

GLOBAL COMPANIES LLC
GLOBAL MONTELLO GROUP CORP.

GENERAL TERMS AND CONDITIONS

BUNKER FUELS

1. PRICE: For delivery ex wharf, prices are exclusive of taxes, duties, wharfage dues and other charges leviable in respect to oil bunkers which, if incurred, shall be for Buyer's account and payable at the rate applicable to the actual date of delivery.

2. GRADES AND NOMINATIONS:

a. In respect to each delivery, Buyer shall be solely responsible for specifying to Seller the grade of marine fuel to be delivered to the vessel. Buyer's representative shall confirm to Seller the quantity, grade and other requirements pertaining to the delivery prior to the loading of a barge for delivery in question.

b. Unless otherwise agreed by Seller, Buyer shall give Seller at least five (5) days' notice of the delivery required and of the nominated lifting date.

c. Buyer shall be liable for any expenses incurred by Seller resulting from Buyer or Buyer's representative failing to take delivery of or rejecting, in part or in full, any quantity duly ordered.

d. Where Buyer nominates HSIFO, it is the responsibility of Buyer and/or Buyer's representative to confirm for Seller, to Seller's satisfaction, that the receiving vessel has sufficient working exhaust gas cleaning systems (aka scrubbers) installed in compliance with all laws and regulations.

e. Where Buyer nominates product with a maximum sulfur content of 0.50% or lower, Buyer shall be deemed to warrant and represent to Seller that the vessel's receiving tanks: (i) have been sufficiently cleaned and prepared to receive such product; and (ii) that following such cleaning and preparation of the vessel's receiving tanks, no other marine fuels with a sulfur content in excess of 0.50% have been stored, or will be stored in the vessel's receiving tanks.

3. BARGING: In the event of a vessel requiring delivery by barge, Buyer shall notify Seller of such requirement when making the inquiry on which Seller's quotation is to be based. If Buyer so notifies Seller after Seller's quotation, Seller's performance shall be subject to the availability of the necessary facilities. Seller only undertakes to provide this service within normal harbor limits. Buyer's vessel shall provide a free side and steam if required for delivery. Buyer shall pay Seller the current posted barging rates at the port concerned, and any other charges incurred in connection with such barging, including but not limited to, mooring and unmooring costs, port duties, wharfage and demurrage.

4. NOTICE TO PORT: Buyer or Buyer's appointed representative shall give Seller's local representative at least forty-eight (48) hours' notice (exclusive of Saturdays, Sundays and holidays), of the exact time and location at which delivery is required and confirmation of the quantities of each grade ordered. The notification by Buyer to Seller's delivery agent of an intention to take delivery of smaller quantities than originally nominated shall not absolve Buyer from any liability under subsection 2(c) above.

5. RECEPTION LIABILITY: Buyer shall be responsible for providing safe reception for the full quantity of oil bunkers ordered and for any damage or injury to Buyer's or Seller's or their suppliers' property, servants or agents, except only for that directly resulting from the sole negligence of Seller's servants or agents or failure solely of, or defect solely in, their equipment.

6. ROAD/RAIL DELIVERY: If a vessel requires delivery by road vehicle or rail tank car, Buyer shall notify Seller of such requirement when making the inquiry on which Seller's quotation is to be based. If Buyer so notifies Seller after Seller's quotation, Seller's performance shall be subject to the availability of the necessary facilities. Seller shall not be obliged to deliver over rail tracks or roadways which in the opinion of Seller are unsafe for its vehicles. Buyer shall provide safe and prompt passage for such vehicles between the public roadway or rail track and the actual point of unloading and shall take prompt delivery of the oil bunkers. The cost of any delay to Seller's vehicles not caused by Seller shall be for the account of Buyer. In the case of bulk deliveries by road vehicle or rail tank car, additional charges incurred for the necessary provision of additional hose in excess of that normally carried by the road vehicle or rail tank car shall be borne by Buyer.

7. EXTRA CHARGES: Additional costs for delivery outside normal working hours or on public or dock holidays, Sundays or Saturdays or outside normal harbor limits shall be paid by Buyer at the barging rates or other costs associated with delivery then applicable for such work.

8. DELAYS: Seller shall not be liable for any demurrage or loss incurred by Buyer due to congestion affecting Seller's delivery facilities or to the prior commitment of bunkering barges or other delivery vehicles.

