

INTERNATIONAL SUPPLY TERMS & CONDITIONS.

These general terms and conditions of sale shall apply to all agreements for the sale and delivery of marine fuel by International Supply and shall form part of the contract as if written out therein in extenso.

DEFINITIONS

The "Seller" – International Supply, a company registered in United Arab Emirates under commercial registration No. 5261, having their offices at C/o P.O. Box 1396 Fujairah-United Arab Emirates, Tel: 00971-9-228595 Fax: 00971-9-228611, its assigns or successors in title.

"Buyer" – The registered owner, disponent owners, charterer (whether by demise or not), operator or manager of the Vessel being supplied or a trader who is acting as a principal and has contract to supply the Vessel.

The "Vessel" – save where the context requires otherwise, the Vessel is the Vessel owned, chartered, operated or managed by the Buyer or the Vessel to which the marine fuel is being delivered pursuant to this contract.

The "Bunker Vessel" – the Seller's tanker or tankers used to supply the Buyer's Vessel.

"Marine Fuel" – includes commercial grades of bunker fuel oil and / or intermediate bunker fuel oil and / or marine diesel oil and / or light marine diesel oil and / or marine gas oil which may be offered at the time and place of delivery by Seller.

"The Independent Surveyor" – an independent surveyor company or companies or an individual surveyor or surveyors from time to time appointed by the Seller in its sole discretion or jointly appointed by Seller and Buyer.

"Controlling Sample" – the sample or samples taken by the independent Surveyor or by the Seller's personnel from the Seller's bunker vessel (s) at the time of delivery.

"The final Invoice" – the Seller's invoice, which may be sent by telex or fax. Showing the quality of marine fuel supplied according to the bunker receipt and the current price at the time and place of delivery. The final invoice may also include additional charges, agency fees, etc. relating to the delivery of marine fuel to the vessel.

TERMS

These general terms and conditions of sale supersede and cancel any and all other general terms and conditions of sale and any addendum of the sellers. These terms and conditions of sale shall be in force and effective from January 1st, 1995. No person other than Seller may vary these general conditions of the Sale and no such variation shall be of any effect unless in writing and agreed by the Seller. In the event of any conflict between an oral variation or a written variation unsigned by the Seller, the general conditions of sale shall always prevail. If one or more grades of marine fuel or different types of marine fuel to be delivered hereunder to the same vessel nominated by the Buyer, the delivery of each separate grade and / or type of marine fuel shall be deemed as a separate transaction.

ORDER CONFIRMATION

Upon conclusion of the contract the Buyer shall immediately send to the Seller and at the latest within 24 hours by telex or fax a bunker order confirmation giving the following

information:

THIS IS TO CONFIRM THAT WE :VESSEL

:FLAG

NAME :OWNED BY

MANAGER :ADDRESS

CITY/COUNTRY :TELEX/FAX

TELEX FAX NO. :TELEPHONE

ARE PLACING FOLLOWING FIRM ORDER :MANAGER

VESSEL :CHARTERED BY

ETA :IF APPLICABLE

PORT :ADDRESS

AGENTS :CITY/COUNTRY

PRODUCT :TELEX/FAX

PRICE :TELEPHONE

ORDER PLACED BY :MANAGER ON CHARGE

INVOICE MAY BE SENT TO/CHARTER BROKER/TRADER, PAYMENT WILL BE MADE BY OWNER/
CHARTER BROKER/

TRADER. WE HEREBY CONFIRM THAT THIS CONTRACT IS SUBJECT TO THE SELLERS
GENERAL TERMS AND THAT WE SHALL MAKE THE PAYMENT FOR ABOVE AS PER THOSE
TERMS TO YOUR DESIGNATED ACCOUNT IN ACCORDANCE WITH YOUR INVOICE AND
CONFIRM THAT WE SHALL NOT MAKE PART OR ALL OF ABOVE DUE AMOUNT TO ANY OTHER
ACCOUNT/ COMPANY / BROKER.

REGARDS

MANAGER

If the completed order confirmation is not received by the Seller within 24 hours (Friday,
Sundays and Holidays included) of the conclusion of the agreement the seller is entitled to

cancel this contract. If the Seller exercises his right to cancel he shall be under no liability to the Buyer as a result of any consequence, losses and / or damages whatsoever arising from the cancellation.

Should this contract be entered into by any agent acting for or on behalf of the Buyer, whether such agency is disclosed or undisclosed, then such agent, in addition to the Buyer/ Owner/Charterer/Manager/Operator/or Holder of any interest in the vessel receiving bunkers, shall be liable not as agent but also for the performance of all the obligations of the Buyer under this contract.

PRICE/PAYMENT/RISK AND PROPERTY:

The price for marine fuel delivered in accordance with this contract shall be the price laid down by the Seller at the time of fixture for the appropriate grade of marine fuel. All amounts due become a maritime lien against the hull and vessel itself immediately upon such delivery. The Buyer shall become liable for marine fuel delivered immediately upon the marine fuel oil passing the Buyer's vessel's rail, and property and risk in the marine fuel shall pass to the Buyer at that time.

