



# 中燃国际石油（新加坡）有限公司

CHIMBUSCO INTERNATIONAL PETROLEUM (SINGAPORE) PTE LTD

63 MARKET STREET #20-01 BANK OF SINGAPORE CENTRE SINGAPORE 048942

TEL:(65) 65119600 FAX:(65)65330567 COMPANY REGISTRATION NO:200922193C

---

## GENERAL TERMS AND CONDITIONS

Effective 1<sup>st</sup> August 2010, the following terms of sale and supply shall constitute the General Terms and Conditions ("General Terms") of Chimbusco International Petroleum (Singapore) Pte. Ltd.

CHIMBUSCO, whenever appearing in this Document, means China Marine Bunker (PetroChina) Co., Ltd. (collectively, "CHIMBUSCO") headquartered at 15/F Tower AB, Office Park, No. 10, Jintong West Road, Chaoyang District, Beijing 100020, China. Unless otherwise agreed in writing, the General Terms shall apply to every sale of marine petroleum products ("Products") entered into between Chimbusco International Petroleum (Singapore) Pte. Ltd., a CHIMBUSCO affiliate in Singapore, as the seller ("Seller"), and any unit as buyer ("Buyer") of such Products.

### 1. INCORPORATION AND MERGER:

Each sale of Products shall be confirmed by fax or other writing from the Seller to the Buyer ("Confirmation"). The Confirmation shall incorporate the General Terms by reference so that the General Terms thereby supplement and are made part of the particular terms set forth in the Confirmation. The Confirmation and the General Terms shall together constitute the complete and exclusive agreement governing the transaction in question (the "Transaction"). No other prior agreements or understandings, whether verbal or written, shall apply unless specifically referenced in the Confirmation. In the event of an inconsistency between the particular terms of the Confirmation and the General Terms, the Confirmation shall control for the purpose of that particular Transaction with the exception of Sections 8 and 17 below, which can only be modified by a mutually signed writing between Buyer and Seller.

### 2. PRICE:

2.1 The price to be paid for Products sold in each Transaction shall be as agreed between the Buyer and Seller in the Confirmation. Unless otherwise specified, the quoted price term shall be ex-wharf and shall represent only the purchase price of the Products. If the price term is quoted as "delivered", then in addition to the purchase price of the Products, the price shall include only the cost of transportation. The Buyer shall pay any additional expenses or costs such as barging, demurrage, wharfage, port dues, duties, taxes, fees and any other costs including, without limitation, those imposed by governmental authorities.

2.2 Prices offered and subsequently confirmed by Buyer are valid only for 3 days from the date of vessel ETA. Thereafter the Seller reserves the right to amend the price or to cancel any or part of the nomination.

### 3. SS 600 : 2008

The bunkering operation in Singapore will be in accordance with SS600: 2008 (hereinafter called the SS 600) which is based on the 'Singapore Bunkering Procedure' published by the Singapore Shipping Association in conjunction with the Maritime and Port Authority of Singapore.

**4. QUALITY:**

- 4.1 Unless otherwise specified in the Confirmation, the marine fuel supplied to Buyer shall be the Seller's or Seller's suppliers commercial grades offered generally to their customers at the time and place of delivery.
- 4.2 Buyer shall have the sole responsibility for the selection of proper Products for use in the vessel being supplied ("Receiving Vessel") or other receiving facility.
- 4.3 Seller shall not be liable to deliver marine fuel with any characteristics or specifications that are not expressly agreed to and described in the contract of sales.
- 4.4 The Seller gives no warranties or guarantees, express or implied as to fitness, merchantability, suitability or compatibility of its marine fuel sold to Buyer.
- 4.5 In the event that the marine fuel supplied proved defective after mutual analysis by an independent laboratory, the Buyer shall have the right to return the defective products and the Seller will refund all payments to the Buyer in respect of the defective products and this shall be the limit of the Seller's liability. The Seller, in any event shall not be liable for any loss or damage due to delay or detention of vessel or for any consequential loss or damage arising out of defective marine fuel or for any other loss or damage whatsoever for the abovementioned refund.

**5. QUANTITY:**

- 5.1 The quantity of marine fuel shall be determined from the official gauge of the barge effecting delivery or by gauging Seller or Seller's supplier shore tanks or oil meter at Seller or Seller's supplier election. Buyer shall have the right to be present or represented by accredited agent or vessel representative when such measurements are taken. If Buyer elects not to be present or represented at the time of measurement, then Seller or Seller's supplier determination of quantities shall be deemed to be correct and therefore binding on the Buyer, and any complaint of wrong measurement or short delivery shall be deemed to be waived.
- 5.2 The quantity shall be measured under the prevailing ASTM-IP Petroleum Measurement Standards for generalised products or any other recognised standards at the discretion of the Seller to establish the quantity delivered by Seller to Buyer.

