10 "... days' notice", except with regard to demurrage, shall be construed according to the convention that five days' notice means that a notice given on the first day of the month shall be effective on the sixth day of the month. For the avoidance of doubt (i) in demurrage claims the Bill of Lading date or discharge date is day one, and (ii) otherwise, where the last day for any notice to be given under the Agreement falls on a day which is not a banking day in London, such notice shall be given (by not later than the specified time, where applicable) on the last preceding London banking day.

28.1.11 "deliver" includes "procure to be delivered" and the term "delivery" shall be construed accordingly;

28.1.12 "Discharge Port" means the place at which the Product to be delivered hereunder is to be discharged;

28.1.13 "ETA", in the case of FOB deliveries, means the estimated time and/or date or range of days of arrival of the Vessel at the Loading Terminal and, in the case of CFR and CIF deliveries means the estimated time and/or date or range of days of arrival of the Vessel at the Discharge Port. Any ETA at the Discharge Port given hereunder shall not place the Seller under any obligation to meet such date (other than to use its reasonable endeavours to ensure that the contract of carriage can facilitate the meeting of such date) and, for the avoidance of doubt, in the case of a CFR or CIF Agreement, shall not be construed as changing the nature of the Agreement;

28.1.14 "EU qualified" means that the Product is or will be in free circulation within the EU and not subject to any import duties; "non-EU qualified" means Product that does not fall within the meaning of EU qualified;

28.1.15 "Ex-Tank", "In-Situ" and "Into Tank" shall each have the meaning ascribed thereto in Part Four;

28.1.16 "Government Official" means any officer or employee of any government or any department, agency, or instrumentality thereof, or of any government-owned or government-controlled company or any public international organisation or any person acting in an official capacity for or on behalf of any such government or department, agency, instrumentality, company, or public international organization;

28.1.17 "ICC" means the International Chamber of Commerce.

28.1.18 "ICS" means International Chamber of Shipping;

28.1.19 "Incoterms" means "Incoterms 2010" as published by the ICC, unless the Special Provisions explicitly refer to "Incoterms 2000", or if the Agreement specifies an Incoterm which exists in Incoterms 2000 but not in Incoterms 2010.

28.1.20 "Laydays" shall mean the date range accepted by the Loading/Discharge Terminal operator (as the case may be) for the presentation of the Vessel for loading/discharging at such Loading/Discharge Terminal;

28.1.21 "Laytime" means the time allowed to the Seller for loading (determined pursuant to Section 5) or the time allowed to the Buyer for discharge (determined pursuant to Section 13), as the case may be;

28.1.22 "Loading Terminal" means the place at which the Product to be delivered hereunder is or will be loaded;

28.1.23 "LPG" means "Butane" and/or "Propane" and for the purposes hereof:

(a) "Butane" means;

- (i) liquefied butane gas which reaches a liquid state at or near a temperature of minus 4° Celsius when at a pressure of one atmosphere absolute in a saturated state, or
- (ii) the Product defined as Butane by the operator of the Loading Terminal at the time and place of delivery; and

(b) "Propane" means;

- (i) liquefied propane gas which reaches a liquid state at or near a temperature of minus 44° Celsius when at a pressure of one atmosphere absolute in a saturated state, or
- (ii) the Product defined as Propane by the operator of the Loading Terminal at the time and place of delivery;

28.1.24 "MARPOL" means the International Convention for the Prevention of Pollution from Ships, as amended from time to time;

28.1.25 "Month" means a month of the Gregorian calendar;

28.1.26 "MSDS" means Material Safety Data Sheets;

28.1.27 "Nomination" means the proposal of a Vessel made by one Party to the other (for acceptance or otherwise) including such information as details of the Vessel, Product and quantity to be delivered etc., the particular Nomination requirements are as defined in Parts 1, 2 and 3 herein, as the case may be;

28.1.28 "NOR" means the valid notice of readiness to load or discharge, as the case may be, as given by the master of the Vessel (or his/her representative) to the Seller (or its representative) at the Loading Terminal or to the Buyer (or its representative) at the Discharge Port respectively;

28.1.29 "OCIMF" means the Oil Companies International Marine Forum;

28.1.30 "Persistent Oil" means all persistent hydrocarbon mineral oils other than those falling within the definition of "non-persistent oil". For the purposes hereof, "non-persistent oil" means oil which consists of hydrocarbon fractions (a) at least 50% of which, by volume, distills at a temperature of 340° C, and (b) at least 95% of which distills at a temperature of 370° C when tested by the ASTM method D86/78 or any subsequent revision thereof;

28.1.31 "Product" means any oil, gas or petrochemical product of the grade specified in the Special Provisions;

23.1.32 "REACH" means the regulations concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals 1907/2006;

28.1.33 "Special Provisions" means the form of agreement into which, by reference, these General Terms and Conditions are incorporated to form the Agreement;

28.1.34 "Ton" or "Tonne" means a metric ton or 1000 kilogrammes;

28.1.35 "Vessel" means a tankship or other vessel which is wholly or mainly constructed or is adapted for the carriage of Product and shall, except where otherwise provided, be deemed to include Barges;

28.1.36 "Worldscale" means the New Worldwide Tanker Nominal Freight Scale as current on the day of commencement of loading of the Vessel in question.

28.2 Interpretation

Clause, Section and sub-section headings contained in the Agreement are for convenience of reference only and shall not affect the interpretation thereof. Any reference to any Act of Parliament shall be deemed to include any amendment, replacement or re-enactment thereof for the time being in force and to include any bylaws, licences, statutory instruments, rules, regulations, orders, notices, directions, consents or permissions made thereunder and any condition attaching thereto. Except where the context otherwise requires, words denoting the singular include the plural and vice versa; words denoting any gender include all genders; words include the meanings of their derivative forms and words denoting persons include firms and corporations and vice versa.

Section 29 - Quality and claims in respect of quality/quantity

29.1 Quality

Unless otherwise stated in the Special Provisions, the quality of the Product delivered hereunder shall be not inferior to the specification set out in the Special Provisions. This sub-section constitutes the whole of the seller's obligations with respect to the description, quality and fitness for purpose of the product to be delivered and (save to the extent that exclusion thereof is not permitted or is ineffective by operation of law) all statutory or other conditions or warranties, express or implied, with respect to the description or satisfactory quality of the product or its fitness for any particular purpose or otherwise are hereby excluded.

29.2 Claims in respect of quality and/or quantity

Any complaint of deficiency of quantity or of variation of quality shall be admissible only if notified in writing to the Seller within 30 days of the completion of discharge date and accompanied by evidence fully supporting the complaint. Notwithstanding the foregoing, no claim shall be admitted in respect of any deficiency of quantity where the difference between the loaded and discharged quantity is 0.5% of the loaded quantity or less.

Section 30 - Health, safety and environment

30.1 The Buyer shall provide its employees, agents, contractors, customers and other persons to whom it supplies the Product delivered hereunder with either a copy of the Seller's current Material Safety Data Sheet or a comparable Material Safety Data Sheet developed by the Buyer ("MSDS") and any other information relating to health, safety and environmental data provided by the Seller from time to time in connection with the Product delivered hereunder, or comparable other information developed by the Buyer (the "other information"). The Buyer shall be responsible for any consequences that result from the use of a MSDS or other information different from that provided by the Seller. The Buyer shall do its utmost to impose on its customers or other recipients of the Product delivered hereunder the obligations specified above and an obligation to include such obligations in any contract for the sale or any other form of disposal of the Product delivered hereunder together with a provision in the same terms as this sentence. For the purposes of this sub-section 30.1, "supplies" shall have the same meaning as "supply" set out in Section 46 of the Consumer Protection Act, 1987.

