



CONOCOPHILLIPS COMPANY
MARINE PROVISIONS
EFFECTIVE SEPTEMBER 1, 2010

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I) **General** - Except where specifically provided otherwise in the "Special Provisions," these Marine Provisions shall govern as to the matters covered herein.

II) **Definitions** - As used in these Marine Provisions:

- 1) "Agreement" means and includes the following documents in connection with each separate sale/purchase/exchange and waterborne delivery of Cargo entered into by and between Buyer and Seller to which these Marine Provisions are attached: (A) the Special Provisions (including amendments thereto); (B) these Marine Provisions; and (C) the General Terms and Conditions (latest edition).
- 2) "All Fast" means at such time as the Vessel is completely moored at the Cargo Custody Transfer Point with the gangway, if it is to be utilized, down and secured.
- 3) "Business Day" means a day which is not a Saturday, Sunday or other day on which banking institutions doing business in New York, New York are authorized or obligated by law or by executive order to remain closed.
- 4) "Cargo" means any products, gas liquids, atmospheric residuum, crude oil or condensate as described elsewhere in the Agreement.
- 5) "Cargo Custody Transfer Point" means the location designated in the Agreement where custody of the Cargo is transferred from Terminal Party to Vessel Party or Vessel Party to Terminal Party.
- 6) "Controlled Tonnage" means Vessels that are bareboat or time chartered.
- 7) "Customary Anchorage" means a recognized anchorage within the designated port for a Cargo Custody Transfer Point.
- 8) "Delivery Window" means the period set out in the Special Terms or otherwise set out in the Agreement which designates the time period during which the Vessel is to endeavor to tender NOR at the Cargo Custody Transfer Point, or as near thereto as she may safely get, as established by the Agreement.
- 9) "ETA" means Estimated Time of Arrival.
- 10) "General Terms and Conditions" means the general terms and conditions referenced in the Agreement.
- 11) "Inland Vessel" means a United States Coast Guard-approved or American Bureau of Shipping inspected-tow and/or tank barge and/or a tug that is restricted to operations in the inland waterways of the United States.
- 12) "Lightering" means the process of transferring cargo between vessels.
- 13) "Non-Controlled Tonnage" means any Vessel that is spot or voyage chartered.
- 14) "NOR" means Notice of Readiness.
- 15) "Ocean-Going Vessel" means an Ocean Tanker or Ocean-Going Barge. An Ocean Tanker refers to any ship, tanker or combination carrier that is certified to operate in offshore waters. An Ocean-Going Barge or an

Ocean-Going Tow means a United States Coast Guard-approved or American Bureau of Shipping-inspected tank barge that has an ABS Load Line Certification and is certified to operate in offshore waters.

- 16) "Open Period for Berthing" means a window for berthing, which either has not already been assigned by the Terminal to some other Vessel, or for which some other Vessel cannot claim priority on the basis that her notice of readiness was given earlier than the notice of readiness of the Vessel performing under this Agreement.
- 17) "Reverse Lightering" means a special lightering operation in which a loaded Service Vessel transfers cargo to an Ocean-Going Vessel.
- 18) "Service Vessel (SV)" means the maneuvering or lightering vessel, which will receive the cargo from the ship to be lightered, and transport its cargo to its discharge berth.
- 19) "Special Provisions" means the specific transaction terms and conditions of the Agreement including but not limited to provisions relating to quantity, quality, term, delivery and price and which manifests a contract for sale of a Cargo.
- 20) "Terminal" means any refinery or terminal facility delivering Cargo to or receiving Cargo from a Vessel.
- 21) "Terminal Party" means the party taking delivery from, or making delivery to, a Vessel.
- 22) "Vessel" means any Ocean-Going Vessel or Inland Vessel.
- 23) "Vessel Party" means the party, in agreement responsible for, taking delivery on, or making delivery from, a Vessel.
- 24) "Vessel Vetting" is the terminal party's technical risk assessment and evaluation process prior to vessel acceptance/rejection.
- 25) "Ship to be Lightered (STBL)" means the vessel which will deliver the cargo to the Service Vessel.

III) Nominations and Pre-Arrival Conditions

- 1) Vessel Nomination. Unless otherwise agreed in writing, not less than four (4) days before a tow's arrival at the Cargo Custody Transfer Point, nor less than seven (7) days before arrival of any other type of Vessel at the Cargo Custody Transfer Point, the Vessel Party shall nominate for acceptance by the Terminal Party a suitable Vessel which is proposed to perform under the Agreement. The Vessel Party shall furnish, as required by the Terminal Party, data about the Vessel's dimensions, equipment, winches and lines, and such other data or documents as the Terminal Party may reasonably require.
- 2) ConocoPhillips Vessel Vetting: With the exception of vessels calling for Free on Board (FOB) or delivered cargos at third party terminals where ConocoPhillips leases tankage, unless specifically required by contract, each Vessel to be nominated under these provisions shall always be of an acceptable condition that complies with the ConocoPhillips Marine Vetting and Audit Criteria Summary for Vessel Operators and each party involved in the commercial transaction, including the Terminal(s), reserves the right to inspect (or not to inspect) and accept the Vessel(s) nominated for use, including vessels used in Lightering (STS) operations and the company utilized for lighterage support. The Vessel(s) nominated must be accepted in all respects and by ConocoPhillips Marine Vetting before officially tendering its valid Notice of Readiness. The acceptance or rejection of the Vessel will not be unreasonably withheld and shall be communicated to the other party within twenty-four (24) hours (1 business day) after receipt of nomination with all required vetting data or in the case tugs/towboats and/or barges shall be done within a timely manner. An acceptance of a Vessel will not constitute a continuing acceptance of the Vessel for any subsequent loading or discharging operations. Further, ConocoPhillips reserves the right to rescind a vessel acceptance on any reasonable ground if such vessel is involved in any incident or if more recent information regarding the vessel becomes available at any

time after a vessel is accepted but prior to tender. The Seller/Terminal Party reserves the right, but not the duty, to have a representative(s) attend onboard the Vessel at any loading and/or discharging location at their expense and the Master, Owners, operators, managers and/or agents shall cooperate to facilitate the attendance. Note: The ConocoPhillips Marine Vetting and Audit Criteria Summary for Vessel Operators document is accessible through the COP link at www.SIS3.com.