Payment shall be made in United States Dollars by telegraphic or telex transfer to a bank account to be designated by the Seller. If payment is made to any other account, other than to account designated by the Seller, The Buyer will not be released from his obligation to make full payment to the designated account. All payments shall be made net of transfer charges which shall be for Buyer's account, payment made under this agreement shall be made without any discount or deduction whatsoever relating to any prior agreements or supplies prior to the date of delivery. If payment falls due on a Saturday or Sunday or a Bank Holiday then payment shall be made on the immediately preceding Bank working date which shall be the due date.

Any credit arrangements between the Buyer and the Seller shall be totally without prejudice to the Seller's right to require payment forthwith for any delivery of marine fuel. The Seller may at any time require the Buyer to pay in advance of delivery of the marine fuel irrespective of any prior agreement as between price and payment terms. The Seller reserves the right at any time to modify or terminate any credit arrangements and to call for immediate payment, subject always to the Sellers right under clause 21.

Time is of the paramount essence of this contract. If payment by the Buyer to the Seller's designated account is delayed for whatever reason, which includes any claim of whatsoever nature, the Seller shall be entitled to a penalty at the rate of 2% per month or any part thereof from the date on which the payment was due until the date on which the full payment was received in Seller's designated bank account, and this shall be in addition to forfeiture of Buyer's rights as laid down in this contract.

It is hereby agreed that the Buyers representative (including the Master, Chief Engineer, Chief Officer or Surveyor) shall under no circumstances place any remarks, protests, stamps (other than ship's stamp) clarifications, notes, etc. on any documents presented to him / them for signature. If any such remarks, protests, stamps (other than ship's stamps) notes, etc. placed on any of the documents, such shall not carry any evidential value and shall be absolutely void, and shall not be binding on the seller under any circumstances. Any refusal by the

Buyer's said representatives to sign bunker documents upon presentation by the Seller, shall construe as signed by them and all such documents shall be treated as duly signed accordingly.

ARRIVAL NOTICES:

On each of the 3rd 2nd and 1st day prior to the vessel's arrival at the bunkering place or berth the Buyer shall give a notice of arrival. Each notice shall contain the following information which is to be revised and up-dated if necessary:

- 01) Call sign 02)Vessel's Name
- 03) Owners 04)Flag
- 05) Agents 06)Length Overall
- 07) Gross Tonnage 08)Net Tonnage
- 09) Deadweight 10)Ex-name
- 11) Expected time of arrival 12)Lloyds Register Number
- 13) Requirements 14)Last Port
- 15) Next Port 16)Last 3 Ports

A notice which omits any one or more of items (1) to (16) above shall be an incomplete notice. Should the Buyer give an incomplete notice or fail to send to the Seller any one or more of these arrival notices at the correct time for any reason whatsoever, the seller shall be entitled to cancel this contract, if the Seller exercises his right to cancel the contract pursuant to the action, the Seller shall be under no liability to the Buyer for any consequences, losses and / or damages whatsoever arising from the cancellation.

Notwithstanding anything contained herein, in the event the nominated Vessel fails to arrive within the next 48 hours from her determined ETA as described in the confirmation sent by the Seller to the Buyer, the agreed price confirmed in the acceptance of nomination shall stand cancelled, and the Sellers shall have the right to re-negotiate the price, date of supply and any other conditions agreed previously.

DELIVERY:

if delivery is to take place alongside berth, within the limits of a port or within territorial waters in the Middle East including the Arabian Guld, no alcoholic beverages shall be consumed by any persons (whether crew or not) on board the vessel to which bunkers are to be delivered between the time of its actual arrival at the bunkering area or within such territorial waters until its departure from the bunkering area or such territorial waters. Furthermore, the vessel

shall comply with all the Seller's rules and regulations from time to time which shall be deemed to be incorporated in this contract. As soon as practically possible after deemed to be incorporated in this contract. As soon as practically possible after the contract has been concluded, the Seller will telex or fax to the Buyer (if the Seller receives a written request for such), a list of its rules and regulations which the Seller may amend, modify or cancel at any time without notice. If the Buyer does not request such, then it is deemed that the Buyer has full knowledge of such. If the Buyer or the vessel, her owner or crew fail to abide by any of the Seller's rules and regulations for whatever reason, the Seller shall be entitled to cancel this contract. If the Seller exercises its right to cancel pursuant to this section the Seller shall be under no liability to the Buyer for any consequences, losses and/or damages whatsoever arising from the cancellation. The Buyer shall in addition be liable for all consequences, losses and/or damages (including fines and penalties) whatsoever suffered by the Seller as a result of the Buyer or the Vessel, its Owner or crew failing to observe any of the Seller's rules and regulations.

The Buyer shall make and be responsible for all connections and disconnection between the delivery hose of the Seller and the intake pipe of the Buyer's vessel and the Buyer shall render all other necessary assistance and shall provide sufficient tankage and equipment upon the vessel to which delivery is to be made to receive promptly and efficiently all deliveries of marine fuel at the time and for the period the Seller supplies the vessel from its bunker vessel (s), if necessary, the Buyer shall provide steam to effect delivery.

The Buyer shall indemnify the Seller in respect of any damage or loss which may be suffered by the Seller or any servant, agent, crew member or on-shore personnel of the Seller as a result of concerning the connections of the hoses referred to in Clause 6-B or otherwise concerning the delivery and taking on board of marine fuel from the beginning of any operation until the same shall have been completed and the refueled vessel of the Buyer shall have been disconnected and separated from the Seller's bunker vessel(s).

