

GENERAL TERMS AND CONDITIONS OF SALES FOR MARINE LUBRICANTS AND
GREASES

MOL Techno-Trade, Ltd

1. GENERAL

This GTC (as defined below) prescribes the general terms and conditions on the Product (as defined below) to be sold by the Seller (as defined below) to the Buyer (as defined below). Any terms and conditions contrary to this GTC shall not apply to any sale and purchase transaction for the Products between the Seller and the Buyer unless otherwise agreed between the Seller and the Buyer in writing. Invalidation or unenforceability of any provisions of this GTC does not affect the validity and enforceability of any remaining provisions of this GTC.

2. DEFINITION

The following terms shall have their meanings as set forth below:

- 2.1 "Seller" means MOL Techno-Trade, Ltd. and/or its affiliates
- 2.2 "Buyer" means the Vessel, which has been supplied with the Product, its master, owner, manager, operator, time charterer and/or charterer, the trader who purchases the Product from the Seller to directly or indirectly supply the Product to the Vessel, and/or any other party entering into a sale and purchase contract with the Seller for the sale and purchase of Product.
- 2.3 "Product" means Marine Lubricants and Greases sold by Seller under this GTC and the Sales Agreement.
- 2.4 "Vessel" means the vessel, barge or offshore facility that receives the supply of Product either as end-user or for the purpose of subsequently transferring such Product to a third party.
- 2.5 "Supplier" a person who delivers the Product to the Buyer based on the instructions of Seller or Seller's agent.
- 2.6 "Delivery" means (i) delivery by Seller or Supplier to the Vessel or Buyer's agent in case of Product in drums or other containers or (ii) the transfer of Product from the Seller's or Supplier's delivery equipment through the flange of Vessel's intake pipe in the case of bulk delivery of Product from a barge or shore facility.
- 2.7 "Delivery Receipt" means a document signed by the Seller or the Supplier and the Buyer or their respective agents to confirm the delivery of Product and its quantity.
- 2.8 "Sales Agreement" means any contracts executed between the Seller and the Buyer which set forth the terms of sale and purchase of Products in addition to this GTC.
- 2.9 "GTC" means these General Terms and Condition on sales of Marine Lubricants and

Greases.

3. QUOTATIONS AND PRICES

3.1 Quotation for the Product as provided by the Seller to the Buyer shall not be deemed as execution of Sales Agreement between the Seller and the Buyer. Sales Agreement shall be deemed executed only when the Buyer places an order of Product to the Seller based on the quotation and the Seller confirms the order in writing. The terms and scope of Seller's Delivery shall be as provided in the Seller's written order confirmation and this GTC. Any statement made by Seller or its personnel orally or by telephone shall not become binding until confirmed by the Seller in writing.

3.2 The price of Product shall be the price as determined by the Seller and accepted by the Buyer in writing. Any taxes or other public charges imposed on the Seller by any governmental authority and any costs resulting from or in connection with any accident, manufacture, storage, loading, unloading, transportation, distribution, sale or handling of Products in connection with the sale and purchase of Products between the Seller and the Buyer shall be added to the contract price and be paid by the Buyer to the Seller.

3.3 Price of Product, for which the Seller provided a quotation to the Buyer, and which has been accepted by the Buyer, shall only apply (i) to the Vessel designated in the Seller's written order confirmation and (ii) on the date or period designated in such written order confirmation. In the event that the designated Vessel changes for any reason, the Seller shall have the right to change the price or terminate all or part of the terms under the Sales Agreement.

3.4 The Buyer shall bear any additional costs incurred by the Seller due to any event beyond the reasonable control of Seller (including, without limitation, any foreign exchange fluctuation, currency regulation, change in tax system, significant increase in prices of materials, and force majeure), any change in delivery date, quantity or specification of Product based on the request by the Buyer, any delay in Delivery caused by any instructions of Buyer, and any failure of Buyer to give adequate information to the Seller.

4. SPECIFICATION

4.1 The Buyer shall be responsible for the selection of Product with the correct type and product number of Product suitable for the equipment used in the Vessel.

4.2 Updated specification and examples published by the manufacturer of Product shall apply to the Product. The Seller will deliver the Products on an as is basis. In no event shall the Seller provide a warranty of fitness for particular purpose or merchantability of Products.