30.2 The Buyer shall provide persons responsible for the management of health, safety and environment matters within its own organisation with a copy of the MSDS and other information

as provided or developed pursuant to sub-section 30.1. The Buyer shall provide its employees with appropriate information and training to enable them to handle and use the Product delivered hereunder in a manner which does not endanger their health or safety. The Buyer shall be responsible for ensuring that any obligations, requirements or recommendations in respect of health, safety and the environment relating to the Product delivered hereunder are complied with under the laws, statutes, regulations or directives in force in or applying to territories, states or other jurisdictions in which the Buyer handles or uses the Product delivered hereunder.

30.3 Compliance by the Buyer with the recommendations contained in the MSDS or the other information shall not excuse the Buyer from compliance with any obligations or recommendations it is required or advised to comply with in relation to the Product delivered hereunder by virtue of any law, statute, regulation or directive in any territory, state or jurisdiction, or from any liability arising out of its failure to comply with such obligations or recommendations.

Section 31 - REACH

The Buyer and Seller shall take all necessary steps to ensure they comply with their respective legal obligations under the Regulation concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals 1907/2006 (as updated or amended from time to time) but the Seller shall have no liability under this agreement in the event that the product supplied is subject to any restriction or conditions imposed pursuant to REACH.

Section 32 - VAT, MOT and other taxes, duties etc.

32.1 Applicability

The provisions of sub-sections 32.2, and 32.3 of this Section shall apply only where the Loading Terminal or Discharge Port is located within the European Union ("EU").

32.2 VAT

32.2.1 Where VAT or similar tax ("VAT") becomes payable under the rules applicable at the Loading Terminal or Discharge Port, the Seller shall issue an invoice setting out such VAT and the date for its payment. Payment of such VAT shall be made to the Seller in addition to the price specified in the Special Provisions and any duty payable and in the same manner as provided for payment of such price. Such invoice may be rendered in either local currency of the country in which VAT is payable or, at the Seller's option, in the invoicing currency for the Product, converted at the appropriate exchange rate prevailing at the date of the tax point under the relevant VAT rules.

32.2.2 A sale of Product may be zero rated for VAT provided that:-

32.2.2.1 if the destination of the Product is within the EU, the Buyer provides to the Seller:

(a) within 30 days of the date of completion of loading:

(i) evidence satisfactory to the EU states in which the Loading Terminal and Discharge Port are located that the Product has been received by the Buyer, or on the Buyer's behalf, or by some other party acting on its own behalf, within another EU state, or

(ii) such other evidence as is satisfactory to the relevant authorities in the above EU states to allow zero rating of the supply of the Product; and

(b) before transfer of title in the Product to the Buyer, a valid VAT registration number issued by an EU state other than the EU state in which the loading terminal is situated; and

(c) evidence satisfactory to the EU states in which the Loading Terminal and Discharge Port are located that the transport arrangements for the Product qualify for zero rating; or

32.2.2.2 if the destination of the Product is outside the EU, the Buyer provides to the Seller, within 30 days of completion of loading of the Product, evidence satisfactory to the EU state in which the Loading Terminal is located of receipt of the Product by the Buyer, or on the Buyer's behalf, or by some other party acting on its own behalf, at a destination outside the EU.

32.2.3 In circumstances where either sub-sections 32.2.2.1 or 32.2.2.2 above may apply, the Seller will issue an invoice in respect of the Product which is zero rated for VAT. However, if the Buyer fails to comply with the requirements set out in sub-sections 32.2.2.1 or 32.2.2.2 above within the allotted time frame or in the event of any fraud or misappropriation in respect of the Product and/or the documents/information referred to in sub-section 32.2.2.1 above, the Seller shall be entitled to issue a further invoice for the amount of any VAT payable on the Product (inclusive of duty if appropriate) together with interest at the rate stipulated under the VAT rules applicable. Such invoice may be rendered either in local currency of the country in which VAT is payable or, at the Seller's option, in the invoicing currency for the Product, converted at the appropriate exchange rate prevailing at the date of the tax point under the relevant VAT rules.

32.2.4. Any invoice under this section 32.2 shall be paid in full within one banking day of presentation or, if later, the date of payment for the Product, in each case without setoff, withholding, deduction or counterclaim, to the Seller's bank account. Any outstanding amount shall bear interest in accordance with the provisions of sub-section 34.6 hereof.

32.2.5 The Buyer shall indemnify the Seller in respect of any costs, penalties and interest incurred by the Seller as a result of the Buyer's failure to pay, or delay in paying, any VAT in accordance with the Agreement.

32.2.6 If the Seller is subsequently able to obtain a credit or repayment from the authorities of any such VAT which has been paid by the Buyer, the Seller shall within 5 banking days reimburse the Buyer with the net amount so credited or repaid less any costs, penalties and interest and the Seller shall use all reasonable efforts, at the cost of the Buyer, to obtain such credit or repayment.

32.3 Excise Duty or Mineral Oil Tax

32.3.1 Excise Duty or Mineral Oil Tax may be payable in respect of the Product on its leaving bonded premises at the loading terminal unless:

32.3.1.1 by the 15th day of the month following the month in which loading of the Product hereunder from bonded premises is completed with an Accompanying Administrative Document ("AAD"), a properly completed Copy 3 thereof, together (except in the case of DAP with proof of discharge of the shipment, is returned to the Seller; or

32.3.1.2 the Buyer has provided to the Seller evidence satisfactory to the EU state where the Product was taken out of bonded premises, that the Product was delivered to a non-EU state either duty paid or into bonded premises; or

32.3.1.3 the Buyer can provide evidence satisfactory to the EU state where the Product was taken out of bonded premises without an AAD as a result of the Buyer's Nomination, that the Product was delivered into bonded premises within the EU in circumstances where such deliveries allow for suppression of Mineral Oil Tax.

32.3.2 If none of the exceptions set out in sub-sections 32.3.1.1, 32.3.1.2 and 32.3.1.3 above are complied with, or in the event of any fraud or misappropriation in respect of the Product and/or the documents referred to in sub-sections 32.3.1.1, 32.3.1.2 and 32.3.1.3 above, the Buyer shall indemnify, and hold indemnified, the Seller against all liability in respect of Excise Duty or Mineral Oil Tax incurred by the Seller as a result of such breach including any such reimbursements of amounts equivalent to such Duty or Tax by the Seller directly or indirectly to its supplier or the owner of the bonded premises from which the Product was despatched, including any interest, penalties and costs in respect thereof. In addition, notwithstanding compliance with subsections 32.3.1.1, 32.3.1.2 and 32.3.1.3 above, the Buyer shall remain liable under the above indemnity for any Excise Duty or Mineral Oil Tax claimed by any relevant EU state in respect of discrepancies between the loaded and discharged quantities.

