

STANDARD FUEL SALE CONTRACT TERMS AND CONDITIONS

DEFINITIONS

1.1 AGREEMENT

Agreements means the “*Standard Fuel Sale Contract*” concluded between the parties. Hereafter mentioned as “*agreement*”.

1.2 PARTIES

1.2.1 SELLER

The company “Kaynar Sanayi ve Dis Tic Ltd Sti” will be mentioned in the agreement as “*SELLER*”.

1.2.2 BUYER

The vessel’s captain will be mentioned in this agreement as “*BUYER*” acting as representative on behalf and name of the vessel equipments, which is serviced with fuel oil.

1.2.3 CUSTOMER

“*Customer*” means the vessel equipment or its tenant which will be served with goods; the other persons who can act on behalf and name of the equipper or tenant (administrator, partner, shareholder or assistant); the equipper or tenant agency, broker; the super-seller, who concludes the agreements for the goods service to the vessel and who transfers the execution to the seller.

1.3 GOODS

Agreements object “*goods*” means fuel-oil, diesel-oil, lubrication-oil or the other products defined especially in prior telex/fax/e-post confirmations or by agreements.

1.4 TELEX/FAX/E-MAIL CONFIRMATION

The notification made by the buyer or customer through telex/fax/e-mail to the seller with the aim to purchase goods is the purchase offer and is the invitation to requisition. Against this offer the seller makes a counter-offer through telex/fax/e-mail and this is the counter-invitation requisition. If the counter-offer is confirmed by offering persons through telex/fax/e-mail the agreement will be considered as concluded. In the telex/fax/e-mail confirmation shall further be mentioned the name of the vessel, which will be served with goods, the date and place of destination; the description and quantity of goods; place and date of payment; amount and fees to be paid; the currency of payment and other subjects.

1.5 AMOUNT

Means the amount of the goods sold.

1.6 FEE

Means the expenses, fees and charges related with the telex/fax/e-mail confirmation or agreement and other expenditures accepted.

1.7 DATE OF PAYMENT

Date of payment shall be fixed by the telex/fax/e-mail confirmation or agreements. The payments shall be made in US\$, unless otherwise defined.

1.8 VESSEL

Means the vessel, which will be served (implemented) with goods in accordance with the telex/fax/e-mail confirmation or agreement.

1.9 IMPLEMENTER (SERVER)

This is the person, who implements the goods to the vessel. It is not mandatory that this person is the seller of the goods. This person can be the agency of the seller or another authorized person.

1.0 ESTABLISHMENT OF THE AGREEMENT

This agreement is considered as established between the buyer and seller. The provisions of the agreement shall be considered as accepted by this agreement which has the meaning of acceptance of the counter-invitation by the seller through his telex/fax/e-mail given against the counter-invitation requisition, which is the telex/fax/e-mail offer of the buyer or customer. The provisions of telex/fax/e-mail confirmation not contrary to the whole of this contract are included to this agreement.

2.1 NOTES TO BE INCLUDED IN THE AGREEMENT

All kind of reserves, notes and records which will be put to show that the responsibility born during the deal, the goods amount paid during the delivery and other fees belongs to off-vessel parties like the tenant, keeper, loading part, shall become invalid and records made with this aim will be considered as never written.

2.2 JOINT LIABILITY

The requesting buyer and customer are in any case the guarantor, security and common joint liable for the goods values, the other fees and agreement provisions.

2.3 BROKER AND AGENCY AND SUPER-SELLER

When the deal is realized through a broker and the intermediary broker, server or tenant agency has acted as intermediary company like the broker, the super-seller who made and transferred the performance of the sale agreement to the seller, will be common jointly responsible together with the buyer.

3.0 DELIVERY

3.1 PLACE OF IMPLEMENTATION

Place of implementation is the place where the fuel will be filled. This place (as point, i.e:at anchoring place, at the wharf or special places similar to this) must be definitively defined by telex/fax/e-mail confirmation or agreement.

3.2 VESSEL

The equipment and personnel necessary for the fuel filling at the vessel implementation place must be ready. Expenses, losses, damages or delays occurred by this reason shall be under buyer’s responsibility.

3.3 SEA TANKERS

In order to provide the alongside of the sea tanker, which fuel implementation shall be made, the vessel’s safety broadside must be shown; the necessary assistance when drawing the ropes of the sea tankers during adjacent shall be provided; further the safety pilot cross for the sea tanker personnel, who will go on board shall be prepared and the necessary lightening shall be provided. All expenses, loss, damage or delays born by these reasons shall be under buyer’s responsibility.

3.4 IMPLEMENTATION HOSE

The necessary equipments necessary for the connection of the vessel’s implementation hose and the fuel filling place shall be made ready; the sea/land tanker personnel shall be provided during the connection with technical support. Further it shall be ensured that the necessary safety precautions are taken at the moment of fuel implementation. All expenses, loss, damage or delays born by these reasons shall be under buyer’s responsibility.

3.5 MEASUREMENTS

The fixation of the levels goods in the sea tankers tanks, which implementation shall be made, by the authorized vessel personnel as ullage is under the responsibility of the buyer. The obtained measurements shall be compared with the tank calibration scales and the quantity of the goods shall must be fixed and the situation shall be recorded in the ullage report and signed. The seals of the tanks of land tankers must be controlled and the situation must be recorded in the determination report and undersigned. The values and determinations records in the report after commencement of the implementation can not be declared as wrong. After the implementation is completed the control of the

tanker shall be made by the authorized vessel personnel. Otherwise no claims shall be accepted due to short load implementation. Any vessel default, negligence and malice are under the responsibility of the buyer and customer.