Notwithstanding any other provision(s) else where in these terms and conditions, the Seller does not guarantee the pumping rate of marine fuel to be delivered to the vessel. The Seller shall not be liable for any consequences, losses and/or damages howsoever caused arising from the rate at which marine fuel is pumped from the bunker vessel(s) or shore pumps to the Customer's vessel.

CONTINGENCIES: it is hereby agreed by the Buyer that the Seller shall not be in breach of their obligations hereunder to the extent that performance is prevented, delayed due to whatsoever reason, in addition to : (1) shortage in fuel cause beyond the control of the Seller, (2) shortage in marine fuels, (3)breakdown or low performance of supplying machinery/ equipment. The Buyer hereby specifically absolves the Seller from any demurrage or any direct or consequential damages/losses due to above reasons or any other reason / reasons under this contract. The performance provided herein shall not be a basis for any claim by the Buyer, even though the occurrence of such contingency in question may have been foreseen or be foreseeable at the time of the contracting or subsequently became foreseeable.

COLLISION/RANGING DAMAGE:

Both parties are aware that damage can occur whether or not caused by the fault of one or both vessels where the Seller's bunker vessel(s) comes alongside the Buyer's vessel for

purpose of delivering marine fuel. The risks of any collision or ranging damage to their vessels are borne by each party, who should insure against such risks. Neither party will have any claim whatsoever against the other for any ranging or collision damage whether or not caused by negligence/fault of the Master and Crew of either or both the Buyer's vessel and the Seller's bunker vessel(s).

DELAYS BY BUYER'S VESSEL:

If delivery takes place in berth, the Buyer's vessel shall proceed to berth, take delivery and leave the berth with all due dispatch. In the event that loading is delayed by the Buyer's vessel for whatever reason or if after the loading hoses have been disconnected the vessel fails to leave the berth immediately, any loss or damage suffered by the Seller resulting from such delay, including any claims incurred or arising due to the delay in berthing of other vessels waiting to load at that place of loading, shall be paid by the Buyers to the Seller.

DELAYS IN BERTHS:

Where bunkering takes place alongside berth and/or within the limits of the port the Seller will not be liable for any delay in bringing its bunker vessel(s) alongside and in delivery of the marine fuel or for any consequences, losses and/or damage resulting there from where the delay is caused by the order (verbal or otherwise) of the port authority, including but not limited to the signal station (ports control tower). A signed statement issued by the Seller stating the vessel was delayed by reason of such an order from the port authority or signal station and giving the length of the delay will be binding and conclusive between the parties.

DEMURAGE

Notwithstanding anything contained elsewhere herein, the seller will effect the supply as promptly as possible and shall not be liable for any demurrage under any circumstances for any delay in supply caused due to whatever reason, or for any eventual or consequential loss/losses of the buyers.

QUALITY:

Marine fuel sold subject to these terms and conditions shall conform to ISO standards for different grades and shall be used solely for the operation of vessels in international trades and all marine fuel delivered in bulk shall be used solely for the operation of the vessel originally receiving it.

Subject only to the terms of this clause and notwithstanding any provisions elsewhere in these terms and conditions marine fuel delivered hereunder is supplied without all or any guarantees or warranties, express or implied, of merchantability, fitness or suitability for any particular purpose or otherwise whether or not make known to the Seller at any time prior to delivery. The Buyer shall in the Bunker Order Confirmation (see Clause-3) state the ISO grade of marine fuel it requires to be delivered, which grade the Buyer can not alter subsequently, if no ISO grade is stated in the Bunker Order Confirmation or if no marine fuel of the grade specified in the Bunker Order Confirmation is available at the time of delivery the Seller shall whatever grade of marine fuel is available at that time in its sole discretion but always within ISO standards for different grades. The Seller shall not be liable for any consequences, losses and/or damage whatsoever resulting from delivery to the vessel of an ISO grade of marine fuel different from that stated in the Bunker Order Confirmation.

The Seller only may, at their exclusive sole discretion, select and appoint an Independent

Survey Company or Individual Surveyor to carry out any or all of the functions of the Independent Surveyor as required by these terms and conditions required by these terms and conditions. The Buyer shall make a request in writing to the Seller for the appointment of an Independent Surveyor should they wish, 72 hours prior to the intended time of supply and the Seller in exercise of their above right, may appoint an independent surveyor, all cost for such appointment shall be to the account of the Buyer. It is unconditionally agreed by the Buyer that findings of such Independent Surveyor shall be final and binding on both the parties herein. Further, any appointment of a Surveyor and binding on both the parties herein. Further, any appointment of a Surveyor by the Buyer contrary to the provisions as above, shall be invalid, his findings of no evidential value, nor binding upon the Seller.

Always subject to clause 11-B, provided that the grade of marine fuel delivered complies with the relevant standards as set out by the ISO standards for the specifications described in ISO standards for different grades, as conclusively determined by the Independent Surveyor, the Seller will not be liable in any way for any consequences, losses and / or damage whatsoever and the Buyer will not be entitled to reject delivery of marine fuel.