- 3) Vessel Substitution. If a Vessel nomination is rejected by the Terminal Party, the Vessel Party must promptly nominate another, suitable Vessel for acceptance by the Terminal Party. If a Vessel nomination is accepted by the Terminal Party, the Vessel Party may substitute another suitable Vessel by nominating it for acceptance by the Terminal Party. Unless otherwise agreed in writing, nomination of a substitute Vessel shall be made not later than four (4) days before the Vessel's arrival at the Cargo Custody Transfer Point or four (4) days before the first day of the Load window, whichever is earlier. A Vessel nomination that has been accepted by the Terminal Party is not superseded until the Terminal Party has accepted a substitute Vessel nomination. Tug substitution must be done within twenty-four (24) hours notice and only after Vessel clearance as above. A twelve (12) hour notice period would be considered for inland and cross harbor movements. Tugs must be of the similar size, capacity, capability and costs. Charterer will have the option to approve or reject any substitute.
- 4) ETAs.
 - A) At no time shall the ETA constitute an agreement to alter the Delivery Window, or any other documentation provided different than this Agreement.
 - B) Unless otherwise agreed in writing, the Vessel Party shall give notice in writing to the Terminal Party of the Vessel's ETA at the Cargo Custody Transfer Point. Such notice must be received by the Terminal Party at least four (4) days in advance of such arrival by a tow, and at least seven (7) days in advance of such arrival by any other Vessel. Where applicable, such notice shall be actually received by the Terminal Party 72, 48, 24 and 6 hours before Vessel's expected arrival at the Cargo Custody Transfer Point.
 - C) The Vessel Party shall promptly notify the Terminal Party in writing about a new ETA if the ETA advances or recedes by two (2) hours or more after the twenty-four (24) hour ETA notice has been given.
 - D) Any delay whatsoever attributable to the failure of the Vessel to give notice of its ETA in accordance with Clause III. 4, shall not count as used laytime or as time on demurrage.
- 5) Pre-Arrival Information. The Vessel Party shall furnish, as reasonably requested by the Terminal Party, additional data in writing, about the Vessel's dimensions, seaworthiness, equipment, and certificates, as well as the nature and estimated duration of the Vessel's anticipated Cargo handling and other operations at the Cargo Custody Transfer Point, such information to be actually received by the Terminal Party not later than forty-eight (48) hours before the Vessel's arrival at the Cargo Custody Transfer Point.
- 6) Terminal Regulations. If the Cargo Custody Transfer Point is a marine Terminal, a Vessel must comply at all times with the applicable Terminal regulations. Copies of such regulations should be requested of the Terminal Party.

IV) Vessel Requirements

- 1) U.S. Coast Guard Compliance. The Vessel Party warrants that, throughout the Cargo transfer operation, the Vessel shall fully comply, or hold authorized waivers for non-compliance, with all applicable U.S. Coast Guard regulations in effect as of the date Vessel berths. All expenses and time lost during any period when this warranty has been breached shall be for Vessel Party's account.
- 2) Environmental Compliance.
 - A) The Vessel Party warrants that the Vessel shall comply with all applicable local, state and Federal environmental laws and regulations covering water, air and land pollution while at the place(s) of the Cargo Custody Transfer Point. If the Vessel fails to comply with such laws and regulations, the Vessel

may be required to vacate her berth and proceed to the Customary Anchorage or waiting place. All expenses and time lost during any period when this warranty has been breached and until the Vessel reberths and is found to be in compliance with the aforementioned laws and regulations shall be for Vessel Party's account.

- B) The Vessel Party must have current hydrogen sulfide (H₂S) and benzene policies and procedures for handling excessive levels of H₂S and benzene. It must be recognized that petroleum products have the potential to contain H₂S and/or benzene. Neither party warrants the levels of H₂S and/or benzene in the Cargo.
- 3) Oil Pollution Responsibility Certificate. The Vessel Party warrants that the Vessel shall comply with the U.S. Federal Water Pollution Control Act, as amended, the U.S. Federal Oil Pollution Control Act of 1990 (OPA 1990), and regulations issued pursuant thereto effective during the term of this agreement, and have secure and carry onboard the Vessel a current U.S. Coast Guard Certificate of Financial Responsibility (COFR) (Water Pollution). Vessels shall also have onboard any other Federal and/or state Proof of Financial Responsibility Certificate that may be required at the Cargo Custody Transfer Point.
- 4) P&I Insurance. For Ocean-Going Vessels, the Vessel Party warrants that:
- A) For each Vessel nominated to carry Cargo, the Vessel is owned or demise chartered by a member of the International Tanker Owners Pollution Federation Limited (ITOPF).
- B) (i) The Ocean Tanker carries on board a valid certificate of insurance as described in the 1969 Civil Liability Convention for Oil Pollution Damage and the International Convention of Civil Liability for Oil Pollution Damage 1992 and (ii) the Vessel has in place insurance coverage for oil pollution no less in scope and amounts than the highest available under the Rules of the P&I Clubs which are members of the International Group of P&I Clubs. The warranty set forth above is an essential part of this Agreement and the obligations of the Terminal Party under this Agreement are conditioned on the truth and performance of such warranty. Any breach of the above warranty shall entitle the Terminal Party to terminate this Agreement without limiting its right to recover damages.
- 5) Vessel Connection Construction. Vessel Party warrants that all piping, valves, spools, reducers and other fittings comprising that portion of the Vessel's manifold system outboard of the last fixed rigid support to the Vessel's deck and used in the transfer of Cargo, bunkers or ballast, will be made of steel or nodular iron. The fixed rigid support for the manifold system must be designed to prevent both lateral and vertical movement of the manifold. Vessel Party further warrants that no more than one reducer or spool piece (each American National Standards Institute "ANSI" standard) will be used between the Vessel's manifold valve and the Terminal hose or loading arm connection and this cantilever length should not exceed the standard for the size of the manifold piping.
- 6) Carrier Alpha Code. Where bills of lading are issued, the Vessel Party warrants that the Bill of Lading issuer shall have and use a standard carrier alpha code (SCAC) required by the U.S. Customs regulations.
- 7) U.S. Customs and Border Protection Compliance. The Vessel Party warrants that the Vessel shall fully comply or hold waivers for non-compliance with all applicable U.S. Customs regulations in effect as of the date Vessel berths. The Vessel Party shall provide all required Customs information to the U.S. Customs and/or the Terminal Party prior to Vessel arrival. Without limitation, Vessel Party warrants that the Vessel shall comply with all obligations imposed upon it or its owners under the International Ships and Port Facility Security Code and the U.S. Maritime Transportation Security Act of 2002 (collectively, the "Security Regulations"). Terminal Party warrants that the discharge Terminal shall comply with any obligations imposed upon it or its owners under the Security Regulations.
- 8) Drug and Alcohol.
- A) Owners of barges, and US flag Vessels, warrant that they have in force a Drugs and Alcohol Policy that meets or exceeds the standards set forth by the U.S. Coast Guard Regulations, and any other applicable federal, state or local laws, and that such a policy includes: Pre-hire, Random/Unannounced, and Post-