3.6 KIND AND FEATURES OF THE GOODS

The kind and features of the goods to be implemented are of quality mentioned in the telex/fax/e-mail confirmation. The goods to be implemented shall be controlled by the authorized vessel personnel prior pumped-in; in case of that the variety of the goods to be pumped-in is more than one, the right instructions shall be given. Otherwise the buyer and customer shall be responsible for occurred loss and damages. Prior the implementation the authorized vessel personnel shall perform water test for the goods in the tanks of the sea tankers, in case of land tankers the tests shall be performed by means of the devices provided by the seller. After the implementation it can not be claimed the goods includes water. Any vessel default, negligence and malice are under the responsibility of the buyer and customer.

3.7 EVIDENCE OF DELIVERYThe implemented goods are sealed after filled by its measurement under the control of the customs at the filling plants. Prior the goods are taken delivered by the vessel, the tank seals shall be controlled by the authorized personnel for their soundness. The load quantity determined in the tank, after the measurements made after the seals are opened under the supervision of the vessel personnel, shall be recorded in the ullage report, in case of land tankers the soundness of the seals shall be recorded together with the truck plate numbers into the determination report and signed by the parties. These documents are in quality of exclusive written evidence.

4.0 DELIVERY MOMENT OF THE GOODS

After the seals are opened under the supervision of the customs and the necessary measurements are performed and with determination of the load quantity the goods are considered as being delivered in the tank to the buyer. In case of sea tankers the ullage report, in case of land tankers the determination report are in quality of exclusive written evidences regarding this subject. Once the "fuel received document" is signed by the buyer after the implementation, the goods delivered with the ullage and determination report shall be considered as being delivered to the vessel without shortness. In this subject the "fuel received documents" is in quality of exclusive written evidence.

5.0 DISCREPANCIES

5.1 DISCREPANCIES IN QUANTITY

If it is claimed by the vessel that there is a difference in the quantity of the goods to be implementation after the performed measurements, the performance of a determination shall be provided by the personnel of an independent and trustworthy survey institution to be appointed by both parties. The survey report is binding. The survey and costs incurred by this reason shall be born by the buyer and customer.

5.2 QUALITY DISCREPANCIES

During the implementation continuously samples shall be taken from the good by distilling method. After the samples taken are put into three separate sample covers, the covers will be sealed. Further after the sample covers are stamped with the seal of the vessel and the fuel tankers, they will be individualized by signing by the authorized persons. One of the sample covers shall be given to the vessel. The other sample cover stays at the fuel tanker and the third sample cover shall prevail at the fuel tanker in order to be subjected to determinations by an independent and trustworthy survey institution in case of any discrepancy regarding the quality and no agreements can be reached between the parties. This sample cover is binding for the parties. The survey costs are on account of the buyer and customer.

6.0 DURATION

The time of arrival of the vessel to the implementation place must be advised by the customer, buyer or agent 5 days, 48 hours, 24 hours and 12 hours in advance by writing.

7.0 DELAY

If the vessel shall not arrive within the defined time, the demurrage fee tariff, which is agreed by telex/fax/e-mail confirmations, starts to run. The buyer and customer are responsible for the payment of the demurrage fees debt.

8.0 CANCELLATION AND VIOLATION OF THE AGREEMENT

If the vessel shall not come for implementation or the agreements shall be cancelled due to the acts of the authorized persons, all occurred losses are under the responsibility of the buyer and customer. After the goods is taken-delivered by the se tanker and sealed by the customs it is considered as being exported and will neither taken back. After this phase the agreements can neither be cancelled nor abandoned. If the sealed goods shall be refused wholly or partially or the good shall not be delivered to the vessel due to the default, negligence and malice of the vessel or the operation activity of the representative, the goods shall be duly stored in a storage, which shall be defined by the seller, and the charges shall be covered by the vessel. In this stage the goods shall be considered as being delivered. Then the amount of the good and the fees, which have to be paid, shall be considered as become due.

9.0 ALLOWANCES TO BE PROVIDED

The vessel is obliged to provide the necessary permissions regarding its activity filed for the fuel implementation by itself or through its representative. In case of no fuel can be given due to this reason, the buyer and customer are responsible from the losses occurred.

10.0 FORCE MAJOR

In case of the fuel can not be delivered or delayed delivered to the vessel by the seller due to force major circumstances i.e.: state interventions, war and public violence, fire, flood, storm and other unavoidable and unpreventable circumstances, the seller can not be held responsible for this.

11.0 NON-LIABILITY DUE TO HOLIDAYS

In case of that the goods to be implemented can not be taken delivered from the filling plants or the customs clearance can not be performed due to weekend holidays or official holidays, the seller shall not be responsible from the delays occurred.

12. RESPONSIBILITY FOR ENVIRONMENTAL POLLUTION

The vessel which shall be implemented shall have taken all precautions against the environmental pollution and shall have performed the necessary controls before taking the good. The good shall be pumped during the fuel implementation by acting in accordance with the instructions of the fuel tanker personnel. Anyway for environmental pollution occurred by reasons which are caused by the vessel the buyer and customer shall be held responsible and even if the seller is accepted by the authorities as addressee, for legal- administrative and penalty responsibilities which has to be born mandatory shall be revocable to the buyer and customer.

13.0 NOTICES

Besides the address of the vessel server, notices made to the addresses of the vessel owner, keeper, captain, chief-engineer or the vessel agency providing the vessel agency services in Turkey before and after the sale, transit agency or protecting agency or the intermediary broker acting as intermediary for the sale or other persons, who are authorized, shall be valid. Any changes of the notice addresses shall be informed to the seller. Otherwise the notices made to that addresses shall be valid.

14.0 AUTHORIZED AUTHORITY AND GOVERNING LAW

In case of disagreement the courts of Mersin shall be authorized and entitled. Disagreements are governed by the Turkish Law.