4.3 In no event shall the Seller become liable for any damages incurred by the Buyer due to the fact that the type and product number of Product selected by the Buyer turned out to be inappropriate to be used for the equipment used in the Vessel. The Seller also shall not assume any obligation to verify the type and product number of Product suitable to the equipment used in the Vessel.

5. QUANTITY

5.1 The quantity of Product, which is specified in the Delivery Receipt and is delivered to the Vessel, shall be determined by confirming the quantity in the presence of Seller at the warehouse or such other place where Delivery takes place.

5.2 The Buyer and the Seller or their respective agents shall have the right to be present at the place where the quantity of delivered Product will be confirmed and to receive information necessary to verify the quantity of Product delivered.

6. DELIVERIES & RECEIPT

6.1 The Vessel's estimated time of arrival shall be as stated in the Sales Agreement. If the Vessel arrives at the date and time which is different from the time stated in the Sales Agreement, the Seller shall be under no obligation to deliver the Product by the date and time provided in the Sales Agreement. Moreover, the Seller shall be entitled to unilaterally postpone the date of Delivery and to deliver the Product at a new date and time to be notified by the Seller to the Buyer and the Vessel. Neither the Seller nor the Supplier shall be liable to the Buyer or the Vessel for any damages incurred by the Buyer or the Vessel from the Seller's action taken above. The Buyer or its agent(s) (whose name(s) is to be provided by the Buyer in the Sales Agreement) shall notify the Seller and the Supplier in writing 48 hours, 24 hours and 6 hours prior to the scheduled arrival (i) the status of arrival of the Vessel and the times when the Vessel is ready to receive the Product. In case the Buyer or its agent(s) fails to perform the obligation mentioned above, neither the Seller nor the Supplier shall be liable for any consequences resulting from such failure.

6.2 The Buyer or its agent(s) shall be required to cause the Vessel to be ready to receive the Delivery of Product by the deadline, place and time prescribed in the Sales Agreement and in compliance with all other terms and conditions under the Sales Agreement. In the event that the Buyer or its agent(s) fails to perform the obligation mentioned above, the Seller shall have the right to exercise its right prescribed in Article 6.1 at its discretion.

6.3 The Seller shall comply with the relevant regulations pertaining to the Delivery of Product at the port or other place of Delivery of Product in all material respects.

- 6.4 The Buyer shall have the obligation, prior to Delivery, to notify the Seller and the Supplier in writing of (i) Vessel's readiness to accept Delivery, (ii) steps for Delivery, (iii) any problems related to the Vessel which may have any adverse effect on the Delivery of Product, (iv) method of communication, (v) interruption of Delivery in emergency situations, and (vi) any other material information related to the Delivery. The Buyer shall also be ready to receive the Delivery of Product, including, without limitation, all necessary assistance which may be necessary to moor or unmoor the Vessel upon Delivery.
- 6.5 Neither the Seller nor the Supplier shall be responsible to ensure the safety of the place in the Vessel where the delivered Product will be loaded at the time of Delivery. However, during the loading of Product onto the Vessel, the Seller and the Supplier shall make commercially reasonable efforts to act in accordance with the reasonable instructions of the master of the Vessel or such other authorized person of the Vessel.
- 6.6 The period of Delivery of Product onto the Vessel shall be between the berthing of Vessel and the time of signing of Delivery Receipt.
- 6.7 In the event that the Buyer has any outstanding payment on the delivered Product, the Seller shall have the right to postpone any subsequent Delivery of Products until the full payment of outstanding amount or to cancel any subsequent Delivery of Products. The Seller shall not be held liable in neither of the above cases for any damages incurred by the Vessel and/or the Buyer.

7. TERMINATION

In the event that the Buyer terminates the Sales Agreement for any reason (including, without limitation, circumstances beyond the Buyer's reasonable control), the Buyer shall be liable for any and all damages, losses and costs incurred by the Seller and the Supplier as a result of such termination, including, but not limited to, barge costs, costs to store the Products again, hedging costs, any difference between the total sale price of any Products under the Sales Agreement which could not be delivered to the Buyer due to such termination and the amount received by the Seller upon resale of such undelivered Product to a third party, and any amount of decrease in the market value of any Products under the Sales Agreement which could not be delivered to the Buyer due to such termination and which could not be resold to a third party.