incident testing adequate to act as an effective abuse deterrent. Owner warrants that this policy will remain in effect during the term of this Charter, and that the Owner shall exercise due diligence to ensure that such a policy is complied with.

- B) Owners of non US Flag barges and ships warrant that they have in force a Drugs and Alcohol Policy that meets or exceeds the standards set forth by their flag state and also meets or exceeds the Standards set in the most recent edition of the "Guidelines for the Control of Drugs and Alcohol on Board Ship" as published by the Oil Companies International marine Forum (OCIMF). Owner warrants that this policy will remain in effect during the term of this Charter, and that the Owner shall exercise due diligence to ensure that such a policy is complied with, unless not permitted by the Flag state.

V) Delivery Window / Berthing

- 1) Delivery Window. The period set out in the Special Terms or otherwise set out in the Agreement which designates the time period during which the Vessel is to endeavor to tender NOR at the Cargo Custody Transfer Point, or as near thereto as she may safely get, as established by the Agreement.
- 2) Priority in Berthing.
 - A) Subject to subparagraph B. of this Paragraph V.2., priority in berthing shall be given to a Vessel that tenders NOR within her agreed Delivery window over a Vessel that tenders NOR outside her agreed Delivery window.
 - B) Vessels will be accorded priority in berthing in the order in which each Vessel's valid NOR is received by the Terminal, provided NOR is tendered within the agreed Delivery window. The Terminal Party reserves the right to berth Vessels consistent with its operating and Terminal requirements.
- 3) Anticipated Tardy Arrival Outside Reservation Window. If the Terminal operates a system of advance reservations for berthing some or all types of Vessels, and the Terminal has assigned a reservation window for a Vessel, she may lose her place in the queue and the Terminal may assign her the next available Open Period for Berthing as a new reservation window whenever the Vessel's revised ETA or actual arrival is later than her assigned reservation window.
- 4) Arrival of Vessel Outside Agreed Delivery Window. If the Vessel arrives after its Delivery Window, but within 5 days after the last day of the Laydays, Terminal Party shall endeavor to accept the Vessel for loading or discharging at the earliest practicable time. If the Vessel arrives more than 5 days after the last day of its Laydays, the Terminal Party may refuse to deliver or accept the Cargo, as applicable, without prejudice to any other rights which the Terminal Party may have pursuant to the Agreement.

VI) Vessel at the Berth / Cargo Transfer Operations

- 1) Non-Compliance with Terminal Regulations or Breakdown of Vessel Safety or Environmental Systems. The Terminal Party may instruct the Vessel to vacate her berth if (i) it appears that the Vessel will not, because of disability or any other cause on the part of the Vessel, be able to complete loading or discharge within the "allowed laytime"; (ii) if the Vessel fails to comply with the Terminal's regulations or (iii) there is a deficiency in the Vessel's safety, mooring, or environmental systems, processes or management.

Upon receipt of instructions from the Terminal Party that the Vessel is to vacate the berth, laytime or demurrage shall cease. The Vessel, after tendering Notice of Readiness to recommence loading or discharging, shall be reberthed in accordance with Terminal Party's assignment. Laytime or demurrage will only resume counting upon the recommencement of Cargo operations. If the Vessel does not vacate the berth following said instructions, the Vessel Party agrees to reimburse the Terminal Party for any consequential demurrage claims received from other parties.

- 2) Pollution Prevention and Responsibility. In the event an escape or discharge of Cargo or bunkers, or risk of escape or discharge of Cargo or bunkers occurs from the Vessel and causes or threatens to cause pollution damage, the Vessel will promptly take whatever measures it determines are necessary to prevent or mitigate such damage. The Vessel Party hereby authorizes the Terminal Party, at the Terminal Party's option and upon notice to the Vessel Party, to undertake such measures as are reasonably necessary to prevent or mitigate the pollution damage. The Terminal Party shall keep the Vessel advised of the nature and results of any such measures taken, and, if time permits, the nature of the measures intended to be taken. Any of the aforementioned measures shall be at the Vessel Party's time and expense, provided that if the Terminal caused or contributed to such escape or discharge, the expense of the aforementioned measures shall be borne by the Terminal Party in proportion to its negligence in causing or contributing to the escape or discharge. If the Vessel Party considers said measures should be discontinued, the Vessel Party shall so notify the Terminal Party and thereafter the Terminal Party shall have no right to continue said measures at the Vessel Party's expense. This provision shall be applicable only between the parties hereto and shall not affect any liability of either party to third parties, including, but not limited to, governments.
- 3) Inert Gas System. Unless the Terminal prohibits Vessels from arriving with Cargo tanks inerted, all Vessels fitted with an inert gas system ("IGS") will not be permitted to tender Notice of Readiness or berth or discharge of any Cargo unless the IGS is fully operational and all Cargo tanks are inerted with an oxygen level at or below eight (8) percent. For a Vessel intending to handle Cargoes that could be adversely affected by inert gas the Vessel Party may request from the Terminal Party an exemption from this clause, this request to be made at least three (3) Business Days prior to the Vessel's arrival at the Cargo Custody Transfer Point. Such exemption request shall not be unreasonably withheld. For a Vessel engaged in crude oil trade operations, positive inert gas pressure at or below eight (8) percent oxygen content shall be maintained on all Cargo and slop tanks throughout the transfer and any Crude Oil Washing ("COW") operation. All measurement equipment, procedures, calculations, and practices performed while Vessel is inerted shall conform to the most current API Manual of Petroleum Measurement Standards (MPMS), to the satisfaction of the IIC.