Notwithstanding any other provisions elsewhere in these terms and conditions, if the marine fuel delivered complies with the limits as set by the ISO standards for the specifications described in clause 11-E as conclusively determined by the Independent Surveyor, the Seller will not be liable in any way for any consequences, losses and/or damage whatsoever and the Buyer will not be entitled to reject delivery of the marine fuel. If the grade of marine fuel delivered does not comply with any one or more of the specifications set out in sub clause-G the Buyer shall not be entitled to reject the cargo or to cancel this contract. If the grade or marine fuel supplied does not comply with the specifications set out in sub-clause 11-E, as conclusively determined by the Independent Surveyor, by way or analysis of the sealed sample (controlling sample) taken from the supplying ship/barge only, the maximum liability the Seller will be subjected to shall be by compensating the Buyer by using either of the following methods, (i) the Seller shall either compensate the Buyer by reducing the price of the products reflect the market value of the product with the reduced qualities of bunkers delivered, or (ii) the Seller shall supply a quantity to the Buyer to rectify the product specs to ISO standards for different grades a maximum of 5% of the value, the method used for compensation shall be in the sole discretion of the Seller. Apart from the above mentioned compensation methods, the Seller shall not be liable for any other consequences and/or damages whatsoever resulting from the failure of the grade of marine fuel delivered to comply with the specifications in sub-clause 11-E.

In the event that the test referred to in Clause 11-E shows that the density of the fuel is within plus or minus .001 of the Seller's declared density and the tested density of the controlling sample, the Seller shall not be liable for any variation, deviation, or reduction in the quantity, weight or mass of the marine fuel.

It is a condition precedent and expressly agreed by the Buyer that the Seller shall not be liable for any variation, deviation or reduction in the specifications of the fuel supplied. The Seller shall not be liable for any consequential loss/damage if any sustained by the Buyer. The Seller is hereby fully indemnified by the Buyer against such loss/damage whatsoever.

It is hereby unconditionally agreed by the Buyer that if it is proved beyond any doubt by

analysis of the controlling sample that the fuel oil supplied to them by the Seller pursuant to this contract contain any water, the Buyer shall not make any deduction, if at all made in contravention of the terms of this contract, in payment of the invoice amount in excess of the quantity of water found if any, and pay the full balance amount on its due date without fail. The buyer hereby absolves the Seller from any eventual or consequential damages/losses due to above reason/or any machinery/ equipment or any other losses of whatsoever nature.

SAMPLES:

The Seller will take at its option up to three sets of sealed samples (the "Controlling Samples") of the marine fuel delivered from the Seller's bunker vessel(s), at least one set of which Controlling Samples shall be retained by the Seller and these retained controlling samples shall be the only samples by which the quality of the marine fuel delivered shall be tested to ascertain the properties and specifications of the product supplied. Controlling Samples shall only be tested by the Independent Surveyor in the presence of a representative of the Seller. The result of any such test carried out on the Controlling Samples shall be conclusive evidence and binding as between the parties as to the quality of the marine fuel delivered.

If the test or tests are carried out at Buyer's request, the Buyer shall bear total costs for such analysis. If the tests are carried out as a result of a quality dispute, the Buyer shall bear full costs if the qualities are in conformity with ISO (in accordance with clause 11-E), otherwise Seller shall bear costs of analysis.

Result of tests on any other samples, or tests carried out of controlling sample by any surveyor other than the independent surveyor, or a test on any other sample (s) whether or not they were taken at the same time as the Controlling Sample or from the same vessel or taken from the receiving vessel at any time, shall be of no evidential value whatsoever, shall not be binding on the Seller and shall not be capable of giving rise to any claim of whatsoever nature against the Seller.

VALIDITY OF CONTRACT

Notwithstanding anything else contained elsewhere herein, the Buyer hereby unconditionally agree that even if it is ever proved beyond any doubt that the fuel supplied was off-specification, such shall not violate and nullify any part of this contract in any way, neither shall it affect the duties, liabilities and obligations of the buyers towards the sellers, irrespective of any claim made or proven of whatsoever nature by the buyer.

In the event of any contravention of the stipulations in clause 13-A herein by the buyer, it shall be at the sole discretion of the seller to adopt/seek/ initiate any course of action as they deem fit and proper to make the buyer perform their due obligations, on the cost of the buyer, to which the buyer hereby agrees.

QUANTITY

Subject to sub-clause 14-b the quantity of marine fuel delivered by the Seller to the Buyer be measured at the time of delivery by the bunker vessel(s) tanks or shore tanks. The measurement of bunker vessel(s) crew or shore installation personnel shall be conclusive evidence of the quantities delivered and shall be included in the bunker receipt to be signed by a representative of the Buyer without any remarks. Measurements by whatever means, taken on board the Buyer's vessel shall not be binding on the Seller and shall have no evidential value as between Seller and Buyer. If the Buyer's representative fails to sign the bunker

receipt, the Buyer shall be deemed to have agreed and accepted the quantity of the marine fuel delivered as stated in the receipt.