8. CLAIM

- 8.1 In the event that any problem occurs with respect to the quantity of Product delivered to the Buyer, the Buyer shall make a complaint or bring a claim in writing to the Seller within fifteen (15) days after the completion of delivery of such Product together with supporting documents. In the event that the Buyer fails to make a complaint or bring a claim within such period, the Buyer shall be deemed to have waived the right to bring any claim relating to such Product, including, without limitation, the right to claim for compensation.
- 8.2 In the event that any problem occurs with respect to the quality of Product delivered to the Buyer, the Buyer shall make a complaint or bring a claim for compensation against the Seller in writing within fifteen (15) days after the completion of delivery together with supporting documents. In the event that the Buyer fails to make a complaint or bring a claim within such period, the Buyer shall be deemed to have waived the right to bring any claim for compensation relating to such Product, including, without limitation, the right to claim for compensation.
- 8.3 If the Buyer brings any complaint or claim against the Seller with respect to the quality or quantity of Product delivered, the Seller or the Seller's agent shall be entitled to board the Vessel and investigate the Vessel's records, log books, engine logs, etc. and to make copies of any such document the Seller or the Seller's agent may consider necessary for its investigations. The Buyer shall allow the Seller or Seller's agent to do so and in case the Buyer has chartered the Vessel, then the Buyer shall obtain authorization from owner of Vessel to allow the Seller or Seller's agent to take steps mentioned above and to give instructions to the Vessel's officers and crews as the Seller or Seller's agent may require. The Buyer's failure to allow the Seller or Seller's agent to board the Vessel, to make required copies of documents and to obtain the authorization from owner of Vessel as mentioned above shall constitute a waiver of the Buyer's claim.
- 8.4 In no event shall the Buyer insert "No Lien" clause or any similar clause in any Delivery Receipt. Any such clause on any Delivery Receipt shall be invalid and have no effect whatsoever.

9. RISK OF LOSS AND TITLE

- 9.1 Any risk of loss in any Product, including, without limitation, loss, damage, deterioration and evaporation shall pass to the Buyer at the Delivery point as follows:
- 9.1.1 In the case of Delivery in bulk by barge or truck, when it passes the flange of the Vessel.
- 9.1.2 In the case of Delivery by drums or other package, at the time of offloading when the package is removed from the barge, truck provided by the Seller to the Vessel or the place stated on the Sales Agreement.

The Buyer warrants that representatives from the Vessel shall be responsible for ensuring that the Product is received in a safe way.

9.2 Title in the Product shall remain with the Seller until the Buyer has paid for the Product in full. Until that time, the Buyer shall hold the Product as bailee, store it in such a way that it can be identified as the Seller's property and keep it separate from the Buyer's own property, etc. In the event that the Buyer fail to make payment, the Seller has the right to require immediate return of the Product against the Buyer or any other party who consumes the Product.

10. PAYMENT

10.1 Payments for Products and any other related costs shall be made by the Buyer in Japanese yen or United States *Dollars* upon the Buyer's receipt of Seller's invoice no later than the payment due date provided in such invoice without any discount, setoff or deduction.

10.2 If the due date falls on a non-business day, the Buyer shall pay on or before the immediately preceding business day.

10.3 Any complaints lodged by the Buyer shall not affect its obligation to make the full payment of the amount provided in the invoice.

10.4 Payment shall be made by telegraphic transfer to the Seller's bank account provided in the invoice.

10.5 Overdue payment by the Buyer shall be subject to a late payment charge at the rate of two percent (2%) per month or the maximum rate permissible under the applicable law.