Should the IGS fail after the Vessel has berthed, Cargo handling shall be terminated immediately and terminal notified, and the Vessel may be ordered to vacate the berth until her IGS is fully operational and tanks are inerted to the requisite pre-arrival condition. Temporary or substitute equipment or procedures to correct IGS malfunctions may not be used without the Terminal Party's approval. All expenses during IGS failure and between berthings in connection with IGS failure are for Vessel Party's account. Laytime or demurrage shall cease counting upon the stoppage of Cargo operations as a result of IGS failure and will only resume counting upon the recommencement of Cargo operations.

- 4) Shifting of Vessels. Unless otherwise dictated by the Agreement, all expenses and time during any warping or shifting of the Vessel shall be for the Vessel Party's account unless done at the request of the Terminal Party. The Terminal Party may, at its option, warp or shift the Vessel within a berth or between berths, as well as to and from the anchorage. Expenses and time lost during such activities shall be for the Terminal Party's account.
- 5) Ballasting and Cargo Slops.
- A) If the Cargo Custody Transfer Point has ballast water and/or slops handling facilities, the Vessel may discharge ballast water and/or Cargo slops up to the maximum capacity available. Unless concurrent with Cargo handling, all time used during ballasting, deballasting or offloading slops, any charges for these services, and any delay due to waiting for service facilities shall be for the Vessel Party's account. If the Vessel must shift to and/or from such facilities, all time used by the Vessel in shifting as well as the shifting expenses shall be for Vessel Party's account. Title to Cargo slops shall pass to the Terminal Party at the first permanent flange on shore. Vessel Party warrants that the Cargo slops do not contain any Vessel-generated waste. The Terminal Party reserves the right to lab test the slop tank contents prior to acceptance.
- B) Vessel Party will or will cause Vessel to minimize the loading of ballast into Cargo tanks previously containing crude oil (dirty ballasting) at discharge Terminal. When ballasting is conducted simultaneously with discharge operations, Vessel will maintain at least double valve segregation. During dirty ballast

operations, vapor balancing must be utilized between dirty ballast loading compartments and discharging Cargo compartments, thereby eliminating emission of Cargo vapors to the atmosphere. All delays, losses and expenses incurred due to Vessel's non-compliance will be for Vessel Party's account.

- 6) Special Provisions for Foreign Cargo Slops. Terminal Party shall be notified at least three (3) Business Days in advance of discharge when a Vessel desires to discharge foreign Cargo slops. Such notification shall include identity, description, or chemical properties of components; country of origin; estimated value; and estimated quantity. If advance notification is not received by Terminal Party, any time lost in discharging Cargo slops from the Vessel because of a delay in securing government clearance shall be for Vessel Party's account. Additionally, regardless as to when notification of the Vessel's desire to discharge foreign Cargo slops was received, all expenses, including but not limited to customs fees, chemical analysis, removal and proper disposal of Cargo slops shall be for the account of the Vessel Party.
- 7) Vessel-Generated Waste. Fees associated with the testing, removal or reception of Vessel-generated waste, including fuel and lube oil sludge and oil bilge water, shall be for the account of the Vessel Party. Any waiting for reception facilities at a Terminal for Vessel-generated waste shall be for Vessel Party's account. If the Vessel must shift to and/or from such facilities, all time consumed by the Vessel shifting as well as shifting expenses for tugs, mooring line handlers, and pilots shall be for Vessel Party's account. The Vessel Party shall retain title to the waste material until it is tested and commingled with Terminal waste or, alternatively, delivered to a waste disposal company possessing a valid permit.
- 8) Crude Oil Washing ("COW"). If Vessel is equipped to crude oil wash, the Vessel Party warrants that the Vessel is capable of crude oil washing all Cargo tanks. The Vessel Party further warrants that the Vessel complies with all international, national and local requirements applicable to COW and will perform all COW operations in accordance with the Vessel's approved COW manual. The Vessel must inform the Terminal Party of its intention to COW at least forty-eight (48) hours prior to berthing. The number of tanks to be crude oil washed shall be limited to the minimum required by law, unless the Terminal Party agrees or orders otherwise. If the delivered parcel is a partial delivery, the amount of COWing may be limited to a prorated share.

VII) Terminal-Related Conditions

1) Safe Berth Availability and Charges.

- A) The Terminal Party shall exercise due diligence to provide a safe berth to which the Vessel may proceed to, lie at, and depart always safely afloat. However, if the Vessel cannot, in the Terminal Party's sole opinion, maintain its moor safely at the dock, then the Terminal Party at its sole discretion may order hold-in tugs, and the cost of such tugs shall be for Vessel Party's account. The Terminal Party shall provide a safe berth for the Vessel free of wharfage fees for normal Cargo transfer. The Terminal Party shall be entitled to charge a wharfage fee for Vessels that cause or otherwise contribute to unreasonable delays or expenses while in port. Dockage and service fees, including mooring, booming, fresh water, steam and oily slops receipts will be charged to the Vessel Party. In addition, all duties and other charges on the Vessel, including, without limitation, those incurred for tugs and pilots, and other port costs shall be for the Vessel Party's account.
- B) Notwithstanding anything contained in this clause or the Agreement, the Terminal Party does not warrant the safety or draft of public channels, fairways, approaches thereto, anchorages or other publicly-maintained areas either inside or outside the port area where the Vessel may be directed. Terminal Party shall not be liable for (i) any loss, damage, injury or delay to Vessel resulting from the use of such waterways not caused by the Terminal Party's fault or negligence or which could have been avoided by the exercise of reasonable care on the part of the Vessel or its master, or (ii) any damage to Vessels at the Terminal caused by other Vessels passing in the waterway.

- 2) Representative. Terminal Party may, at its option, place a Representative or Representatives on board the Vessel to observe loading and/or discharging of Cargo and related operations during the period after the

Vessel has arrived at a Port. In addition, Terminal Party may, at its option, place a Representative or Representatives on any Vessel involved in a ship-to-ship loading/discharge operation. The Representatives will advise the Vessel Master(s) or Mooring Master about avoidance of pollution, unsafe acts, or violation of Terminal regulations. The Representatives will not order or direct the undertaking of any particular action or interfere in any way with the Master's exercise of authority. The Representative shall not be responsible for, or create, liability for the Terminal Party.