The Buyer shall have the right to call upon the Independent Surveyor to measure the quantity of marine fuel delivered and the Independent Surveyor shall issue his survey report and send copies to both the Seller and Buyer. If the measurement is requested by the Buyer he shall pay the Independent Surveyor's expenses and costs in relation to the measurement of the quantity of marine fuel delivered which shall be measured at the time of delivery by independent Surveyor by ullages of the bunker vessel(s) tanks or shore tanks only. The measurements carried out by Independent surveyor shall be conclusive evidence of the quantities delivered and shall be included in the bunker receipt to be signed by a representative of the Buyer without any remarks. Measurements, by whatever means, taken on board the Buyer's vessel shall not be binding on the Seller and shall have no evidential value as between the Seller and the Buyer. If the Buyer fails to sign the bunker receipt he will be deemed to have agreed and accepted the quantity of the marine fuel delivered as stated in the receipt.

In any event whether measurements are made by the bunker vessel(s) crew or shore installation personnel or by the Independent Surveyor, both the Seller's and Buyer's representative shall have the right to witness the ullage taking at all times.

Notwithstanding any other provisions elsewhere in these terms and conditions but subject always to clause – 13, the Seller has the option entirely at his own discretion, to supply up to 10% more or 10% less the quantity stated in the bunker order confirmation. If the Seller chooses to do so, the Seller will not be liable in any way for any consequences, losses and /or damage whatsoever in respect of the action.

CLAIM

Notice of any claim of whatsoever nature arising out of or under this contract, made by the Buyer against the Seller, shall be given in writing, fully documented with all supporting documents to the Seller at their address: International supply P.O. Box 1396 Fujairah – United Arab Emirates Phone: 00971 9 228595, Fax 00971 9 228611, and be received by them within (7) seven days from the date on which the delivery was completed, or if no delivery took place, within (7) days from the intended time of delivery stated in the last complete notice tendered by the buyer pursuant to clause-5. Unless the Buyer gives notice of any claim pursuant to this clause, within the time limit, all their claims of whatsoever nature arising out of or in connection with this contract shall be automatically extinguished and absolutely barred and waived against the Seller. All claims in respect of differences in quantity by the Buyer, shall be made to the Seller at the supplying facility at the time of delivery and shall be confirmed in writing within (7) seven days thereof.

Notwithstanding anything contained elsewhere herein, in the event of a claim whatsoever nature by the buyer, the buyer shall given notice to the seller, such notice to specify (i) express statement that a dispute has arisen out of this contract (ii) state the nature of the dispute distinctly (iii) refers expressly to this sub clause in a format to read as "please take notice that, in accordance with the terms as per clause-15 (B) of the terms of sale, we the of the vessel.....flag.....herby lodge our notice of claim against your bunkering of our vessel.....on.....at.....for short supply/supply of poor quality of Gas oil/marine fuel oil,

holding you responsible for our losses/damages". The buyers hereby declare that they have fully understood the condition in this sub-clause, and agreed that lack of strict compliance with the terms under (i) (ii) (iii) and notice as per wording above shall construe as not a proper notice and the buyers shall be deemed to have been barred from any claim.

If the Buyer gives notice of any claim within the time limited in sub-clause A above which concerns in any way the properties or specification covered by clause – 11 (a "quality claim"), the Buyer must within (7) days of giving notice of the quality claim notify the Seller in writing (which shall include a telex) that they wish one or more of the properties or specification in clause-11 be tested by an analysis of the controlling samples to be conducted by the Independent Surveyor, the choice of the appointment of independent surveyor and the laboratory where the test/ tests are to be conducted shall be at the sole discretion of the seller. The Buyer or his representative is entitled to attend the opening and testing of the Controlling sample or he may give written authority (which shall include a telex or fax) for the samples to be opened and tested by the Independent Surveyor in his absence. If the Buyer neither appoints a representative nor authorizes test(s) to proceed in his absence, he will nevertheless be bound by the results of the tests as provided for herein. The Buyer shall only be entitled to request(s) of the properties or specifications included in the notice in this paragraph and the Buyer shall not be entitled to call for tests of properties of specifications which were not included in the notice given under this sub-clause. In the case of a quality claim if the Buyer fails to notify the Seller that he requires the Controlling samples tests with 7 days of the notice of claim given pursuant to sub clauses A & B above, the quality claim will be extinguished and absolutely barred and waived as against the Seller. It is expressly agreed by the Buyer that any claim of whatsoever nature made by them, based on any sample obtained/ analyzed contrary to the stipulation as provided in this contract, shall be invalid and not binding on the Seller.

Provided the Buyer has given notice of any claims under sub-clause A and in the case of quality claim given notice under sub clause A and in the case of quality claim given notice under sub clause-B hereof within the time(s) limited, the Buyer shall be entitled to Commence Arbitration proceedings in the United Arab Emirates only, in accordance with clause-25 within 60 days of the date of notice under sub clause-A. If no legal proceedings as above have been commenced by the Buyer against the Seller within 60 days of the above mentioned date given pursuant to sub clause-A hereof all claim against the Seller under, arising out of or in connection with this contract shall be extinguished and absolutely waived and time barred and the Buyer shall not be entitled to commence proceedings of any nature against the seller whether in U.A.E. or in any other jurisdiction of the world.