32.4 Other taxes, duties, etc.

32.4.1 The Buyer's responsibilities

The amount of any taxes, duties, imposts, fees, charges and dues of every description imposed or levied by any governmental, local or port authority on the Product supplied hereunder, or on its export, delivery, transportation, ownership, sale or use, in respect of any stage after risk in such Product has passed to the Buyer shall be for the Buyer's account. In the case of FOB sales, all taxes, duties, imposts, fees, charges (including, without limitation, pilotage, mooring

and towage expenses) and dues (including, without limitation, quay dues) in respect of the Vessel incurred at the Loading Terminal shall be for the Buyer's account. In the case of CFR and CIF sales, all taxes, duties, imposts, fees, charges (including, without limitation, pilotage, mooring and towage expenses) and dues (including, without limitation, quay dues) in respect of the Vessel incurred at the Discharge Port shall be for the Buyer's account, except for those specified in Worldscale as being for the owners' account. For the avoidance of doubt and in respect of every type of sale, the Seller shall not be the importer of record but shall be responsible for complying with customs and excise entry procedures at the Discharge Port and all duties and taxes that arise in respect of such customs and excise entry shall be for the Buyer's account.

32.4.2 The Seller's responsibilities

The amount of any taxes, duties, imposts, fees, charges and dues of every description imposed or levied by any governmental, local or port authority on the Product supplied hereunder, or on its export, delivery, transportation, ownership, sale or use, in respect of any stage prior to risk in such Product has passing to the Buyer shall be for the Seller's account.

In the case of CFR and CIF sales, all taxes, duties, imposts, fees, charges (including, without limitation, pilotage, mooring and towage expenses) and dues (including, without limitation, quay dues) in respect of the Vessel incurred at the Loading Terminal shall be for the Seller's account, except for those specified in Worldscale as being for the owners' account.

In the case of DAP sales, all taxes, duties, imposts, fees, charges (including, without limitation, pilotage, mooring and towage expenses) and dues (including, without limitation, quay dues) in respect of the Vessel incurred at the Discharge Port shall be for the Seller's account.

Section 33 – Delivery

Where an INEOS entity is the Seller it may fulfil its' obligations under this Agreement by delivering from any of its Affiliates.

Section 34 – Nominations

An accepted Nomination is firm and no term of that nomination can be varied except by written agreement between the parties.

Section 35 – Credit and Payment

35.1 Credit review

The Seller reserves the right to review the financial status of the Buyer, and in the event of reasonable concerns supported by evidence of material adverse changes in the Buyers financial condition since the date of this Agreement such that the Seller has a reasonable cause for concern regarding the creditworthiness of the Buyer to meet its payment obligations under the Agreement, to withdraw or reduce at its' sole discretion, the amount of any credit extended to the Buyer by requiring that all or a portion of any credit is supported by Standby Letter of Credit or other guarantee or security acceptable to the Seller in the Seller's sole reasonable discretion, or to require prepayment of all or a portion of invoiced amounts. The Seller may only invoke such changes in credit terms for future deliveries and not for those already made and will promptly communicate any such decision to the Buyer in writing which shall be effective for all deliveries made subsequent to the communication being delivered to Buyer in accordance with the provisions of Section 40.

35.2 Payment documents

Except as expressly provided elsewhere in the Agreement, payment shall be made by the Buyer to the bank account nominated by the Seller against presentation to the Buyer of:-

35.2.1 in the case of delivery by deep sea vessel or barge;

- (a) the Seller's original commercial invoice or, subject to prior agreement with the Buyer, a .pdf copy of the original commercial invoice followed up with the original invoice, and;
 - (b) 3/3 original bills of lading issued or endorsed to the order of the Buyer; and
 - (c) original certificate(s) of quantity, quality and origin (or equivalent documents issued at the Loading Terminal), and, in the case of delivery CIF;
 - (d) original certificate of insurance or insurance company's cover note if requested by the Buyer.
- 35.2.2 in the case of delivery Ex-Tank, Into Tank, In-Situ, or by pipeline, against presentation to the Buyer of the Seller's original commercial invoice or, subject to prior agreement with the Buyer, a .pdf copy of the original commercial invoice followed up with the original invoice.
- 35.2.3 in the case of delivery by road or rail or multi-modal transport;
- (a) the Seller's commercial invoice, and
 - (b) certificates of quality and quantity, however named.

35.3 Seller's indemnity in lieu of shipping documents

If the documents referred to in sub-section 34.2 are not available for presentation to the Buyer on or before the payment due date, the Buyer agrees to make the payment to the bank account nominated by the Seller upon presentation to the Buyer of:

- (a) the Seller's original commercial invoice or, when prior agreed with Buyer, a fax commercial invoice followed up with the original invoice; plus
- (b) the Seller's indemnity in the format set out in Schedule A.

35.4 Seller's invoice

The Seller's invoice shall be prepared on the basis of the certificate(s) of quantity and, where applicable, quality (or equivalent document(s) issued at the Loading Terminal) issued in accordance with sub-section 1.1, 7.1, 21, 23 or 24 as the case may be.

Bank account details and VAT numbers shall be included on all invoices as appropriate.

INEOS accounts address for invoices/payment is:

INEOS O&P accounts
PO Box 21
Bo`ness Road
Grangemouth
Stirlingshire
FK3 9XH
United Kingdom

35.5 Due date

The Buyer's obligation to pay for any product supplied under this Agreement shall arise immediately upon delivery of the Product and payment for the delivered Product shall be made in accordance with the payment terms set out in the Agreement so that the value is received in the Seller's bank account on the due date as per the Agreement. The Seller shall use all reasonable endeavours to invoice the Buyer at least three business days before the day on which payment for the delivered Product is due and, where Product liable to VAT, the Seller shall use all reasonable endeavours to raise a valid VAT invoice to the Buyer. Where the applicable pricing mechanism and/or, in the case of delivery by pipeline where the availability of quantities delivered does not allow for the preparation of a final invoice prior to the payment due date, the Seller may issue and the Buyer shall make payment against a provisional invoice. The provisional invoice shall, unless otherwise agreed between the parties, be based upon the pricing information available to the Seller at the time it issues such provisional invoice. Payment of any balance due by either party to the other shall be made immediately upon receipt of the Seller's final invoice which shall be prepared as soon as practicable after all the relevant pricing and/or quantity information becomes available to the Seller.

If any payment falls due on a day that is not a banking day, such payment shall be made no later than the last banking day before the due date.

35.6 Interest

35.6.1 Without limitation to the provisions of this Section or the Seller's other rights under the Agreement or otherwise, the Seller shall have the right to require, in respect of any payment not made in full by the due date, the payment by the Buyer to the Seller of interest on any unpaid amount at a rate of LIBOR + 3% per annum, such interest to run from the due date until the date payment is received in the nominated bank account. Such interest shall be payable to the Seller on demand therefor being made by the Seller. Interest shall continue to accrue under this sub-section 35.6 until payment notwithstanding the termination of the Agreement for any cause whatsoever. The amount of interest payable to the Seller shall be engrossed for withholding tax, if any, such that the net amount received by the Seller after the deduction of any such withholding tax shall be equal to the full amount of interest due to it.

35.6.2 The provisions of this sub-section 35.6 shall not be construed as an indication of any willingness on the part of the Seller to provide extended credit as a matter of course, and shall be without prejudice to any rights and remedies which the Seller may have under the Agreement or otherwise. Any expenses incurred by the Seller, including but not limited to reasonable legal fees, court costs and collection agency fees, caused by delayed or non-payment by the Buyer of the amount(s) due shall be for the account of the Buyer and payable upon demand with supporting documentation.