3) Hoses and Simultaneous Discharge.

A) Hoses between the tanker and the shore flanges shall be furnished by the Terminal Party, unless otherwise specified by COP terminal. Flanges for hose connections should be at or near the Vessel's dockside rail and should comply with OCIMF recommendations. Crossover hoses between barges, or hoses at crossover offshore manifolds of Vessels (i.e., "jumpers"), shall be furnished and connected by the Vessel at the risk and expense of the Vessel Party.

B) Vessel's Cargo hoses, including marine vapor recovery ("MVR") and offshore manifold crossover hoses (or jumpers), must be tested annually and be in service for less than five years. Documentation of annual hydrostatic testing and service age must be aboard the Vessel and available to the Terminal Party on request. Any delay arising from Vessel's failure to provide aforementioned complete and up to date documentation shall not count as used laytime or as time on demurrage.

C) If requested by the Terminal Party, Vessel shall load or discharge Terminal Party's grades simultaneously whenever the Cargo Custody Transfer Point allows. Any delay arising from Vessel's failure to work Terminal Party's grades simultaneously shall not count as laytime or as time on demurrage.

4) Damage to Terminal Party's Property. Vessel Party shall be liable for any damage sustained by wharves, berths, docks, tugs, or Vessels owned or maintained by the Terminal Party, or for which the Terminal Party is responsible, arising out of the negligent or improper operation of the Vessel or any other waterborne craft ordered by, or being operated for the account of, the Vessel Party. The Vessel Party will indemnify the Terminal Party for any such damages.

5) Shore Lines. If requested by the Vessel Party at least three (3) Business Days prior to the Vessel's arrival, the Terminal Party shall use best efforts to perform a line press or line displacement prior to load or discharge to determine status of shorelines and ensure accuracy of Cargo measurement.

6) In-Harbor Lightering. In-harbor Lightering shall not be permitted without prior approval of the Terminal Party and Commercial Marine's Vetting team. In-harbor Lightering shall be performed at Vessel Party's sole expense, time and risk. Terminal Party's approval shall not relieve Vessel Party of the obligation to indemnify and hold the Terminal Party harmless for any loss or liability arising from or attributable to Vessel Party's fault or negligence.

VIII) Inland Vessels

1) Notice of Readiness ("NOR").

A) After the Vessel has arrived at the customary waiting area or other place of waiting as required by the designated Shore Facilities, and is in all respects ready to proceed to the berth to commence loading or discharging the cargo in accordance with the terms of the Agreement, the Captain or Barge representative shall promptly give such Shore Facilities and the other Parties hereto notice, berth or no berth via electronic mail, fax, letter, telegraph, wireless radio or satellite communication available, radio telephone or telephone. Unless otherwise agreed, the customary waiting areas for the following Cargo Custody Transfer Points shall be deemed to be as indicated below and all other customary waiting areas and Cargo Custody Transfer Points shall be provided upon request.

Cargo Custody Transfer Point	Designated Area for NOR
Alliance Refinery / Belle Chasse, LA	Alliance Staging Area
Lake Charles Refinery	Calcasieu Ship Channel and Intracoastal Waterway Intersection

B) If, immediately prior to giving NOR, at hoses off, the Vessel is discharging or loading other cargo in a berth at the Port wherein the Cargo Custody Transfer Point is located, or waiting at a layberth there, NOR may be tendered at such berth, but time used in shifting from such berth to the anchorage or to the loading or discharging berth shall not count as laytime or time on demurrage.

2) Allowed Laytime

A) If not otherwise specified in the Agreement or charter party agreement, allowed laytime for an Inland Vessel shall be calculated as follows

Loading: 3000 Bbls/Hour + 3 free hours
Discharging: 2500 Bbls/Hour + 3 free hours

B) CIF/CFR/FOB deliveries of asphalt product shall receive twelve (12) hours allowed laytime per utilized barge.

C) In no event shall allowed laytime be less than twelve (12) hours, which includes three (3) hours of free time.

3) Laytime Counting.

A) If an Inland Vessel tenders NOR prior to the commencement of the Delivery Window, laytime shall commence at 0001 hours local time on the first day of the Delivery Window or upon All Fast, whichever occurs first, except in instances where the Vessel is berthed prior to such date with the Terminal Party's consent, laytime shall commence when All Fast.

B) If an Inland Vessel tenders NOR within the Delivery Window, then laytime shall commence upon NOR, berth or no berth, or upon All Fast, whichever occurs first.

C) If an Inland Vessel tenders NOR after the Delivery Window expires, then laytime shall commence upon All Fast.

D) Laytime shall cease when the Inland Vessel is released by the Terminal and/or the Cargo Inspector.

E) If more than one barge is utilized, barges will be expected to load or discharge simultaneously.

(i) If the Cargo Custody Transfer Point requires barges to berth individually, time consumed in shifting the barges shall count as used laytime or as time on demurrage.

(ii) If the Tow requires barges to berth individually, time consumed in shifting the barges, from hose off to All Fast, shall not count as used laytime or as time on demurrage.

4) Pumping Warranties.

A) Inland Vessels will maintain an average of 100 psi at the Vessels manifold or maintain a pumping rate of 2500 barrels per hour.

B) Any time consumed due to the inability of the Vessel to discharge the cargo throughout the bulk of the discharge, within the specified warranties listed above, shall not count as laytime or time on demurrage, provided that the designated Shore Facilities are capable of receiving the same.

IX) Ocean-Going Barges

1) Notice of Readiness ("NOR").