**6 NOMINATION**

- 6.1 The Buyer shall give Seller at least 48 hours advance notice (excluding Sundays and Public Holidays) of the exact time and location at which delivery is required together with the vessel name, the local agent name and contacts, the quantity, type and grade of marine fuel and any other details required by Seller.
- 6.2 The Buyer shall be liable for any cost and expenses incurred by Seller resulting from the failure of Buyer to take delivery of or rejecting in part or in full the quantity of marine fuel ordered by Buyer and accepted by Seller.

**7 DELIVERIES:**

- 7.1 The Buyer shall give the Seller's local representative at the port of supply at least 48 hours written notice of the scheduled time of delivery, excluding Sundays and holidays.
- 7.2 Vessel will be bunkered as promptly as circumstances permit. But Seller shall not be liable for any cancellation, loss, damage, delay or demurrage whatsoever which may be suffered by the Buyer as a result of any congestion at the delivery location or at Seller's or Seller supplier's facilities, prior commitments of available barges or from any other circumstance beyond the control of Seller or its suppliers.
- 7.3 Delivery of marine fuel by Seller will be made within the established port limits unless otherwise agreed between the Buyer and Seller.
- 7.4 If any government or port permit is required for delivery of marine fuel, no delivery will be made until such permit has been issued to the Buyer or Seller.

- 7.5 Buyer shall make all connections and disconnections between the delivery hose and the vessel's intake pipe and shall render all necessary assistance and provide sufficient equipment to receive promptly the delivery of marine fuel.
- 7.6 If Buyer caused delay to Seller or Seller's supplier in effecting delivery, Buyer shall pay barging fees at Seller's supplier established rates and reimburse Seller or Seller's supplier for all other expenses incurred.

8. **TITLE AND RISK**

The delivery of marine fuel shall be deemed to be complete and risk shall pass to Buyer when the marine fuel has reached the flange connecting the delivery hose provided by the Seller and the receiving facilities provided by the Buyer. Title shall remain with Seller until the full amount due for marine fuel delivered is fully paid to the Seller.

9. **CLAIMS:**

- 9.1 Any claim pertaining to shortage in quantity must be lodged in writing together with the note of protest within 5 days from the days of delivery. Failing which the claim is time barred.
- 9.2 Any claim pertaining to the quality of the marine fuel delivered must be lodged in writing supported by documentary evidence within fifteen (15) days from the bunker delivery. Failing which the claim is time-barred

In this respect, the marine fuel delivered shall only be determined by the mutual analysis at an agreed laboratory of the barge representative sample taken in accordance with the SS 600. The result of such analysis shall be conclusive and binding on the Buyer and Seller and the cost of the analysis shall be borne by the party at fault.

- 9.3 The Buyer submission of any complaints or claims does not relieve it of the obligations to make payment in full as required under the provisions in clause 10.
- 9.4 It is the duty of the Buyer to take all reasonable actions to eliminate or minimize any damages or costs associated with any off-specification or suspected off-specification Products. To this end Buyer shall cooperate with the Seller in achieving the most cost effective solution. **IN ANY EVENT, SELLER'S LIABILITY HEREUNDER FOR ANY CLAIMS, WHETHER ARISING FROM QUALITY, QUANTITY, ACCIDENT, DELAY, SPILL OR OTHER CAUSE, SHALL NOT EXCEED THE PRICE OF THAT PORTION OF THE PRODUCT SOLD HEREUNDER ON WHICH LIABILITY IS ASSERTED. FURTHERMORE, NO LIABILITY WILL BORNE BY SELLER FOR (1) ANY DEMURRAGE OR OTHER VESSEL DELAY OR FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES ARISING FROM THE EXERCISE OF SELLER'S RIGHT TO SUSPEND AND/OR TERMINATE DELIVERY OF PRODUCT, OR (2) ANY ACTS OR OMISSIONS OF AGENTS AND/OR SUBCONTRACTORS OF SELLER, INCLUDING, WITHOUT LIMITATION, FUEL TRANSPORTERS OR FUELING AGENTS.**