11. ENVIRONMENTAL PROTECTION

In the event of a spill or discharge of Product before, during or after Delivery of Product, the Buyer shall, and shall cause the Vessel to, at their cost, immediately take whatever action necessary to give prompt notice to the relevant authorities and organizations and to clean up the spilled or discharge Product. In the event that the Buyer and the Vessel fail to take prompt action, upon the Seller's request, the Buyer and the Vessel shall authorize the Seller to carry out such cleanup at the Buyer's and the Vessel's cost. The Buyer warrants that the Vessel is in compliance with all relevant laws, regulations and ordinances including, without limitation, those requiring proof of financial ability in relation to spills or discharges of oil. The Buyer shall indemnify, defend and hold harmless the Seller from and against any and all claims, damages, losses, expenses (including attorney's fees) or penalties arising from breach by the Buyer of this warranty.

12. FORCE MAJEURE

The Seller and the Supplier shall not be liable for non-Delivery or partial non-Delivery or delay in Delivery either by the Seller or the Supplier as a consequence of force majeure. Force majeure shall mean any cause, even if it could have been foreseen, for which the Seller cannot reasonably be held liable, such as war, hostilities, blockades, riots, civil commotions, strikes, lockouts, labor or employment disputes, epidemics, fires, floods, perils of sea, other events caused by nature, or prohibition of imports, export or transit, or any other executive or administrative act by or on behalf of any governments breakdown of machinery, transport difficulties affecting Product to be delivered, total or partial breakdown in the regular supply of Product to be delivered or their raw materials, breakdown of power supplies or any other cause or circumstances affecting the possibility to deliver the Product or any other cause whatsoever which is not within the reasonable control of the Seller or the Supplier. In case of force majeure the Seller may terminate the Sales Agreement without incurring any liabilities for any damages, losses or costs incurred by the Buyer or the Vessel.

13. LIMITATION OF LIABILITY

13.1 Neither the Seller nor the Supplier shall be liable for any damages, losses or costs arising from any death, physical injury, illness or damage to property or any delay in delivery of Products or provision of any other related services, regardless of whether such death, physical injury, illness, damage to property or delay in delivery of Products was attributable to the Seller, its personnel, agents or (sub)contractors, or the Supplier.

13.2 In no event shall the Seller or the Supplier be liable for any indirect, consequential, special, liquidated or punitive damages, including, but not limited to, lost profits. Notwithstanding anything herein to the contrary, the maximum cumulative liability of Seller or the Supplier under this GTC and the Sales Agreement shall be the total price of Product in question.

13.3 No personnel, agents or (sub)contractors of Seller or the Supplier shall be liable to the Buyer for any damages, losses or delay in delivery of Products to the Buyer under this GTC, while acting for the Seller. Without prejudice to the above, all rights, exemptions, limitations of liability, defenses and immunities of whatever nature applicable to the Seller or to which the Seller is entitled hereunder shall also be available and shall extend to the protection of such personnel, agents and (sub)contractors of Seller and the Supplier.

14. INDEMNIFICATION

The Buyer shall indemnify, defend and hold harmless the Seller, its personnel and agents,

and the Supplier from and against any and all judgments, claims, lawsuits, actions, liabilities, damages, losses, penalties and costs (including, but not limited to, attorney's fees) of any kind, nature or form whatsoever arising out of or relating to (i) any breach by the Buyer of any of its obligations under this GTC or the Sales Agreement, (ii) any violation of applicable laws and regulations by the Buyer, (iii) any third party claim of death, physical injury, illness or property damage in connection with this GTC or the Sales Agreement, or (iv) any negligence, gross negligence or willful misconduct of Buyer or any of its personnel, agents or (sub)contractors in connection with this GTC or the Sales Agreement.

15. ASSIGNMENT

The Buyer shall not assign to any third party or create a security interest on its contractual position or any of its rights or obligations under this GTC or the Sales Agreement without the prior written consent of Seller.

16. MARITIME LIEN

The Seller and the Buyer agree that the sale of Products by the Seller to the Buyer under this GTC and the Sales Agreement creates a maritime lien in favor of Seller over the Vessel and other vessels of Buyer for the price of such Products (and all interests and costs payable in respect thereof, including, without limitation, reasonable attorney's fees) to the maximum extent permitted by law.

17. GOVERNING LAW AND JURISDICTION

This GTC and the Sales Agreement shall be governed by and construed in accordance with the laws of Japan. Tokyo District Court shall be the court of first instance having exclusive jurisdiction over any and all disputes in connection with this GTC and the Sales Agreement.