9. MEASUREMENT OF QUANTITY, QUALITY AND COMPLAINTS:

a. Representatives of the barging company shall measure the product delivered to Buyer. Such measurements shall be accepted as conclusive. Complaints of short delivery must be noted on the delivery receipt at the time of delivery and confirmed in writing received by Seller within thirty (30) days of delivery.

b. Complaints of defect in quality must be made in writing received by Seller within thirty (30) days of delivery, and supported by evidence, including full details of any claim to be made by Buyer. Upon timely receipt of such written complaint and related evidence, Seller shall be given the opportunity, at its election, to debunker defective product and provide replacement product at the same price, plus reasonable costs of debunkering.

c. An independent inspector shall retain a sealed representative sample of the delivered product. Continuous drip sampling shall be employed for HSIFO and LSMGO; barge composite sampling shall be used for VLSFO 0.50%. For composite sampling, Buyer may send a representative to witness vessel loading and sampling with at least forty-eight (48) hours' prior notice to Seller in order to ensure proper security clearance at the load port terminal. Upon the written request of Buyer, the retained sample will be made available for testing by a mutually agreed upon independent inspector and be witnessed by Buyer and Seller. Said results will be final in determining quality dispute. Samples taken in a manner outside the control of Seller will not be recognized as representative of the product supplied. In the event Buyer fails to comply with the provisions of this Section 9, Buyer shall be deemed to have waived any complaints of defect in quality.

10. PAYMENT: Net amount due without set-off or counterclaim relating to this or any other transaction shall be paid by wire transfer of immediately available federal funds to Seller's designated bank and account within thirty (30) days from date of discharge, following Buyer's receipt of invoice and supporting documents. Interest for late payments, commencing upon the payment due date, shall be based upon the greater of (x) Bank of America N.A.'s prime lending rate plus 4.0 percent, and (y) the maximum interest rate permitted by law.

11. TITLE/RISK OF LOSS: Seller warrants to Buyer that it has good title to the product delivered hereunder and the right, subject to Section 2(d) above, to deliver the same. Seller agrees to protect, indemnify, defend, and hold harmless Buyer from any loss, claim, or demand by reason of any breach of this warranty of title. With respect to vessel deliveries or receipts, title to the product and all risk of loss shall be transferred as the product passes the flange connecting the vessel's hoses with the terminal's lines. With respect to all other deliveries or receipts, title to the product and all risk of loss shall be transferred as the product passes the flange connecting the delivering and receiving apparatus of the parties.

12. TAXES: Selling price is exclusive of all taxes and tax surcharges. Buyer shall pay to Seller promptly upon demand the full amount of any and all federal, state or local taxes and tax surcharges which may be levied against, paid or incurred by Seller with respect to the manufacture, storage, delivery, receipt, purchase, sale, exchange, use or inspection of the product to be sold and purchased pursuant to this Agreement.

13. HEALTH AND SAFETY: It shall be the responsibility of Buyer to comply and to advise its customers to comply with the health and safety requirements applicable to the product being supplied hereunder both during and after delivery to ensure so far as possible that any user of such product avoids without limitation any frequent or prolonged skin contact with the product. Seller accepts no responsibility for any consequences arising from failure to comply with such health and safety requirements or arising from such contact. Buyer shall protect, indemnify and hold harmless Seller against any claims or liability incurred as a result of Buyer or its customers failing to comply with the relevant health and safety requirements.

14. FORCE MAJEURE: If either party is rendered unable, wholly, or in part by force majeure or any other causes of any kind not reasonably within its control to perform or comply with any obligation or condition of this Agreement, upon giving notice and reasonably full particulars to the other party, such obligation or condition shall be suspended during the continuance of the inability so caused, and such party shall be relieved of liability and shall suffer no prejudice for failure to perform during such period; provided, however, obligations to make payments then due for products delivered hereunder shall not be suspended, and the cause of such inability (other than strikes or lockouts) shall be remedied as far as possible with reasonable dispatch. Settlements of strikes and lockouts shall be wholly within the discretion of the party experiencing the difficulty. The term “force majeure” shall include, without limitation, acts of God and the public enemy, the elements, fire, explosion, accidents, breakdown, strikes, and other industrial, civil, or public disturbance and any laws, orders, rules, regulations, acts, or restraints of any government or governmental body or authority, civil, or military.

15. LIABILITY FOR OBLIGATIONS:

a. If the delivery is contracted for by an agent for Buyer or by Buyer on behalf of a principal, disclosed or undisclosed, such agent or Buyer, as the case may be, shall be jointly and severally liable with such principal for the due and proper performance of the contract.

b. Except for the warrant of title and specifications set forth in this Agreement, NO WARRANTY OF ANY NATURE, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS OR SUITABILITY FOR A PARTICULAR PURPOSE IS MADE BY SELLER.

c. Buyer shall indemnify Seller against any liability incurred by Seller in respect to Buyer’s failure to comply with applicable government or local regulations at the port such as those related to fire or in respect to any loss of bunker or damage to any property caused by Buyer’s vessel during berthing, bunkering and unberthing.

d. Buyer shall indemnify Seller and hold Seller harmless from and against any and all contamination and related issues arising out of and in connection with any fuel that passes through a single manifold.

e. Except as expressly provided in this Agreement, Seller shall not be liable for consequential, indirect or special losses or special damages of any kind arising out or in any way connected with the performance of or failure to perform the Agreement.