10. **PAYMENT:**

- 10.1 Unless otherwise provided in the Confirmation, all sales shall be on a cash in advance or irrevocable letter of credit basis. All letters of credit procured by Buyer in favor of Seller shall be in a form and substance acceptable to Seller and issued only by a bank acceptable to Seller.
- 10.2 Any individual bunker transaction not requiring cash in advance shall require credit approval by Seller's Credit Department in Beijing, China. If payment of cash in advance is not required, the Buyer shall make payment in full on or before the due date set forth in the invoice, in immediately available U.S. dollars and in such manner as the Seller may designate in the invoice, without discount, set-off, or deduction. Invoices may be sent via fax, telex, e-mail or any other means permitted by law. Notwithstanding any disputes regarding quality, quantity, or other matter, the Buyer must initially pay the full amount due, and any disputes shall be resolved between the Buyer and the Seller after such payment has been made.
- 10.3 Past due amounts shall accrue interest at a rate equal to the higher of SIBOR 2.0 percent per month or Singapore prime 2.0 percent per month, or the maximum rate permitted by applicable law. All payments received from Buyer after an invoice is overdue shall first be applied to interest, legal collection costs and administrative fees incurred before they will be applied to the principal amounts on a subsequent delivery. Buyer may not designate

application of funds to a newer invoice so long as there are any unpaid charges, interest, collection costs or administrative fees on a previous one. This shall not be construed, however, as preventing Seller's option to choose application of funds in instances where subsection (h) below shall apply. Any waiver by Seller of interest charges or administrative fees on a particular invoice shall not be construed as a waiver by Seller of its right to impose such charges on subsequent deliveries.

- 10.4 If the payment due date falls on a weekend or any bank holiday in the country where payment is to be remitted (other than a Monday), payment must be made on the first prior available banking day. Payment shall be also made on the next available banking day if the payment due date falls on a Monday bank holiday,
- 10.5 The Buyer and the Seller are responsible for their respective banking charges.
- 10.6 All unpaid invoices from Seller to Buyer shall immediately be considered overdue, upon the occurrence of any of the following events: (i) any invoice of Seller to Buyer is seven(7) days overdue; (ii) any vessel owned or operated by Buyer is arrested or attached by Seller or a third party for unpaid debts; or (iii) there is a change in the financial circumstances or structural organization of Buyer sufficient to cause Seller to reasonably believe that its likelihood of receiving payment from the Buyer is jeopardized or that its security interest in any of Buyer's owned or operated vessels is jeopardized.
- 10.7 In the event that more than one invoice is past due at the same time, Seller shall be entitled, at its sole discretion, to specify the particular invoice to which any subsequent payments shall be applied.
- 10.8 Seller reserves the right, in addition to all other rights and remedies available to it under applicable law, in equity, or otherwise, to suspend further deliveries of Product, and demand payment of all outstanding balances, if the outstanding balances due from Buyer (including estimates of unbilled sales) exceed the Buyer's applicable credit limit, or if Buyer fails to make any payment as herein provided or otherwise defaults under the General Terms.

## 11 CREDIT AND SECURITY

- 11.1 Products supplied in each Transaction are sold and took effect on the credit of the Receiving Vessel, as well as on the promise of the Buyer to pay therefore, and it is agreed and the Buyer warrants that the Seller will have and may assert a maritime lien against the Receiving Vessel for the amount due for the Products delivered. This maritime lien shall extend to the vessel's freight payments for that particular voyage during which the bunkers were supplied and to freights on all subsequent voyages.
- 11.2 In the event of a breach of the warranty set forth in sub-paragraph (11.1) above before delivery, the Seller shall be entitled to terminate the Transaction. Further, the Seller reserves the right to impose a cancellation fee in the amount set forth in Section 13 below.
- 11.3 If the purchase of Products is contracted for by an agent, then such agent, as well as the principal, shall be bound by and be fully liable for obligations of the Buyer in the Transaction, whether such principal be disclosed or undisclosed.
- 11.4 Buyer acknowledges that Seller has relied on vessel ownership listings provided in Lloyd's Register of International Shipowning Groups (Lloyd's Register – Fairplay Ltd.) and/or Fairplay World Shipping Directory (Fairplay Publications Ltd.) and/or [www.seasearcher.com](http://www.seasearcher.com) and/or any other available resource to establish and/or confirm same. If Buyer is listed or otherwise indicated as the registered, beneficial or group fleet owner of any vessel listed in Lloyd's, Buyer warrants and agrees that all other vessels listed in the same beneficial ownership shall be construed as true sisterships in the same beneficial ownership.
- 11.5 All sales made under these terms and conditions are made to the registered owner of the vessel, in addition to any other parties that may be listed as Buyer in the confirmation. Any bunkers ordered by an agent, management company, charterer, broker or any other party are ordered on behalf of the registered owner and the registered owner is liable as a principal for payment of the bunker invoice.