The amount invoiced per clause-4 shall be paid by the Buyer on its due date promptly in accordance with the agreed payment and credit terms. If the Buyer promptly in accordance with the agreed payment and credit terms. If the Buyer has claim of whatsoever nature against the Seller, in connection of this contract, he shall under no circumstances, make any deduction from the invoice price, and shall pay it in full. Any deduction in payment of the invoice made by the Buyer for whatsoever reason, shall be wrongful, illegal, breach of this contract, and in such event the Buyer shall be deemed to have automatically waived and lost all his rights to make or pursue any claim against the Buyer of whatsoever nature, and shall

have no right to commence any arbitration under Clauses-25 shall lose their right to any other legal recourse whatsoever, and shall be bound to pay the full invoice amount forthwith. The Buyer shall lose all his rights to make any claim of whatsoever nature if he makes any deduction in payment from the invoice even where the grounds of Claim have some connection with the deduction. The Buyer shall be liable for all the consequent losses of whatsoever nature suffered by the Seller.

The buyers expressly agree that they shall not have any right to arrest any assets including but not limited to vessel(s) owned/operated/managed by the Seller or under their associated company/management, or other interests in U.A.E. or any where in the world pursuant to any dispute under this contract, the Buyer shall be fully liable for all the consequential losses/damages/costs whatsoever caused to the Seller by such legal action.

The buyers hereby agree that in the event of any contravention of, including but not limited to, stipulations of this clause by the buyers, the buyers shall also be deemed to have waived their rights whatsoever to claim restitution of any overpayment, if such restitution of overpayment is resultant to any finding based on the result of a sample other than the controlling sample, test of which has been made in accordance with these terms and conditions.

CANCELLATION:

A: BY BUYER

(i) Subject to sub clause 16-C if the Buyer purports to cancel this contract for whatever reason less than 48 hours prior to the time of delivery given in the last complete notice tendered by the buyer pursuant to clause-5 the Buyer shall immediately pay to the Seller 5% of the total value of the marine fuel due to be delivered at the intended time of delivery. This immediate payment of 5% is not recoverable by the buyer, and is intended as advance compensation to the seller towards losses incurred by reason of cancellation at short notice. If the seller's losses are in excess of 5% of the value of the marine fuel by reason of the Buyer's cancellation less than 48 hours before the intended time of delivery, the seller is entitled to claim those extra losses, damages and/or cost from the buyer.

(ii) If the buyer purport to cancel this contract for whatever reason at any time between the date the contract is made and 48 hours prior to the intended time of delivery as given in the last complete notice tendered by the pursuant to clause-5, the buyer shall immediately pay to the seller 5% of the value of the marine fuel due to be delivered. This payment is not recoverable by the buyer and shall be by way of final compensation for all losses or damage suffered by the seller as a result of the cancellation of this contract.

BY SELLER

(i) In addition to the seller's right to cancel provided for elsewhere in these terms and conditions, the seller has right to cancel this contract for any reason in its sole judgment and discretion up to 24 hours prior to the intended time of delivery given in the last complete notice tendered by the Buyer pursuant to clause-5, if the seller decides that for any reason in its sole judgment and discretion the contract should be cancelled pursuant to this clause, the Seller's decision shall be conclusive and binding on the parties to the contract.

(ii) If the Seller exercises his option to cancel this contract 24 hours prior to the intended time of delivery, the Seller shall pay the Buyer 1% of the value of marine fuel of the intended delivery. This payment shall be by way of full and final compensation for all losses and/or damage suffered as a result of the cancellation of the contract under this sub-clause.

(iii) If the Seller exercises his right to cancel pursuant to any other provisions in the terms and condition, the Seller shall be under no liability to the Buyer for any consequences, and/or damage whatsoever arising from the cancellation.

if this contract is entered into 24 hours or less prior to the intended time of delivery, either party shall have the right to cancel the contract, but only upon condition that it shall immediately pay to the other 1% of the value of the marine fuel due to be delivered by way of compensation for any damages suffered by reason of the cancellation as full and final compensation.

EXCEPTIONS/FORCE MAJEURE:

A.

I) The Buyer and the Seller recognize the supply of bunkers and the crude oil from which it is derived is subject to fluctuations and interruptions. It is recognized that the Seller's sources of supply are uncertain. Vessels will be bunkered as promptly as circumstance permit but the Seller shall not be liable for any delay arising for any reason whatsoever or for any consequences, losses and / or damages whatsoever resulting from any delays in delivery of part or all of the marine fuel ordered.

II) In the event that several vessels are in the bunkering area at any time for the purpose of taking delivery of marine fuel, the Seller will endeavor (but without obligation on its part) to deliver marine fuel to such vessels on a first come first served basis, but will nevertheless at all time reserve its right to deliver marine fuel to vessels in such order as it shall in its absolute discretion think fit and Buyer shall make no claim of whatsoever nature against the Seller by reason of the Seller exercising its option pursuant to this sub-clause.

III) Should there be a delay, curtailment or interference with the availability of any of the Seller's sources or anticipated source of the supply wherever situated, the Seller shall not be required to increase supplies or obtain supplies from some other source or to purchase marine fuel replace the supplies so curtailed or interrupted. A signed statement issued by the Seller stating that in its sole judgment there is a shortage of marine fuel (whether temporary or permanent) shall be conclusive evidence and binding as between the parties.