16. POLLUTION PREVENTION AND RESPONSIBILITY: In the event that any pollutant is spilled or otherwise escapes during the loading or discharging of any vessel in the performance of this Agreement, the load port terminal and vessel shall each take such measures as are necessary to protect against or mitigate any resulting pollution damage or as required by any governmental authorities. In the event that such incident is the result of any defect in the vessel or its equipment or any fault or act of neglect of the master, crew, agent, or representative, vessel

agrees to assume any and all responsibility for penalties, cleanup expenses, and costs that may be incurred as a result of such incident. In the event that such incident is the result of any defect in the terminal or its equipment or any fault or act of neglect of the terminal's employees, terminal agrees to assume any and all responsibility or penalties, cleanup expenses, and costs that may be incurred as a result of such incident. The responsible party agrees to reimburse, protect, indemnify, defend and hold harmless the non-responsible party from any and all claims, losses, liabilities, damages, suits, penalties, or expenses of any nature arising out of such incident. The parties agree that they shall maintain insurance coverage with respect to the risks set forth in this paragraph in an amount not less than the maximum liability which may be imposed by applicable statutes. Certificates evidencing such coverage shall be furnished upon request of either party.

17. ASSIGNMENT AND NO WAIVER: Neither party shall assign the whole or any part of its rights or obligations hereunder, directly or indirectly, by operation of law or otherwise, without the prior written consent of the other party.

Waiver by either party of a default on the part of the other shall not operate as a waiver of any future default, whether of a like or different character.

18. TERMINATION IN THE EVENT OF LIQUIDATION, ETC.

Notwithstanding anything to the contrary expressed or implied elsewhere herein, Seller (without prejudice to its other rights) may at its sole discretion terminate the Agreement upon notifying Buyer either orally (confirming such notification in writing) or by notice in writing in the event that a liquidator or trustee in bankruptcy, receiver or receiver and manager is appointed in respect to the assets and/or business of Buyer or any of its associated companies, or Buyer or any such associated company enters into an arrangement or composition with its creditors, or any similar appointment, arrangement or composition is made under any applicable law, or if Seller has a reason to anticipate any such appointment, arrangement or composition.

19. ATTORNEY'S FEES AND ADMINISTRATIVE COSTS AND OTHER EXPENSES:

a. If any action, at law or in equity, is brought by Seller, either to interpret the provisions of this Agreement or to enforce Buyer's contractual obligation arising from the transactions referenced hereby, Seller shall be entitled to recover its reasonable attorney's fees from Buyer in the principal or related action in addition to any other relief to which Seller may be entitled.

b. In the event Seller initiates legal action for payment withheld by Buyer on its obligations in the event of Buyer's termination of the Agreement or otherwise, Seller shall be entitled to receive from Buyer an "internal administrative fee" in the fixed amount of \$5,000 per invoice in compensation for processing and handling the claim by Seller, together with any hedging losses due to, among other things, the termination of the Agreement.

20. GENERAL:

a. ENTIRETY OF AGREEMENT: These "General Terms and Conditions" and the

written particulars relating hereto (collectively, the “Agreement”) constitute the entire understanding of the parties relating to the transaction contemplated hereby. No modification or amendment to this Agreement shall be effective except if in writing and signed by the parties hereto.

b. GOVERNING LAW, JURISDICTION: This Agreement shall be governed and construed in accordance with the internal laws of the Commonwealth of Massachusetts, U.S.A. Each party expressly submits to the jurisdiction of the courts of the Commonwealth of Massachusetts, U.S.A. and to the federal courts situated herein, as well as to service of process by certified mail.

c. VARIANCE, CONFLICT: In the event of any conflict between these “General Terms and Conditions” and the written particulars relating to a given transactions, the letter shall prevail.

d. HEADINGS: All paragraph and subparagraph headings used herein are for convenience or reference only and shall not be considered in the interpretation or construction of any provision hereof.

e. NOTICES: All notices, statements, and other communications to be given, submitted, or made hereunder by either party to the other shall be properly given if in writing, bearing the transaction number, and sent by overnight courier, postage paid, or by facsimile, to the address of such other party as indicated in this Agreement, which address may be changed by either party upon reasonable advance written notice to the other party.

21. REFERENCES: References herein to Seller shall be deemed to include all of its subsidiaries and affiliates. The parties agree that this Agreement may be performed by such subsidiaries and affiliates.

If any of the above is contrary to your understanding of our agreement, please notify Seller immediately. If no such notification is received by the close of the working day following the transmission of this Agreement, the provisions set forth above shall be binding upon both parties.

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