35.7 Letter of credit

35.7.1 Where under the Agreement the price is to be paid by means of an irrevocable documentary letter of credit or supported by a standby letter of credit in favour of the Seller (both herein referred to as an "L/C"), the Buyer shall cause such L/C to be opened with or confirmed by a first-class international bank acceptable to the Seller ("the Bank") in terms specified in this sub-section 35.7.

35.7.2 The provisions hereof for such payment by L/C are not to be construed as excluding the Buyer's basic responsibility for paying within the credit period specified in the Agreement or as varied pursuant to this Section 35 for Product delivered hereunder.

35.7.3 The L/C shall be sufficient to cover the contractual mean value of the shipment at the price specified in the Special Provisions plus 10 percent and the Buyer shall cause it to be advised or confirmed in writing by the Bank to the Seller, in a form substantially as set out in Schedule B or C (whichever is applicable) and in all respects acceptable to the Seller.

35.7.4 The L/C shall be so advised or confirmed by not later than 1600 hours (London time) on the 5th day prior to;

- (i) the first day of the Laydays, in the case of delivery(ies) by sea or barge, or;
- (ii) the commencement of delivery in the case of delivery(ies) by pipeline, into tank, ex-tank or in-situ, or;
- (iii) on such later date and/or time as the Seller may in writing require.

Pursuant to such L/C the Seller shall present the documents referred to in sub-section 35.2 or 35.3 at the counter of the Bank, or its correspondent bank in London.

35.7.5 All charges in respect of the L/C shall be for the Buyer's account.

35.7.6 The L/C shall take effect in accordance with its terms (including any agreed amendment(s) thereto) but such terms (including any agreed amendment(s) thereto) shall not alter, add to, or in any way affect, the provisions of the Agreement (or any of them) unless the Seller and the Buyer expressly agree in writing that any such term shall so alter, add to, or in any way affect, the provisions of the Agreement.

35.7.7 If for any reason the loading or discharge, as the case may be, of the Vessel will not take place within the period for such loading or discharge referred to in the L/C, the Buyer shall either obtain an extension of such period for loading or provide a new L/C in terms acceptable to the Seller.

35.7.8 Failure by the Buyer to comply with the requirements of this sub-section 35.7 shall be a breach by the Buyer of the Agreement entitling the Seller to terminate the Agreement and claim

damages. In any event, whether the Seller has exercised that right to terminate or not, the Seller shall be under no obligation to commence the loading or permit the discharge of the shipment in question and shall be entitled to claim damages (including demurrage, if any).

Section 36 - Hardship

If at any time during the Agreement either Party is of the view that there has been a substantial and sustained change in the business, monetary, technical or commercial environment as a result of which that Party for objective reasons beyond its' control suffers material hardship over a prolonged period of time in complying with this Agreement, that Party may claim relief by notifying the other in writing that it wishes to meet and review the conditions of the Agreement in the light of the changed conditions. The notice shall include an explanation of the changed circumstances and facts on which the claim is based. The Parties shall meet to discuss appropriate means, if any, to alleviate or mitigate the effects of such hardship in a manner equitable to both parties. In the event that no agreement is reached after 30 days the matter may be referred to settlement by an independent expert appointed by the International Chamber of Commerce in Paris at the request of either Party who shall notify the other Party to this agreement 2 working days prior to referring the matter. Any costs incurred as a result of the independent determination shall be shared equally between the Parties if it is determined that Hardship exists, and shall be for the account of the Party claiming relief if no Hardship is established. Such settlement may determine both the existence or otherwise of such hardship and its consequences, including adequate amendments to the Agreement to re-establish the initial and intended balance of interests in the Agreement.

Neither party shall have any claim in respect of any circumstance or situation or event which has ceased to operate by the date on which the claim is notified to the other party or by the date of termination or expiry of the Agreement.

Section 37 - Force majeure

37.1 Seller and Buyer shall be released from any claim to the extent that they are unable to perform any obligation under the Agreement (other than the payment of money) due to Force Majeure. The affected party must give the other prompt notice of the cause of its non-performance and the anticipated extent of delay, and use reasonable endeavours to overcome the Force Majeure and resume performance. There is no obligation to settle strikes, lockouts or other industrial disturbances. The party invoking Force Majeure must give prompt notice to the other when it is able to resume performance.

37.2 "Force Majeure" means any causes beyond the reasonable control of the relevant party and which could not have been avoided by the exercise of reasonable diligence, including, to the extent they satisfy the foregoing criteria, but not limited to: compliance with law, regulation, decree, order or request of any governmental authority, nationalization, expropriation, confiscation, riot, war, public disturbance, fire flood, earthquake, storm, explosion, acts of God, strikes, lockouts, breakdown of machinery or facilities, or inability to obtain raw materials, equipment, fuel or transportation. Force Majeure affecting the Seller's plant producing the Product will be deemed to affect Seller.

37.3 Buyer shall not be relieved of any obligation to accept and pay for Product dispatched before Seller receives the Buyer's Force Majeure notice.

37.4 To the extent Product is not available to Seller by reason of Force Majeure, Seller shall apportion available Product among itself and its purchasers on a reasonable and equitable basis, without incurring any liability for failure to perform under the Agreement. Seller shall not be required to acquire, by purchase or otherwise, additional quantities of Product from other suppliers or otherwise supplement its available supply of Product.

37.5 For the purposes of sub-section 36.4, the availability to the Seller of Product on the spot market shall, except in relation to spot purchases entered into by the Seller before the date of such curtailment or interference, be deemed not to be a source or anticipated source of supply to the Seller and any such Product acquired or capable of being acquired by the Seller by such means shall, except as aforesaid, be deemed not to be so acquired or capable of being so acquired under supply arrangements existing or anticipated at that date.

37.6 If by reason of Force Majeure, Buyer is unable to utilize Product in the full quantities which Buyer has committed to purchase from Seller and Buyer's other supplies of Product, Buyer must apportion its remaining Product requirements among all of its contracted Product suppliers, including Seller on a fair and equitable basis.

37.7 The Buyer shall be free to purchase from other suppliers any deficiency of delivery caused by the operation of this Section.

Section 38 - Limitation of liabilities

38.1 Except as specifically provided in the Special Provisions or in sub-section 12.4, in no event, including the negligent act or omission on its part, shall either party be liable to the other, whether under the Agreement or otherwise in connection with it, in contract, tort, breach of statutory duty or otherwise, in respect of any indirect or consequential losses or expenses including (without limitation) if and to the extent that they might otherwise not constitute indirect or consequential losses or expenses, loss of anticipated profits, goodwill, use, market reputation, business receipts or contracts or commercial opportunities, whether or not foreseeable.

38.2 The Product price has been agreed on the basis that Seller's maximum legal liability will be restricted. Buyer is responsible for having its own risk mitigation and management arrangements in place and duplication of these would be wasteful. Seller has been willing to negotiate higher liability limits, subject to commensurate increases in price. Seller's maximum liability arising out of or in connection with any claim under this Agreement shall be the higher of:

- (a) 4% of the invoiced value of sales of Product under this Agreement; or
- (b) £100,000,

but in any case the aggregate liability for all claims under the Agreement may never exceed £500,000, and Seller is released from all claims in excess of this maximum, even where caused by Seller's negligence or breach of duty unless caused by Seller's fraud.

38.3 Buyer assumes all risk and liability for loss, damage or injury to persons or property arising out of its possession, use, or resale of Product either singly or in combination with other substances and indemnifies and holds the Seller harmless from and against any third parties claims in this respect.