No failure, omission or delay by the Seller to carry out or observe any of the terms and conditions of the agreement shall give rise to by claim against the Seller or be deemed a breach of contract if such failure, omission or delay arises directly or indirectly from any cause beyond the control of the Seller including, but without limitation to the generality of the

foregoing, any Government regulation or embargo interfering or affecting, directly or indirectly, with the of marine fuel, any suspension or reduction in production of fuel oil by the Seller's main, subsidiary or anticipate suppliers occurring at any time acts of God, strikes, lock outs, work stoppage or other industrial disturbance, war, warlike activities, civil commotion, riot, disturbances, fires, insurrections, quarantine, restrictions, epidemics, lightning, earthquakes, storm, floods, explosions and/or any other cause of whatever kind.

ENVIRONMENTAL PROTECTION

If an escape, spillage or discharge of oil ("a spill") occurs while a delivery of marine fuel is being made to the buyer's vessel pursuant to this contract, the Buyer shall promptly take all such action as is reasonably necessary to remove the oil and mitigate the effects of such spill. However, notwithstanding the cause of such spill, the Seller is hereby authorized at his option upon notice to the Buyer and/or the operator of the Buyer's vessel to take such measures either in cooperation with the Buyer exclusively as the sole party and incur such expenses (whether by employing his own resources or by contracting with others as are reasonable in the sole judgment of the Seller to remove the oil and mitigate the effect of such spill. If the Seller has exercised his option to remove the oil and mitigate the effect or such spill, agrees to cooperate and render such assistance as is required by the Seller in the course of such action. Any expenses, damage, costs, fines and penalties arising from the spill shall be paid for by the party that caused the said spill by its act or omission. Should the buyer allege the spill arose through Seller's negligence, the Buyer shall be required to prove such beyond reasonable doubt. The Buyer agrees to give or cause to be given to the Seller upon demand all such documents and other information concerning any spill which are requested by the Seller or are required by laws or regulations applicable at the time and place where the Seller delivers marine fuel to the Buyer.

LIEN

Notwithstanding that the Buyer shall remain liable to the Seller for all amounts, expenses, costs, losses and damages payable to the Seller under this contract, deliveries of marine fuel are expressly made on the faith and credit of the vessel's hull to which delivery is made and the Seller shall have a maritime lien against such vessel (no matter who the present and future owners may be) her sister vessels, and against her reserves of diesel and fuel oil all amounts, expenses, costs, losses and damages due under this contract, and may assert their lien at any time and at any place or jurisdiction in the world, in any manner including but not limited to arrest of any vessel(s) owned, operated, chartered, managed by the owners/ Charterers/Manager/traders/or Brokers of the vessel for any sums due under this contract. The amount due shall become a maritime lien against the vessel immediately upon each delivery.

INDEMNITY

Without prejudice to anything elsewhere herein contained the buyer shall indemnify the Seller against all losses, damages or injury whatsoever and howsoever caused to any person or property arising from any acts or omissions on the part of the Buyer or their servants, agents, officers or crew or other persons acting under their supervision, direction of control.

Notwithstanding any provision else in these terms and conditions, in case the Owner, Charterer, Operator, Broker or other company/person(s) interested in the Vessel, who is not the Buyer named in the Bunker confirmation order, makes any claim of whatsoever nature arising out of the supply of marine fuel to the Vessel against the Seller in any jurisdiction, the Buyer agree to fully indemnify and hold harmless the Seller for any such claim or judgment against it, including legal fees involved in defending the claim. The Buyer agrees to pay it, including legal fees involved in defending the claim. The Buyer agrees to pay the Seller under this clause on a full indemnity basis immediately upon the Seller becoming under an obligation to satisfy any claim or judgment brought against him by the Owner, Operator, Broker or other person(s) interested in the Vessel who is not the Buyer named in the bunker order confirmation.

The buyers hereby expressly declare and agree that during the pendency of any dispute of whatever nature arising out of this contract, if the buyer causes the ownership, flag or name of the vessel changed, such change/changes shall not invalidate any claim or rights of the sellers under this contract against the buyers invalidate any claim or rights of the sellers under this contract against the buyers and the said vessel, and the sellers shall have every right to seek all legal recourses, including but not limited to arrest of the vessel and her cargo or any other assets of the buyers, at the sole costs and consequences of the buyers. It is also agreed by the buyers that such change/changes shall automatically nullify any/all claims made out by the buyers against the sellers.

WAIVER

No delay or omission by the seller to exercise any right or power under this contract shall impair such right or power or be construed as a waiver of or as acquiescence in any time agreeing to waive any right or power, such waiver shall be revocable by the Seller at any time and the right or power shall once again be exercisable as if there had been no such waiver.

ASSIGNMENT

The Seller shall have the right to assign all or any of their rights and obligations hereunder, any assignment by the Buyer of their due rights and obligation under this contract without Sellers express approval/confirmation in writing shall be null and void, and not binding on the Seller.

INDEBTNESS

In the event of any default by the Buyer in the payment of any indebtedness to the Seller or other default in or breach of his obligations to the Seller or in the event of any distress or execution levied upon the Buyers property or assets or his making any agreement or composition with his creditors or his committing any act of bankruptcy or if a petition or receiving order or analogous proceeding is levied against him or if any resolution for this winding up is passed or presented or if a Receiver is appointed over his undertaking, property or assets or should the Buyer's financial conditions become unsatisfactory in the Seller's sole judgment, then the Seller shall have the right at any time, without prejudice to any other right and remedies, to cancel this contract forthwith and Seller shall not be liable for any consequences, losses and/or damages however arising from such cancellation. The Seller shall

also have the right to take such steps against the Vessel, any sister or associated ships, the registered Owners of the Vessel and the Buyer as circumstances lawfully permit.