## **12. CANCELLATION CLAUSE:**

If subsequent to the Confirmation, the Buyer cancels the order for any reason whatsoever, the Seller without prejudice to any other rights it may have, shall be entitled to impose cancellation fees either in the amount of ten (10) percent of the total order amount, or a minimum fee of US\$5,000.00, or whichever higher, charge in oil price plus USD4.50 per metric tonne.

## **13. INDEMNITY:**

The Buyer shall indemnify the Seller or Seller's supplier against all and any claims, costs, demands, suits, liabilities, fines, penalties and expenses incurred or sustained out of or in connection with the act, omissions neglect or default of the Buyer, its servants, crew or agents in the receipt, use, storage or transportation of the marine fuel delivered.

## **14. FORCE MAJEURE:**

14.1 The Seller or the Seller's supplier shall not be responsible for any failure to fulfill their respective obligations if it is caused by:

- (a) any circumstance whether or not foreseen which is not within the control of the Seller or Seller's supplier.
- (b) Any interruption, unavailability, or curtailment of products or the petroleum from which such products are derived or of any of the Seller's supplier sources of product.
- (c) Compliance with any other demand or request of any governmental authority, agency or person purporting to be or to act for such authority or agency.
- (d) Strikes, wars, hostilities, public disorders, lock out, labour disputes, sabotage, fires, act of Gods, accidents, breakdowns, weather conditions or any other causes which is not within the control of the Seller or Seller's supplier.

14.2 If any reason of the nature described in sub-clause (15.1) herein the Seller does not at any time have sufficient quantity of marine fuel to supply all customers, Seller shall have the right to allocate the quantity available amongst all its customers, in such manner and proportions as Seller in its sole discretion may determine, in which event Buyer shall have the right to purchase any delivered portion thereof from a third party.

## **15. ENVIRONMENTAL PROTECTION:**

16.1 If a spill occurs while marine fuels are being delivered to Buyer, the Buyer shall promptly take all reasonable and necessary actions to remove the spill. The Seller or its supplier is hereby authorised, at its option on notice to and at the expense of the Buyer, to take such measures and incur such expenses as deemed necessary to remove the spill. The Buyer shall co-operate and render all necessary assistance as required by the Seller in the course of such action.

16.2 All expenses, claims, loss, damage liability and penalties arising from spills shall be borne by the party that caused the spill by a negligent act or omission. If both parties have acted negligently, all expenses, claims, loss, damage liability and penalties shall be borne by the two parties in accordance with the respective degree of negligence.

16.3 The burden of proof to show Seller's negligence shall be on the Buyer.

## **16. ASSIGNMENT:**

The Seller reserves its rights to assign its obligations to supply marine fuel to any party. Assignment by Buyer shall be in writing and with Seller's consent.

## **17. WAIVER:**

No waiver of breach of any of the terms and conditions herein by either party to be performed by the other party shall be construed as a waiver of any succeeding breach of the same or any other terms and conditions.

**18. ARBITRATION:**

Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in the Singapore International Arbitration Centre (SIAC) in accordance with the Singapore Bunker Claims Procedure ("SBC" Terms) for the time being in force which terms are deemed to be incorporated by reference into this clause."

**19. GOVERNING LAW:**

This contract, its performance and enforcement shall be governed by the laws of the Republic of Singapore.

The Seller reserves the right to revise and amend the terms and conditions herein from time to time when deemed necessary and without any notice.

Declaration of Acceptance of the GENERAL TERMS AND CONDITIONS:

The Buyer acknowledges it has read the contents of the above GENERAL TERMS AND CONDITIONS thoroughly and hereby declares its specific agreement with all the terms and conditions of the GENERAL TERMS AND CONDITIONS.

\_\_\_\_\_  
Location, dated

\_\_\_\_\_  
The Buyer (signature and company chop)

## **CHINA**

Following conditions to apply:

- a) Plus surcharge of 50% over normal barging for deliveries during public holidays including but 'not limited to' :  
New Year day(1<sup>st</sup> January), Chinese New Year period, Qing Ming Festival period, Labour Day period, Dragon-boat Festival period, Mid-autumn Festival period and National Day period (1<sup>st</sup> - 3<sup>rd</sup> October).
- b) Deliveries are subject to local reconfirmation and are to be made on best endeavor basis.
- c) Cancellation after nomination for whatsoever reasons will be subject to penalty charges.
- d) Supplier will reserve their rights to determine the supply when the stem for subject nominated vessel's eta is in 3 days (72 hours) delayed and/or in advanced.
- e) Local supplier specification to apply, of which is ISO8217 2005 standard.
- f) For all delivery at shipyards, we/local suppliers are strongly insisted buyer to appoint a bunker surveyor to conduct bunkering survey which the soundings of supply barges are for final and binding. Any other measurements are not accepted.