

J.A.M. Marine Services, L.L.C.

7010 Mykawa
Houston, TX. 77033
713-844-7713 / 800-228-3848
Fax: 713-336-1589

Sales Rep: _____
Warehouse: _____
1st Order: _____

SECURITY AGREEMENT AND CREDIT APPLICATION FOR THE SUPPLY AND PROVISION TO VESSELS OF PRODUCTS/NECESSARIES

The following terms and conditions shall apply to every sale of marine fuel, lubricant and other Products (hereinafter "Products/Necessaries") entered into between J.A.M. Marine Services, L.L.C. (hereinafter ("Provider/Seller"), and the Purchaser of such Products/Necessaries for the supplying and provisioning of Receiving Vessel(s) (hereinafter "Buyer/Applicant"). Buyer/Applicant and the receiving Vessel(s) acknowledge, warrant and represent that, prior to the receipt of Products/Necessaries and the sailing of the Receiving Vessel (s), the owner, the master, a person entrusted with the management of the Receiving Vessel(s) at the port of supply, or an officer or agent appointed by the owner, a charterer, an owner pro hac vice or an agreed buyer in possession of the Receiving Vessel(s) have been notified, are aware of and have expressly authorized the purchase and sale of the Products/ Necessaries aboard the receiving Vessel(s) under this Agreement. The Buyer/Applicant despite being asked to reveal material facts within his or her knowledge that would affect the evaluation of this credit extension, must also disclose material facts relating to the Receiving Vessel(s), its owners, operators, managers, charterers, mortgagees and entrusted parties, known, or that should be known, to the Buyer/Applicant and Receiving Vessel(s) which materially influence creditworthiness. This Security Agreement and Credit Application for the Supply and Provision to Vessels of Products/Necessaries (hereinafter "Agreement") is strictly confidential.

Buyer/Applicant Name*: _____ Year Est: _____

DBA: _____ Type of Business: _____ Federal ID No.: _____

Phone Number: _____ Fax Number: _____ D&B No.: _____

Full Billing Address: _____

Country: _____ County/Parish: _____

Delivery Address: _____ City: _____

State: _____ Zip: _____ County/Parish: _____

Accounts Payable Contact: _____ Email: _____

Phone Number: _____ Ext.: _____ Fax: _____ Title: _____

Receiving Vessel(s): _____

Estimated Monthly Volume (in Gallons): Lube: _____ Fuel: _____ Other: _____ , _____

Total Credit Requested: \$ _____ (specify) _____ (gallons)

Customer Requirements: PO: Yes No AFE: Yes No Rig/Well: Yes No

REQ: Yes No Location: Yes No Metric Ton: Yes No

State Sales & Use Tax Exempt: Yes No

Fuel Tax Exempt: Yes - Ocean Vessel Yes - Permit Yes - Signed Statement No- Not Exempt

Bank Affiliation:

Name of Bank: _____ Account #: _____

Full Address: _____

Bank Officer: _____ Phone: _____ Fax: _____

References: (Three (3) Required) Must have a history of one year or more. No landlords, no credit or utility companies and no wireless carriers. Please make sure email, phone & fax numbers are current.

1. _____ Full Address: _____

Contact: _____ E-mail: _____

Phone: _____ Ext.: _____ Fax: _____ Acct # : _____

2. _____ Full Address: _____

Contact: _____ E-mail: _____

Phone: _____ Ext.: _____ Fax: _____ Acct # : _____

3. _____ Full Address: _____

Contact: _____ E-mail: _____

Phone: _____ Ext.: _____ Fax: _____ Acct # : _____

Name, Title and Phone Number of Principal Owner(s) and/or Officer(s):

1: Title: _____ Name: _____ Phone Number: _____ SSN: _____

2: Title: _____ Name: _____ Phone Number: _____ SSN: _____

3: Title: _____ Name: _____ Phone Number: _____ SSN: _____

ADDITIONAL TERMS AND CONDITIONS:

Products/Necessaries supplied in each transaction are purchased and sold and effected **ON THE CREDIT OF THE RECEIVING VESSEL(S)**. The promise, duty and obligation of the Buyer/Applicant and the Receiving Vessel(s) to pay therefore shall not impair Provider/Seller's maritime lien under United States law, the United States General Maritime law and 46 U.S.C. §31301, et seq.

If Buyer/Applicant or Receiving Vessel(s) purchases Products/necessaries in excess of the credit limit extended herein, to the extent that sale of the Products/Necessaries exceeds the credit limit, the Buyer/Applicant and Receiving Vessel(s) will be bound by the terms of this Agreement, however such an excess purchase shall not constitute an amendment to or an extension of the credit limit extended on the basis of this Agreement. Provider/Seller reserves the right to suspend deliveries in such circumstances.