- A) After the Vessel has arrived at the Customary Anchorage or other place of waiting as required by the designated Shore Facilities, and is in all respects ready to proceed to the berth to commence loading or discharging the cargo in accordance with the terms of the Agreement, the Captain, or Barge representative shall promptly give such Shore Facilities and the other Parties hereto notice, berth or no berth, via electronic mail, fax, letter, telegraph, wireless radio or satellite communication available, radio telephone or telephone. Unless otherwise agreed, the Customary Anchorages for the following Cargo Custody Transfer Points shall be deemed to be as indicated and all other Customary Anchorages and Cargo Custody Transfer Points shall be provided upon request:

Cargo Custody Transfer Point	Designated Area for NOR
Bayway Refinery / Linden, NJ	Stapleton/Bay Ridge/Gravesend Bay
Port Jefferson Terminal/PJ, NY	Off Port Jefferson
Riverhead Terminal/Riverhead, NY	Off Riverhead
Lake Charles Refinery	Calcasieu Ship Channel and Intracoastal Waterway intersection

- B) NOR may not be tendered until the Ocean-Going Barge has a current and valid Tank Vessel Examination ("T.V.E.") or Certificate of Compliance ("COC") and USCG Certificate of Inspection (COI).
- C) If, immediately prior to giving NOR, at hoses off, the Vessel is discharging or loading other cargo in a berth at the port wherein the Cargo Custody Transfer Point is located, or waiting at a layberth there, NOR may be tendered at such berth, but time used in shifting from such berth to the anchorage or to the loading or discharging berth shall not count as laytime or time on demurrage.

2) Allowed Laytime.

- A) Unless otherwise provided in the Agreement, laytime shall be the number of hours as specified in the table below at the Cargo Custody Transfer Point(s) for a full cargo or pro rata thereof for part cargo based on the total barrels of cargo carried by the Ocean-Going Barge on that voyage. However, the minimum laytime will be twelve (12) hours for a part cargo.

Cargo Quantity (Net Standard Volume)	Laytime
Up to 49,999 barrels	12 hours
50,000 - 59,999 barrels	14 hours
60,000 - 69,999 barrels	15 hours
70,000 - 79,999 barrels	16 hours
80,000 - 89,999 barrels	17 hours
90,000 - 99,999 barrels	18 hours
100,000 - 109,999 barrels	19 hours
110,000 - 119,999 barrels	20 hours
120,000 - 129,999 barrels	21 hours
130,000 - 139,999 barrels	22 hours
140,000 - 149,999 barrels	23 hours
150,000 - 179,000 barrels	24 hours
180,000 or more	36 hours

3) Laytime Counting.

- A) If an Ocean-Going Barge tenders NOR prior to the commencement of the Delivery Window, then laytime shall commence at 0001 on the first day of the agreed Delivery Window, except in instances where the Vessel is berthed prior to such date with the Terminal Party's consent, then laytime shall commence when All Fast.
- B) If an Ocean-Going Barge tenders NOR within the agreed Delivery Window, then laytime shall commence, berth or no berth, after tender of NOR, or when All Fast, whichever occurs first.
- C) If an Ocean-Going Barge tenders NOR after the Delivery Window expires, then laytime shall commence only when All Fast.
- D) Laytime shall cease when the Vessel is released by the Terminal and/or the Cargo Inspector.

4) Pumping Warranties

- A) Ocean-Going Barges will maintain an average of 100 psi at Vessels manifold or discharge its entire Cargo within twenty-four (24) hours.
- B) Any time consumed due to the inability of the Vessel to discharge the cargo throughout the bulk of the discharge, within the specified warranties listed above, shall not count as laytime or time on demurrage, provided that the designated Shore Facilities are capable of receiving the same.

X) Ocean Tanker

1) Notice of Readiness ("NOR").

- A) After the Vessel has arrived at the Customary Anchorage or other place of waiting as required by the designated Shore Facilities, and is in all respects ready to proceed to the berth to commence loading or discharging the cargo in accordance with the terms of the Agreement, the Master, Captain, Master's Agent or Tanker representative shall promptly give such Shore Facilities and the other Parties hereto notice, berth or no berth, via electronic mail, fax, letter, telegraph, wireless radio or satellite communication available, radio telephone or telephone. Unless otherwise agreed, the Customary Anchorages for the following Cargo Custody Transfer Points shall be deemed to be as indicated and all other Customary Anchorages and Cargo Custody Transfer Points shall be provided upon request:

Cargo Custody Transfer Point	Anchorage
Bayway Refinery / Linden, NJ	Stapleton/Bay Ridge/Gravesend Bay
Port Jefferson Terminal/PJ, NY	Off Port Jefferson
Riverhead Terminal/Riverhead, NY	Off Riverhead

- B) If NOR is tendered orally by an Ocean Tanker, confirmation in writing shall be made within twelve (12) hours when required.
- C) NOR may not be tendered until the tanker has a current and valid Tank Vessel Examination ("T.V.E.") or Certificate of Compliance ("COC") and USCG Certificate of Inspection (COI).
- D) If, immediately prior to giving NOR, at hoses off, the Vessel is discharging or loading other cargo in a berth at the port wherein the Cargo Custody Transfer Point is located, or waiting at a layberth there, NOR may be tendered at such berth, but time used in shifting from such berth to the anchorage or to the loading or discharging berth shall not count as laytime or time on demurrage.

2) Allowed Laytime.

- A) Unless otherwise provided in the Agreement, thirty-six (36) running hours shall be permitted to the Terminal Party as laytime at the Cargo Custody Transfer Point(s) for a full cargo or pro rata thereof for part cargo based on the total barrels of cargo carried by the Ocean Tanker on that voyage. However, the minimum laytime will be twelve (12) hours for a part Cargo.

3) Laytime Counting.

- A) If an Ocean Tanker tenders NOR prior to the agreed Delivery Window, then laytime shall commence at 0600 on the first day of the agreed Delivery Window, except in instances where the Vessel is berthed prior to such date, with the Terminal Party's consent, laytime shall commence when All Fast.
- B) If an Ocean Tanker tenders NOR within the agreed Delivery Window, then laytime shall commence, berth or nor berth, six (6) hours after the tender of NOR, or when All Fast, whichever occurs first.
- C) If an Ocean Tanker tenders NOR after Delivery Window expires, then laytime shall commence when All Fast.
- D) Laytime shall run until the cargo hoses have been finally disconnected upon completion of loading or discharging, provided always that if the Vessel is detained solely for the purposes of awaiting cargo documents at load port for more than three (3) hours beyond the final disconnection of cargo hoses, laytime shall recommence after such three (3) hours and terminate upon completion of cargo documentation. If after completion of loading the Vessel is required to proceed to an anchorage for the Vessel Party's purposes, then the time spent moving from the berth to the anchorage shall not count as part of the three (3) hours referred to above or as laytime.