38.4 The provisions of this Section 38 shall continue to apply notwithstanding the termination or expiry of the Agreement for any reason whatsoever.

38.5 Any claim rising under this Section 38 shall be submitted in writing to the other party (accompanied by evidence fully supporting the claim) within 1 year of the date of the alleged occurrence and, failing such notice (and supporting evidence), any liability of the other party shall be extinguished.

38.6 Nothing herein shall in any way limit or exclude the liability of either party for;

- (a) death or personal injury caused by negligence; or
- (b) fraudulent misrepresentation.

Section 39 - Termination or suspension in the event of liquidation, etc.

39.1 Notwithstanding anything to the contrary express or implied elsewhere herein, either party (without prejudice to its other rights) may at its sole discretion either terminate the Agreement forthwith or forthwith suspend delivery under the Agreement until further notice, on notifying the other party either orally (confirming such notification in writing) or by notice in writing, if a liquidator (other than for the purpose of amalgamation or reconstruction), trustee in bankruptcy, receiver or receiver and manager is appointed in respect of the assets and/or undertaking of the other party or any of its Affiliates, or the other party or any such Affiliate enters into an arrangement or composition with its creditors, or any similar appointment, arrangement or composition is made under any applicable law, or if the party in question has reason to anticipate any such occurrence, appointment, arrangement or composition.

39.2 In the case of multiple shipments or pipeline deliveries under the Agreement, notwithstanding anything to the contrary express or implied elsewhere herein:-

39.2.1 the Seller (without prejudice to its other rights) may at its sole discretion suspend delivery under the Agreement, on notifying the other party either orally (confirming such notification in writing) or by notice in writing, if the Buyer:-

39.2.1.1 fails to make any payment due to the Seller's nominated bank account under the Agreement in full and punctually by the due date; or

39.2.1.2 fails to take delivery in accordance with the quantity or delivery provisions of the Agreement; and

39.2.2 the Buyer (without prejudice to its other rights) may at its sole discretion suspend the taking of delivery under the Agreement, on notifying the other party either orally (confirming such notification in writing) or by notice in writing, if the Seller fails to make delivery in accordance with the quantity or delivery provisions of the Agreement.

Section 40 - Limitation on assignment

Neither of the parties to the Agreement shall without the previous consent in writing of the other party (which shall not be unreasonably withheld or delayed) assign the Agreement or any rights or obligations hereunder, except that where the Seller is an INEOS company, its rights to payment may be assigned directly or indirectly without limitation, pursuant to any receivables purchase arrangements or similar transactions which INEOS may from time to time enter into. In the event of an assignment in accordance with the terms of this Section, the assignor shall nevertheless remain responsible for the proper performance of the Agreement. Any assignment not made in accordance with the terms of this Section shall be void.

Section 41 - Notices

41.1 Unless otherwise provided elsewhere in the Agreement, any communication by either party to the other shall be sufficiently made if sent by e-mail, by post (by airmail where airmail is possible) postage paid, or by courier to the address of the other party specified for this purpose in the Special Provisions, or if none provided, to its principal business address.

41.2 Notices shall be deemed to be delivered and received as follows;

In the case of a communication sent by first class post within the United Kingdom, on the second day after it was posted.

In the case of a communication sent by airmail, on the fifth day after it was posted.

In the case of a communication by email: if it is sent on a business day before 4.00 pm, then on that day.

In the case of a communication by courier, if delivered before 4.00 pm, then on that day.

In any other case it will be deemed to be received at 9am (local time in the receiving office) on the business day after the day on which it is sent.

41.3 Any alterations to the contacts or addresses specified in the Special Provisions shall be notified immediately by e-mail or letter to the other party.

Section 42 - Trade controls, sanctions and boycotts

42.1 Notwithstanding anything to the contrary herein, nothing in the Agreement is intended, and nothing herein should be interpreted or construed, to induce or require either party hereto to act in any manner (including failing to take any actions in connection with a transaction) which is inconsistent with, penalised or prohibited under any national or supra-national laws, regulations, conventions or other rules or requirements applicable to such party which relate to foreign trade controls, export controls, embargoes, sanctions or international boycotts of any type.

42.2 Product deliverable hereunder shall not;

(a) be exported to or imported from any restricted jurisdiction; or

(b) be purchased from or sold or supplied to any natural or legal person in any restricted jurisdiction, or agent or proscribed natural or legal person wherever located acting on behalf of any such person; or

(c) be purchased from or sold or supplied to any natural or legal person or agent or proscribed natural or legal person acting on behalf of any such person for the purposes of any commercial activity carried out in or from or on behalf of any such restricted jurisdiction;

if such purchase, sale or supply would contravene any sanctions or similar restrictions against the restricted jurisdiction or the proscribed natural or legal person.

42.3 For the purposes of this Section;

(a) "restricted jurisdiction" shall mean any country, state, territory or region against which there are sanctions imposed by the United Nations, the European Union, the Government of the United Kingdom or any other sanctions specified in the Special Provisions which prohibit the shipment thereto and/or from of Product; and

(b) "proscribed natural or legal person" shall mean any person or organisation of any kind against whom or which there are sanctions imposed by the United Nations, the European Union, the Government of the United Kingdom or as otherwise specified in the Special Provisions.

Section 43 – Shutdowns/TARs

43.1 Each Party shall advise the other in writing no later than 31st October of the previous year of planned shutdowns affecting the producing or consuming plant, as the case may be, advising the scheduled start date and anticipated duration.

43.2 The amount of any nominated quantity or confirmed quantity communicated prior to the notification of the planned shutdown shall be reduced pro-rata according to the extent the production is affected for the duration of the shutdown.

Section 44 - Arbitration, Mediation and Referees

44.1 Arbitration

Other than in accordance with 44.2 below, no dispute arising out of or in connection with the agreement, including any question regarding its existence, validity or termination shall be referred to arbitration unless explicitly agreed in the Special Provisions or otherwise agreed in writing by the parties. If it is so agreed, the dispute shall be referred to and finally resolved by arbitration, before a single arbitrator acting under the LCIA rules and appointed by the LCIA. The seat of arbitration shall be London. The language of the arbitration shall be English.

In the event that the contracting Parties are both Swiss legal entities, this clause 44.1 shall not apply and any dispute shall be finally settled by arbitration according to Swiss Rules in Geneva. The arbitration shall be conducted in the English language and all documents used (if not originally in English) shall be provided in English translation.

44.2 Small Claims

Notwithstanding anything contained herein to the contrary any and all claims of EUR 50k or less (excluding interest and costs) made by a Party to the Agreement may be referred to the London Court of International Arbitration ("LCIA") by either Party, following not less than 14 days written notice having been given to the other Party, for final and binding determination under the expedited procedure following the terms of the "LCIA Rules" rules current at the time that arbitration proceedings are commenced.

In the event that the contracting Parties are both Swiss legal entities any claims with a value not exceeding CHF 1M (one million Swiss Francs), or the equivalent in any other currency, shall be decided according to the Expedited Procedure.

44.3 Mediation

Mediation shall, by mutual agreement, remain available to the parties at all times as a means of resolving any dispute whether or not legal action or arbitration has commenced or is envisaged.