NOTICE AND NOMINATIONS

Unless otherwise expressly agreed in writing by International Supply Fuarah, notices hereunder shall be mailed, telexed or cabled to or from both the Buyer and the Seller and shall be sent to the Seller at the address: International Supply, P.O. Box 1396 Fuarah, United Arab Emirates, Tel.: 00971-9-228595 Fax: 00971-9-228611. Any notice to be sent to the Buyer shall be sent to the last address of the Buyer known to the Seller.

JURISDICTION

This is expressly agreed by both the parties herein that, without prejudice to Seller's rights to arrest the vessel/sister vessels or maintain the arrest of any other assets of the buyers in any jurisdiction, all disputes, differences, questions, claim of whatsoever nature under or arising out or in connection with this contract shall be settled amicably, failing which, by giving written notice strictly in the form and wording given elsewhere herein, elect to have any such dispute referred to a sole arbitrator in the United Arab Emirates, the arbitration proceedings shall be in accordance with United Arab Emirates law, provided further that:

(i) A party shall lose its right to seek legal recourse if such notice fails to contain:

(a) express statement that a dispute has arisen out of this contract.

(b) nature of the dispute.

(c) Express reference to clause-25 (A) (i)

(d) Invitation to the other party to nominate any other arbitrator or confirm the appointment with (7) seven days.

The notice to seller by the buyers as agreed in sub clause-A above, shall read:

"Please take notice that, in accordance with the terms as per clause 25 (A) and sub clause (i), we.....of the vessel.....flag.....herby notify you that we are seeking/have filed a legal case against you in the competent court in the United Arab Emirates of a dispute of short supply/ supply of poor quality of bunkers, arisen against your bunkering of our vessel.....in.....at.....and have appointed Mr.....C/o P.O. Box.....United Arab Emirate, Tel.....Fax..... as the sole Arbitrator, we request you to kindly confirm the appointment of Mr..... as sole arbitrator or alternatively suggest any other arbitrator, within (7) seven days of the receipt of this notice failing which the appointment of Mras sole arbitrator shall be final and binding. Hence this notice".

This is hereby agreed by both the parties herein that in the event of any dispute on the mutual agreement on the appointment of the suggested Sole Arbitrator, the matter shall be referred to the Chairman of Chamber of Commerce – Dubai U.A.E. who shall appoint a sole Arbitrator, both the parties herein agree that such appointment shall be final and binding.

The parties hereto agree that any award passed by such arbitrator shall be final and binding, and in all respect in accordance with and governed by the laws of United Arab Emirate. The Buyer shall not, under any circumstances, commence any legal proceeding against the Seller of whatever nature, including but not limited to arrest/attachment of Seller's assets of any kind in any other jurisdiction.

This is expressly agreed by the Buyer that the Seller, in addition to their rights and obligations stipulated in the above sub-clause, and without prejudice to their rights under this contact, shall have the exclusive options/ power to initiate any other legal proceedings against the Buyers as sellers deem fit and necessary at any time, under any circumstances, in any jurisdiction of the world, without observance to the mandatory stipulation in the above sub-clause or any other clauses herein, to assert their lien over the vessel/sister vessels and/or her reserves of fuel or any other assts of the Owners/Operators Managers/traders/brokers or any other entity holding interests in the vessel, arrest the vessel/sister and her cargo at any port of the world, and simultaneously or subsequently initiate/pursue any other legal proceedings in the same or any other jurisdiction as the sellers deem fit and proper, to secure the same and realize their outstanding amount, costs, expenses, losses, damages, payable to them under this contract. The above right to contain and be subject to the jurisdiction/jurisdictions where the lien or arrest has been asserted or legal proceedings have been made. This is expressly/ specifically and unconditionally agreed by the Buyer that the contents in this sub-clause shall not, in any way negate/invalidate or prejudice the power conferred upon the Seller by the Clause, neither give rise to any conflict of laws, stipulations, understandings, and shall not amount to any breach of terms of this contract. Any award/decision/ruling/ruling secured by the Buyer against the Seller from any other jurisdiction except United Arab Emirates under U.A. E. law, shall not be binding on the Seller, the Buyer hereby indemnifies the Seller against any eventual or consequential losses/damage/cost incurred by the Seller due to such legal proceedings.

MISCELLANEOUS

Waivers of performance by one party of the obligations of the other party under this agreement, or default by such party of any of its obligations hereunder, shall not operate as a waiver of performance of any other obligations, or any future default. The terms and conditions of this agreement shall extend to be binding upon and insure to the benefit of the heirs, successors, administrators, legal representatives and permitted assigns of the respective parties hereto. The descriptive headings contained herein are for convenience only and shall not control or affect the meaning or construction of any provision of these agreements. This agreement constitutes the entire understanding between the parties and supersedes all prior agreements, representation and / or warranties.

Spelling mistakes or grammar mistakes shall not affect or change the meaning or construction of this agreement in any way.

This is hereby agreed and verified by the buyer that the owners/trader/broker/ charterer/ manager of the vessel have been put into knowledge of these terms and conditions, and they are all jointly and severally liable for due performance of the terms of this contract.

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