4) Pumping Warranties.

- A) Ocean Tankers will maintain an average of 100 psi at Vessels manifold or discharge its entire cargo within twenty-four (24) hours.
- B) Any time consumed due to the inability of the Vessel to discharge the cargo throughout the bulk of the discharge, within the specified warranties listed above, shall not count as laytime or time on demurrage, provided that the designated Shore Facilities are capable of receiving the same.

XI) Deviation. If buyer elects to change delivery location or adds additional ports, it will be at the governing charter party restrictions and all cost will be for buyers account, including additional steaming time at the demurrage rate plus bunkers, additional expenses at the port, and port time from end of sea passage until start of sea passage at demurrage rate.

XII) Interim Ports. Buyer shall pay for any interim load/discharge port(s) at cost. Time for additional steaming, which exceeds direct route from first load port to furthest discharge port, shall be paid at the demurrage rate plus bunkers consumed, plus actual port costs. Time used at each additional port shall be paid at the demurrage rate beginning at end of sea passage and ending at start of sea passage.

XIII) Global Lightering or Ship to Ship Transfer.

- 1) If lightering is performed at any customary lightering anchorage designated by the local port authority, time used in such lightering to count as used laytime. Such anchorage shall not be considered as a second discharge port or second discharge berth and running time from such anchorage to berth shall not count as laytime, or time on demurrage if the allowed laytime has expired. Laytime at anchorage (whether or not the vessel is on demurrage) shall begin after receipt of Notice or Readiness by Vessel Owners or when first lighter barge arrives alongside, whichever occurs first.

- 2) Any and all expenses incurred at lighterage anchorage, except Vessel Party's items, are to be for Buyers account, including but not limited to deviation to and from said lighterage area, if any, and all port costs at lighterage area providing acceptable supporting documentation provided.
- 3) Laytime and demurrage shall cease when all booms, fenders, hoses, reducers, and all unmooring operations have been completed and workboat or Service Vessel (s) have been separated.
- 4) All lightering and ship to ship transfers shall be performed according to OCIMF guidelines.
- 5) Communication Information.
 - A) Notices: Where applicable, Vessel is to advise ETA to lightering area 5-4-3-2-1 days prior to arrival via telex, telephone, fax or email to charterer/counterparty as per USGC requirements and OCIMF STS Transfer Petroleum latest edition.
 - B) NOR to be tendered at the customary anchorage or designated lightering zone as specified by the local port authority. NOR's will be considered invalid if not met with this requirement. Vessel should be anchored and ready to load upon arrival to this lightering zone.
 - C) Any delay whatsoever attributable to the failure of the Vessel to give notice of its ETA in accordance with Clause XIII, shall not count as used laytime or as time on demurrage.

XIV) Shared Delays (Excluding Lightering).

- 1) Laytime shall be reduced to one-half for the following conditions:
 - A) Delays due to weather and/or sea conditions shall include, but not be limited to lightning, ice, fog, frost, storm, wind, waves and/or swells;
 - B) Daylight restrictions, channel blockage and/or port closures associated with the designated shore facilities;
 - C) Breakdown or failure of equipment or machinery in or about the designated shore facilities; and
 - D) Any delay for which laytime/demurrage consequences are not specifically allocated in this or any other clause of these marine provisions and are beyond the reasonable control of the Vessel or Terminal Party.

XV) Laytime Exclusions.

- 1) Time shall not count as laytime or time on demurrage if lost or spent due to:
 - A) Inward passage from a lightering or waiting area to the Customary Anchorage or berth, even if lightering has taken place; or proceeding from the Customary Anchorage to the berth, such time commencing at the earlier of pilot on board or anchor aweigh and ending at All Fast.
 - B) Awaiting pilots or tugs.
 - C) Inability of the Vessel's facilities to discharge or receive Cargo safely.
 - D) The Vessel requiring separate and/or additional shore tank gauges for any reason, or the Vessel's failure to comply with terminal regulations.
 - E) Prohibition of Cargo transfer at any time by the Vessel, or the Vessel Party or port authorities, unless such prohibition is caused by the Terminal Party's failure to comply with applicable laws or regulations.

- F) Vessel Party's failure to have required documentation on board.
- G) Awaiting customs or immigration clearance, or free pratique.
- H) Strike, lockout, fire, explosion, torts of third parties, stoppage or restraint of labor of the Master, officers and crew of the Vessel or towboat or pilots.
- I) Any delay for which the Vessel Party, the Vessel (including breakdown or inefficiency of the Vessel), her Master or crew is responsible, including without limitation, any delays occasioned by any failure of the Vessel to meet the requirements of these Marine Provisions or the Agreement.
- J) Bunkering, Ballast, or Cowing unless concurrent with loading or discharging of Cargo.
- K) A result of a labor boycott arising in connection with the business of the Vessel or Vessel Party, the terms or conditions of employment of the Vessel or Vessel Party's servants, or employment, trades, or Cargoes of the Vessel.
- L) Restraint or interference in the Vessel's operation by any governmental authority in connection with the ownership, registration, or obligations of the Vessel Party or the Vessel, or in connection with stowaways or with smuggling or other prohibited activities of the Vessel's or Vessel Party's servants.
- M) Cargo contamination or damage caused by unseaworthiness or negligence of the Vessel or, servants of the Vessel or Vessel Party.
- N) The Vessel's unclean tanks, or inability to maintain heating or pumping warranties, or the need for Vessel repairs.
- O) Any delay caused by the Vessel Party's failure to comply with financial and/or credit responsibilities to this agreement.

If as a result of such causes and events the Vessel loses her turn to berth, laytime and demurrage shall be suspended until All Fast to the dock or alongside a lighter. If such causes or events occur while the Vessel is in berth, extra expenses thereby incurred by the Terminal Party in connection with the Vessel remaining at the berth shall be for Vessel Party's account, and the Terminal Party shall also have the option to order the Vessel out of berth, with the cost of unberthing and reberthing for this purpose to be for Vessel Party's account. Upon receipt of instructions from the Terminal Party that the Vessel is to vacate the berth, laytime or demurrage shall cease. The Vessel, after tendering Notice of Readiness to recommence loading or discharging, shall be reberthed in accordance with Terminal Party's assignment. Laytime or demurrage will then only resume counting upon the commencement of Cargo operations.