44.4 Appointment of a referee

Where any matter is under the Agreement to be determined by a referee or the parties agree that any particular matter be so determined, the referee shall be a person fitted by the possession of expert knowledge for the determination of the particular matter in question. Unless otherwise specifically provided in the Agreement, he/she shall be nominated by agreement between the parties or, in the absence of such agreement, within 21 days of the date of the first nomination of a referee by either party to the other, by the President for the time being of the London Court of International Arbitration (LCIA) at the request of either party. The parties shall furnish the referee with all information, written or oral, and other evidence which he/she may reasonably require for his/her determination. The referee shall act as an expert not as an arbitrator and his/her decision shall be final and binding on the parties. The costs of such referee shall be shared equally between the parties

Section 45 – Miscellaneous

45.1 Severability

If any provision of the Agreement is declared to be illegal, invalid or otherwise unenforceable by a court of competent jurisdiction or either party's compliance with any ruling or resolution of the United Nations or the European Union has a like or similar effect, the remainder of the Agreement (and of such provision) shall not be affected except to the extent necessary to delete such illegal, invalid or unenforceable provision (or part thereof). The invalid or unenforceable provision shall be replaced with a valid and enforceable provision, the effects of which are closest to the economic objective pursued by the Parties with the invalid or unenforceable provision.

45.2 Consents, etc.

Each party shall be responsible for obtaining all consents, authorisations, approvals and assurances of whatsoever nature necessary to enable it to comply with its obligations under the Agreement.

45.3 Ranking of Documents

In the event of conflict or inconsistency between these General Terms and Conditions and the Special Provisions, the Special Provisions shall prevail over these General Terms and Conditions.

No other terms or conditions, whether issued on invoices, orders or other documents relating to this transaction shall apply. All liability for pre-contractual misrepresentations, even when these have become terms of this agreement, is excluded, except where fraudulent.

45.4 Modification

45.4.1 The Agreement shall not be modified except by written instrument executed on behalf of the respective parties or in accordance with the terms of e-mails exchanged and agreed between the parties.

45.4.2 Notwithstanding the above, the Seller may at its sole discretion amend the credit terms of the Agreement in accordance with sub-section 34.1 herein.

45.5 Waiver

Any waiver, which shall be valid only if given in writing, shall relate only to the matter, non-compliance or breach to which it expressly relates and shall not apply to any subsequent or other matter, non-compliance or breach. No delay in exercising or failure to exercise any of the rights of either Party arising from or in connection with this Agreement, these Terms and Conditions or the Contract shall operate as a waiver or release of that right.

45.6 Telephones

Each party hereby acknowledges to the other party and consents that such other party may, from time to time, and without further notice, electronically record telephone conversations between the parties' respective representatives in connection with the Agreement or other commercial matters between the parties.

45.7 Entire Agreement

The Agreement contains the entire agreement between the Seller and the Buyer with respect to the matters set forth in the Special Provisions and supersedes all prior agreements, whether oral or written, in connection therewith. Nothing herein shall exclude any liability for fraudulent misrepresentation.

45.8 Warranties

The Buyer and the Seller each warrant that it has not in connection with the Agreement relied upon any representations or warranties, whether written or oral, made by or on behalf of the other party except as set out in this Agreement.

45.9 Trade marks

Nothing contained in the Agreement whether express or implied shall be deemed to confer any right upon the Buyer to apply any trade mark owned by the Seller or any of its Affiliates to any Product supplied under the Agreement nor to use such trade marks in relation to such Product.

45.10 Third party rights

No term of the Agreement shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person, company or other legal entity which is not a party to the Agreement ("a third party") against one of the parties to the Agreement. The parties may rescind or vary the Agreement, in whole or in part, without the consent of any third party.

Section 46 - Applicable law

46.1 Governing law

The construction, validity and performance of the Agreement shall be governed by English law to the exclusion of any other law which may be imputed in accordance with choice of law rules applicable in any jurisdiction. Subject to the provisions of Section 44, any dispute howsoever arising in relation to the Agreement including its existence, validity or termination shall be referred to the High Court in London. However, neither party shall be precluded from pursuing arrest, attachment and/or other conservatory, interlocutory or interim actions in any court or exercising any contractual rights in relation to the Product or Vessel provided for elsewhere in the Agreement.

In the event that the contracting Parties are both Swiss legal entities, this clause 46 shall not apply and the contract terms including the GT&Cs shall be interpreted according to the laws of Switzerland which shall govern the Agreement. Any dispute shall be finally settled by arbitration according to Swiss Rules in Geneva.

46.2 The UN Convention

The United Nations Convention on Contracts for the International Sale of Goods of Vienna, 11th April 1980, shall not apply to the Agreement.

46.3 Sovereign immunity

Each party hereto warrants that it has entered into the Agreement in a commercial capacity and that with respect to the Agreement it is in all respects subject to civil and commercial law. Each party hereby consents generally in respect of any legal action, arbitration or other proceedings arising out of or in connection with the Agreement to the giving of any relief, or to the issue of any process in connection with such action or proceedings irrespective of the jurisdiction in question. Each party hereby irrevocably and unconditionally and to the fullest extent permitted by law waives any rights of sovereign immunity which it may have now or which it may subsequently acquire in respect of its position or any property and/or assets (present or subsequently acquired and wherever located) belonging to it.

PART SEVEN

Schedules

SCHEDULE A

Seller's Indemnity format

The indemnity referred to in Section 35 shall be in the following format: quote

We refer to our Agreement dated the ... day of [month], [year] in respect of your purchase from us of tons of Product FOB/CFR/CIF/DAP ("the Agreement") on Vessel ".....", bill of lading date In consideration of your making payment of for tons of the said Product in accordance with the Agreement and having agreed to accept delivery of the cargo without having been provided with [here insert the relevant documents] ("the documents"), we hereby represent and warrant the existence and validity of the documents; that we are entitled to possession of the documents; we were entitled to possession of the Product; we had good title to such Product; and that title in the Product has been passed as provided in the Agreement to you free of all liens, charges or encumbrances of whatever kind and you will have the benefit of the warranty as to enjoyment of quiet possession implied by law in the Agreement but without prejudice to any other warranty so implied.

Without prejudice to your rights under the Agreement we hereby agree to protect, indemnify and hold you harmless from and against any and all damages, losses, liabilities, costs, claims and reasonable expenses which you may suffer by reason of:-

- (a) our failure to present to you in accordance with the Agreement the documents; and/or
- (b) any action or proceeding brought or threatened against you in connection with questions of title to or the right to possession of the documents or the cargo or the proceeds of either; or any liens, charges or encumbrances asserted on the documents or the cargo or any other claims arising out of or in connection with the documents.

This indemnity shall be governed by and construed in accordance with English law, shall be subject to the exclusive jurisdiction of the English Courts and shall cease to have effect upon the documents being provided to you.