The information requested and provided in this Agreement is furnished by Buyer/Applicant and Receiving Vessel(s) to obtain credit from Provider/Seller for maritime Products/Necessaries furnished to Receiving Vessel(s). Provider/Seller reserves the right to decline credit to Buyer/Applicant or Receiving Vessel(s). In the event that Provider/Seller extends credit or where there have been no purchases on an open account within one (1) year, Provider/Seller has the unilateral right to change, revoke or terminate this Agreement at any time at its sole discretion. At the sole option of Provider/Seller, a new Agreement must be executed in writing.

All invoices are due **NET 30 DAYS FROM DATE OF DELIVERY OF PRODUCTS/NECESSARIES TO THE RECEIVING VESSEL(S)**. Invoices that are not paid timely shall be considered overdue and subject to interest at the highest legally permitted rate on any outstanding amount for the Products/Necessaries furnished. Provider/Seller has the right to suspend deliveries of Products/Necessaries in the event the Buyer/Applicant or Receiving Vessel(s) fails to timely pay for the purchase of Products/Necessaries as provided when due. Any outstanding invoices or payables should be mailed to P.O. Box 201979, Dallas, Texas 75320-1979 unless other arrangements have been agreed to in writing by Provider/Seller. A \$35 USD fee will be charged to the Buyer/Applicant for returned checks.

All unpaid invoices shall immediately be considered overdue upon the occurrence of any of the following events: (i) any invoice is unpaid after net 30 days from date of delivery to the Receiving Vessel(s); (ii) any vessel owned, operated, chartered or managed (whether or not by an authorized agent, broker or other entrusted entity) of Buyer/Applicant is arrested or assets are attached by Provider/Seller or a third party for unpaid debts; (iii) the recordation of any undisclosed maritime lien on the Receiving Vessel(s); (iv) there is a material change has occurred in the financial circumstances or structural organization of Buyer/Applicant or the Receiving Vessel(s) sufficient to cause Provider/Seller to reasonably believe that payment for Products/Necessaries furnished is jeopardized; or (v) the discovery of material misrepresentations of fact or nondisclosures affecting Provider/Seller's decision to extend credit.

Law and Jurisdiction: This Agreement shall be governed by United States laws, the United States General Maritime law and 46 U.S.C. §31301, et seq. without reference to any conflict of laws rules which may result in the application of the laws of any other jurisdiction. Such laws shall apply with respect to the enforcement of a maritime lien, regardless of the country in which Provider/Seller takes legal action. Any disputes or claims arising under this Agreement shall be litigated, at Provider/Seller's option, in the courts of any jurisdiction where the Receiving Vessel(s), Buyer/Applicant or any other asset of either may be found.

Provider/Seller, Buyer/Applicant and Receiving Vessel(s) hereby irrevocably waive the defense of an inconvenient forum or its foreign equivalent to the maintenance of any action in any court. Buyer/Applicant agrees to pay all collection costs, court costs, and legal fees incurred to collect reasonable delinquent balances. **PROVIDER/SELLER, BUYER/APPLICANT AND RECEIVING VESSEL(S) WAIVE ANY RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING.**

In the event of conflicting language between Agreement and documents relating to a transaction under this Agreement involving the sale and purchase of Products/Necessaries to Receiving Vessel(s), the terms and conditions set forth in this Agreement shall control exclusively.

Should a disclaimer stamp of any type or form be applied to any document evidencing the transaction of the purchase and sale of Products/Necessaries to Buyer/Applicant or receiving Vessel(s), such disclaimer shall be null and void and of no legal effect.

Buyer/Applicant declare under penalty of perjury that the information supplied in this Agreement is true and accurate and that Buyer/Applicant has expressly authorized the undersigned to bind Buyer/Applicant to this Agreement and to the payment of Products/Necessaries furnished to the Receiving Vessel(s). The undersigned has carefully read this Agreement, understands its terms and conditions and authorizes any bank, commercial business or credit reporting agency with whom Buyer/Applicant or the Receiving Vessel(s) is doing or had done business to give any and all necessary information to Provider/Seller in utilization of that portion of this agreement that involves the investigation and extension of credit.

A Faxed signed copy shall be treated as an original

Signed: _____ Date: _____
(Authorized agent for Buyer/Applicant)

Print Name: _____

Print Address: _____

Title: _____ Phone: _____ Fax: _____ E-mail: _____

PLEASE RETURN COMPLETED AND EXECUTED SECURITY AGREEMENT AND CREDIT APPLICATION FOR THE SUPPLY AND PROVISION TO
VESSELS OF PRODUCTS/NECESSARIES BY FAX TO: CREDIT DEPARTMENT - 713-844-7789 OR EMAIL TO: CREDIT@JAMDISTRIBUTING.COM
AN INCOMPLETE AGREEMENT WILL BE DENIED

DO NOT WRITE ANYTHING BELOW THIS LINE

J.A.M. Marine Services, L.L.C.

Acknowledgement and Acceptance: _____