XVI) Cargo Sampling and Analysis.

- 1) If the quality of the Cargo is called into question (for example, quality as determined by independent certified laboratory is evaluated as not meeting the applicable specifications for the Cargo loaded or to be loaded as specified in the sale/purchase agreement) prior to delivery, any delays, including but not limited to, re-sampling and/or analysis, shall be for the account:
 - A) of the Seller, should the Cargo in question fail to meet the applicable specifications as per the Agreement; or
 - B) of the Buyer, should the Cargo in question be in compliance with the applicable specifications as per the Agreement.

XVII) Demurrage.

- 1) Rate Determination. Demurrage shall be payable by the Terminal Party for all time that exceeds allowed laytime at the following demurrage rates:
 - A) For Controlled Tonnage:
 - (i) The demurrage rate will be as stipulated within the nomination or Agreement for bareboat or time chartered barges only.
 - (ii) Should the demurrage rate not have been stipulated within the nomination or Agreement, or for any other reason for which demurrage rate cannot be provided by the Vessel Party, the rate shall be established by mutual agreement.
 - (iii) Should the demurrage rate not be established by mutual agreement, then a mutually agreed upon shipping broker shall determine the rate.
 - (iv) Should the parties not mutually agree upon a shipping broker, then each party shall refer the matter to an independent shipping broker active in the relevant spot market. Each broker so designated shall submit a written quote on the spot market level in effect on the date of the Agreement, and the rate used shall be the arithmetic mean of the two quotes, based upon current market rates. Broker assessment costs will be split equally between the Vessel and Terminal Party.
 - B) For Non-Controlled Tonnage:
 - (i) The demurrage rate will be stipulated as per the charter party rate.
- 2) Documentation and Filing of Demurrage Claims. Demurrage Claims on Ocean-Going Vessels shall be accompanied by:
 - A) A laytime statement,
 - B) Owner's demurrage invoice and calculations,
 - C) Copy of the Vessel's NOR document(s),
 - D) Vessel's Statement of Facts (SOF) or, signed copy of the SOF by Master and seller's or buyers agents representative by request,
 - E) Vessel pumping logs if claim is for a discharge,
 - (i) Pumping logs required for Tankers, signed by or on behalf of Master and Terminal
 - F) Charter party if applicable,
 - G) Bill of Lading if the claim is for a pro rata portion,
 - H) Letters of Protest (if applicable) signed by or on behalf of Master and Terminal,
 - I) Such other supporting documentation as reasonably may be requested by the Terminal Party.
- 3) Demurrage Claims on Inland and Offshore Vessels and Tows shall be accompanied by:
 - A) A laytime statement,
 - B) Owner's demurrage invoice and calculations,

- C) A copy of the relevant boat and tug log,
- D) Such other supporting documentation as reasonably may be requested by the Terminal Party.

New York Arbitration. For Demurrage claim disputes where the total amount claimed by either Party does not exceed U.S. \$300,000 (exclusive of interest on the sum claimed, costs of the arbitration, and legal expenses), the dispute is to be governed by the "Shortened Arbitration Procedure" of the Society of Maritime Arbitrators, Inc. (SMA) of New York, as defined in the SMA's current Rules for such procedure.

For disputes where the total amount claimed by either Party exceeds U.S.\$300,000, such arbitration shall be referred to three (3) persons in New York City, New York, one (1) to be appointed by each of the Parties hereto and the third, who shall be the Chair, by the two (2) so chosen. Their decision, or that of any two of them, shall be final and binding, and for the purpose of enforcing any award, this Agreement may be made a rule of the Court. The arbitrators shall be persons conversant in marine matters and may be attorneys and need not be members of the SMA. All arbitrations shall be governed by the Rules of the SMA. Judgment upon any arbitration award may be entered by any court of competent jurisdiction. Any Party may bring a legal action to compel arbitration of any claim to which this arbitration clause applies in any court of competent jurisdiction.

The panel or single arbitrator hearing the dispute shall have the authority to provide in any award for the allocation of the costs of arbitration, including reasonable attorneys' fees, and arbitrators' fees.

4) Claims Processing.

Demurrage claims must be submitted electronically either by email: DemurrageClaims@concocophillips.com, or by E-Fax: 918-662-6193 – before 1200 noon on the last Business Day prior to the ninety (90) day time bar. Failure to submit claim electronically via any manner noted above within the allowed time bar shall be deemed waived and extinguished in its entirety. IF THE APPROPRIATE DOCUMENTATION IS NOT RECEIVED WITHIN THE SPECIFIED TIME, THE CLAIM WILL BE DEEMED TO BE WAIVED. For a voyage chartered Vessel, in no instance will demurrage be claimed in excess of the amount actually paid by the Vessel Party.

XVIII) Miscellaneous

- 1) Compliance with Law. Vessel Party and Terminal Party shall be in full compliance with all applicable governmental laws, regulations, and orders, and shall maintain records that demonstrate compliance with the applicable regulations and standards. Vessel Party and Terminal Party shall have the right to inspect and copy any and all such records of the other party at any reasonable time or times during normal business hours. This provision shall survive termination of the Agreement for a period of two (2) years.
- 2) INTERPRETATION. IRRESPECTIVE OF ANYTHING IN THE AGREEMENT TO THE CONTRARY, THESE MARINE PROVISIONS AND ANY OTHER DOCUMENT CONSTITUTING A PART OF THE AGREEMENT SHALL NOT BE INTERPRETED OR APPLIED SO AS TO REQUIRE VESSEL PARTY OR TERMINAL PARTY TO DO, OR REFRAIN FROM DOING, ANYTHING THAT WOULD CONSTITUTE A VIOLATION OF, OR RESULT IN A LOSS OF ECONOMIC BENEFIT UNDER, UNITED STATES LAWS OR REGULATIONS, INCLUDING WITHOUT LIMITATION, UNITED STATES ANTI-BOYCOTT LAWS AND REGULATIONS.
- 3) The Section headings are for convenience only and shall not be interpreted in any way to limit or change the subject matter of the Agreement.