Signed by:

Title:

of:[company name]

unquote

SCHEDULE B

Letter of Credit format

Format of Irrevocable Documentary Letter of Credit as required pursuant to Section 35:

Please urgently advise [Seller], [Seller's address] that we hereby issue our Irrevocable Documentary Letter of Credit number in their favour for Account of for an amount of (say[in words].....) plus or minus 10% available at our counters days [from/after] the [bill of lading][completion of discharge] date, ([bill of lading] [completion of discharge] date to count as day [one/zero])against presentation of the following documents in one original and ... copies unless otherwise stated:-

1. original signed commercial invoice;
- 2.* (a) **in the case of delivery CFR/CIF:** full set of 3/3 original clean on board ocean bills of lading issued or endorsed to the order of Issuing bank

[* Amend as required]

Price Clause [Here insert text of Price Clause as set out in the Special Provisions]

This Credit expires on

Special Conditions:-

1. This Letter of Credit shall take effect in accordance with its terms but such terms shall not alter, add to or in any way affect the provisions of the Agreement between [Seller] and [Buyer] to which this Letter of Credit relates.
2. **[In the case of delivery CFR/CIF only]** Charter party bills of lading/Vessel bills of lading and/or bills of lading signed by the master or agent and not indicating that they have been issued by a named carrier are acceptable.
3. Documents presented later than 21 days after the bill of lading date but within the validity of this Credit are acceptable.
4. Transhipments allowed.
5. Partial shipments allowed.
6. Photocopies in lieu of copy documents acceptable.
7. All bank charges are for the account of the applicant.
8. The construction, validity and performance of this Letter of Credit shall be governed by and construed in accordance with English law.
9. Typographical and spelling errors shall not constitute a discrepancy unless with regard to quantity or amount.

Except as otherwise expressly stated herein, this Letter of Credit is subject to ICC Uniform Customs and Practice for Documentary Credits Revision 2007, UCP 600.

SCHEDULE C

Standby Letter of Credit format

Format of Standby Letter of Credit as required pursuant to Section 35:

-Irrevocable Standby Letter of Credit No.

BENEFICIARY APPLICANT

[name and address] [name and address]

At the request of the above applicant, and for its account, we [name and address of Bank] hereby open in your favour our Irrevocable Standby Letter of Credit No.....

This Stand-by Letter of Credit is for an amount of [amount in figures/words] +/-10% and is available for payment at our counters at sight against the following documents:-

1. Copy of unpaid invoice.
2. Beneficiary's certificate purporting to be signed by an official of the Beneficiary certifying that "the amount demanded represents a payment which has not been made to [name of Beneficiary] by [name of Applicant] within the terms of the contract in respect of invoice number which is legally and properly past due".

Covering: [Details of the Agreement]

Multiple drawings are permitted.

The expiration of this Letter of Credit is

We hereby agree with you that presentation of the documents in compliance with the terms of this Standby Letter of Credit will be duly honoured on presentation to us no later than the expiry date of this Credit.

Special Conditions:-

1. All bank charges are for the account of the Applicant.
2. This Letter of Credit shall take effect in accordance with its terms but such terms shall not alter, add to or in any way affect the Agreement between [Seller] and [Buyer] to which this Letter of Credit relates.
3. The construction, validity and performance of this Letter of Credit shall be governed by and construed in accordance with English law.

Except as otherwise expressly provided herein, this Standby Letter of Credit is subject to the ICC International Standby Practices 1998 (ISP98).

SCHEDULE D

Supplement in respect of EU documentation, etc.

1. Imports into the EU under “Preference” from non-EU States

1.1 If the loading terminal is located outside the EU and in a State with which there is a Preferential Agreement between such State and the EU whereby the Product enjoys a Generalised Tariff Preference, the Seller shall provide the Buyer with the relevant original qualifying document(s) (e.g. EUR1, ATR, GSP Form A).

1.2 The Buyer shall submit such original qualifying document(s) to the relevant and local customs authorities, and only if such customs authorities accept such qualifying document(s) (thereby agreeing that a Generalised Tariff Preference is valid and import duty is therefore not due on the Product) shall such Product be deemed to be EU-qualified.

1.3 If the relevant qualifying document(s) is/are not available for presentation to the Buyer or its representative by 1200 hours (London time) on the banking day prior to the payment due date, or if the customs authorities refuse to accept and/or verify such qualifying document(s), the Buyer shall have the right, notwithstanding the payment terms specified in the Special Provisions, to deduct from its payment to the Seller for the Product an amount equal to the amount of any duty which may become payable.

1.4 If, pursuant to paragraph 1.3 of this Schedule, the Buyer makes payment with a deduction in respect of duty payable, but the relevant qualifying document(s) is/are subsequently made available and presented to and accepted by the relevant customs authorities, the Buyer shall promptly pay to the Seller the amount so deducted (or, if lesser, an amount equal to the sum refunded by such customs authorities at their sole discretion provided always that the Buyer shall provide the Seller with documentary evidence of such refund).

2. Movements to, from and within the United Kingdom

2.1 Exports from the UK

If the Loading Terminal is located in the United Kingdom (“UK”) and the Product to be delivered is documented for an export destination under UK Excise Duty Free status, the Product shall be exported from the UK and shall not re-enter the UK unless the written consent of H. M. Customs & Excise is obtained and full Excise Duty and VAT is paid by the Buyer. The Buyer shall indemnify the Seller for all duties, costs and other consequences resulting from any breach hereof.

2.2 UK hydrocarbon oil excise duty

2.2.1 If the Product is to be moved within the UK, subject to the Buyer having made satisfactory arrangements with H. M. Customs & Excise for the deferred payment of Duty, where applicable, Excise Duty will be deferred under the Buyer’s deferment number which shall be advised by the Buyer in writing to the Seller as soon as possible but always before any Customs entry is made.

2.2.2 If an internal UK movement is made on a “Duty Paid” basis, any and all taxes levied on the Product shall be for the Buyer’s account payable in full in Pounds Sterling at the same time as payment of the price.

2.3 Domestic movements within the UK

Without prejudice to the provisions of Section 32, in order for any delivery of Product hereunder for transfer/transportation within the UK to be treated as being outside the scope of VAT, the Seller shall, in addition to any other requirements in the Agreement, require confirmation in writing from the Buyer stating that “the Product deliverable under the Agreement will be used as feedstock only”.

3. Movements between EU States

3.1 Notwithstanding the provisions of Section 32:

3.1.1 the Seller shall provide the Buyer with the relevant original document(s) (e.g. an AAD or an INF3) showing that the Product is EU qualified and therefore in free circulation within the EU and import duty is therefore not due on such Product;

3.1.2 the Buyer shall submit such original document(s) to the relevant and local customs authorities and only if such customs authorities accept such document(s) shall Product be deemed as free from import duty;

3.1.3 if the relevant document(s) is/are not available for presentation to the Buyer or its representative by 1200 hours (London time) on the banking day prior to the payment due date, or if the customs authorities refuse to accept and/or verify such document(s), the provisions of paragraphs 1.3 and 1.4 of this Schedule shall apply mutatis mutandis.

3.2 Without prejudice to the provisions of Section 32, in order for any delivery of Product hereunder for transfer/transportation within the EU to be zero Intra Community Dispatch rated for VAT, the Buyer is required to provide the Seller, prior to commencement of loading/transfer, with a written declaration stating “(a) a valid VAT registration number of the Buyer in an EU state other than the EU state in which the loading terminal is located, (b) an Intra Community Acquisition of the Product will be reported in the country of destination, and (c) [*the Product delivered under the Agreement will be transported from the loading terminal to the country of destination by the transporter on behalf of the Buyer] [*the delivery nominated has already been on-sold to a third party to whom the Product must be supplied in another EU member state. As a consequence, the obligation to transport the Product to another EU member state has been transferred to such third party]”. [*Delete as appropriate]

4. For domestic movements within The Netherlands

Without prejudice to the provisions of Section 32, in order for any delivery of Product hereunder for transfer/transportation within The Netherlands to be zero rated for VAT, the Buyer is required to provide the Seller, prior to commencement of loading/ discharge/transfer, with a declaration (in accordance with the requirements of Article 12 of the “Uitvoeringsbesluit Omzetbelasting 1968”) stating that “(a) the Product delivered under the Agreement will be delivered into a suspension regime for excise duty by delivery of the Product into an AGP (Accijnsgoederenplaats), the licence number of which is [licence number], and (b) the Product will not be drawn from this regime for purposes other than a fully VAT taxable supply”. In addition to the foregoing, if the loading terminal is not operated by the Seller, the Seller shall also require the declaration referred to above to include “and (c) the Buyer has received confirmation from the receiving AGP licence holder, declaring that the Product will be taken into its licence for itself or on behalf of its customer”.

SCHEDULE E

Requirements in respect of Vessels at the Loading Terminal or Discharge Port and, where applicable, during the Voyage

1. Requirements in respect of Vessels at the Loading Terminal or Discharge Port

1.1 If any Vessel does not meet any of the following requirements of this Part 1 of this Schedule E:

(a) at the Loading Terminal, the Seller or the Seller's supplier may refuse to berth, load or continue loading such Vessel; and/or

(b) at the Discharge Port;

the Buyer or the Buyer's receiver may refuse to berth, discharge or continue discharging such Vessel.

1.2 ITOPF

Except in the case of LPG, or liquefied or partially liquefied petrochemical gases, each Vessel shall be owned by or demise chartered to a member of the International Tanker Owners Pollution Federation Ltd. ("ITOPF").

1.3 CLC

The Vessel shall:

(a) carry on board certificate(s) as required pursuant to the 1969 Civil Liability Convention for Oil Pollution Damage or any Protocols thereto ("CLC"); and

(b) if the Product constitutes Persistent Oil, have in place insurance cover for oil pollution no less in scope and amounts than available under the rules of P. & I. Clubs entered into the International Group of P. & I. Clubs (currently standard oil pollution cover of US\$500 million plus additional oil pollution insurance cover of US\$200 million).

1.4 ISM Certificates

The Vessel shall have on board at all times a valid ISM certificate and the owners, before and during the voyage, comply with the requirements of the ISM Code. (For the purposes of the Agreement, "ISM" means the International Management Code for the Safe Operations of Ships and for Pollution Prevention.)

1.5 ISGOTT, etc.

The Vessel shall be manned, operated and maintained so as to fully comply with (i) the standards set out in ISGOTT, (ii) appropriate IMO recommendations, and (iii) the OCIMF Guidelines for the Control of Drugs and Alcohol On-board Ship (1990), each as amended from time to time. (For the purposes hereof, "ISGOTT" means the International Safety Guide for Oil Tankers and Terminals, as current from time to time, and "IMO" means the International Maritime Organisation.)

1.6 Closed loading and/or discharge

Vessels which are loading/discharging a volatile, toxic or noxious cargo must operate at all times in the Closed Operations mode. Closed Operations refers to the procedures whereby Vessels conduct cargo transfer and ballasting operations into cargo tanks, with tank apertures closed and with vapours being emitted only by means of the dedicated venting system which is designed to disperse vapour clear of working areas and possible ignition sources. All Vessels must be equipped with a fully operational closed sampling system such as, but not limited to, Dopak/Dovanius, Hermetic UTI. Under no circumstances will open sampling of volatile, toxic or noxious cargo be permitted.

For the purposes of this sub-clause:-

"volatile" shall mean a liquid from which gas evaporates rapidly and shall be taken to include any naturally volatile Product or any Product being carried at a temperature which is higher than the flash point of the Product minus 10 degrees Celsius;

"toxic" shall mean a poison which can affect personnel following inhalation, absorption or ingestion and shall be taken to include all Products which give off vapours containing substances for which exposure limits are recommended as they may be hazardous to the health of personnel exposed to them; and

"noxious" shall mean harmful to personnel or the environment.

1.7 IGS

Any Vessel fitted with an inert gas system (“IGS”) will not be permitted to berth or to load or discharge Product unless the IGS is in good order, operative and the cargo tanks inerted. If an IGS-equipped Vessel arrives with the IGS inoperative, the Vessel will not be berthed until the IGS is operative and the cargo tanks inerted and until that time NOR shall not be given, or if given shall not be effective, and Laytime shall not commence until commencement of loading or discharge, as the case may be.

1.8 Ballast

Discharge of dirty ballast, bilges, slops or other substances into water shall be in accordance with MARPOL 73/78, as amended from time to time, and is in any event totally prohibited within the confines of the Loading Terminal or the Discharge Port.

2. Loading or Discharge at ports in the United Kingdom

Where the Loading Terminal or the Discharge Port is located within the United Kingdom, the Vessel shall observe the Code of Practice relating, inter alia, to recommendations as to routes to be taken by Vessels in certain sensitive locations in UK waters as drawn up by the British Chamber of Shipping in March 1993 and as amended from time to time.

3. Regulated Waterways

The Vessel shall comply with all regulations and recommendations relating to the navigation of waterways such as canals and narrows, including specifically those contained in the “Turkish Straits Maritime Traffic Scheme Regulations” dated 6 November 1998, as amended or re-issued from time to time or any official successor publication.

4. Incorporation of Schedule F

Where applicable, the requirements set out in Schedule F shall apply.

SCHEDULE F

INEOS Emergency Instructions

A) INEOS Marine Emergency Instructions

These instructions are to be followed in the case of an emergency such as collision, grounding, fire, pollution or other incident where immediate assistance is required or adverse media coverage is expected. The aim of the procedure is to speed up the response to an emergency, with benefit to all concerned.

In the event of any incident relating to a Vessel or Barge carrying Product the risk in which has passed from the Seller to a member of the INEOS Group of companies, the Seller shall use its best efforts to ensure that the master of the Vessel implements the instructions below.

For VESSELS, notification by telephone to INEOS Grangemouth, UK on +44 (0)1324 476575.

For BARGES, notification by telephone to INEOS in Cologne, Germany on +49 (0)221 3555 2223.

Please clearly state that this is an INEOS Marine Emergency Notification. This must then be followed up with an e-mail to marineassuranceteam@ineos.com.

The notification shall contain the following information;

- Name of Vessel or Barge;
- Nature of emergency (collision, grounding, etc.);
- Position of Vessel or Barge (latitude, longitude, port);
- Nature and extent of damage;
- Fatalities and/or personal injuries, if any;
- State of sea and weather;
- Name, nationality and type of other vessel(s) involved;
- In the event of a spill, the message should also include the local time, date and location of the spill;
- Name of the owner of the installation (if in port) and whether at a jetty, CBM, SBM, etc.;
- Type of product
- Cause if known (e.g. overflow, hose burst, defective shore pipeline, hull defect, leaking ship valve(s));
- Estimated quantity spilled;
- Estimate of rate of spill if continuing;
- Whether clean up has been attempted either by the Vessel, Barge or a third party;
- Whether towage is required;
- Any other relevant comments;
- Time and origin of each report.

B) Non-Emergency Marine Incidents

Any non-emergency marine incident relating to the safety and maintenance of the ship, including but not limited to repairs, whilst on INEOS Business should also be reported to INEOS MARINE ASSURANCE (IMAS) by email as follows:

Your response must be addressed to: marineassuranceteam@ineos.com

Your subject/heading must contain the same text as this message to allow us to deal with it efficiently.