



1 GENERAL

- 1.1 This is a statement of the Terms and Conditions (as defined below) on which the Supplier will supply the Buyer with marine fuels. No variations of these Terms and Conditions shall be valid unless expressly agreed in writing by the Buyer.
- 1.2 These Terms and Conditions apply to all offers, quotations, orders, agreements, services and all subsequent contracts of whatever nature, except where otherwise is expressly agreed in writing by the Buyer.
- 1.3 These Terms and Conditions override any terms and conditions incorporated or referred to by Seller whether in its order or elsewhere.
- 1.4 In the case that, for whatever reason, one or more of the (sub)sections of these Terms and Conditions are invalid, the other (sub)sections hereof shall remain valid and be binding upon the Parties.

2 DEFINITIONS

- 2.1 Throughout this document the following definitions shall apply:

"Associated Person" means any owner (including any principal, shareholder or person having a direct or indirect financial interest), officer, director, partner, principal, employee, agent or any other person, directly or indirectly, controlling, controlled by, or under common control with, the Supplier;

"Buyer" means Northern Energy & Supply; any office, branch office, affiliate or associate of the Northern Group;

"Buyer's Property" means, if applicable, any specifications or other documents, materials and technical information provided by the Buyer to the Supplier for the purpose of producing the Products;

"Confidential Information" means the Buyer's property (if applicable) and all information belonging or relating to the Buyer, whether oral, graphic, electronic, written or in any other form, including but not limited to the Buyer's production engineering, design data, specifications, processes, procedures, know-how, technology, drawings, reports and any other business and technical related information that is not generally available to the public at the time of disclosure other than by reason of a breach of these Terms and Conditions or that is in fact, or should reasonably be regarded as, confidential to the Buyer;

"Consequential Loss" means:

- (a) loss of revenue;
- (b) loss of profits;
- (c) loss of opportunity to make profits;
- (d) loss of business;
- (e) loss of business opportunity;
- (f) loss of use or amenity;
- (g) loss of anticipated savings;
- (h) special, exemplary or punitive damages; or
- (i) any loss which does not directly and naturally flow in the normal course of events from the occurrence of the event giving rise to the liability for such loss,

whether or not such loss was in the contemplation of the Parties at the time of entry into these Terms and Conditions, including any of the preceding types of loss arising from an interruption to a business or activity;

"Facilitation Payment" means the payment, offer, or promise to pay, or authorization of the offer, promise or payment, directly or indirectly (through one or more intermediaries), of any money, benefit or anything of value to a Public Official, usually at a low level, for the purpose of expediting or securing a routine action ordinarily performed by such Public Official;

"Party" means either the Buyer or the Supplier (as the case may be) and **"Parties"** means collectively the Buyer and the Supplier.

"Privacy Law" means any privacy and data protection legislation and regulations applicable to the applicant, including but not limited to the Data Protection Act 1998 and the Privacy and Electronic Communications (EC Directive) Regulations 2003, as amended from time to time;

"Product(s)" means the product or services specified in the purchase order.

"Prohibited Payment" shall mean the payment, offer or promise to pay, or authorisation of the offer, promise or payment, directly or indirectly (through one or more intermediaries), of any money, benefit or anything of value to: (i) any Public Official for the purpose of influencing any act or decision of, or for securing any improper advantage, from, such Public Official, or a government, instrumentality thereof, or political party, in order to assist in any way in obtaining or retaining business for or with, or directing business to, any person; or (ii) any other person, if such payment, offer, promise or authorisation would violate any applicable law of any country in which any aspect of the supply of the Products will take place;

"Public Official" shall mean any officer, contractor or employee of a government or any department, agency, or instrumentality thereof, or of a public international organisation, any political party, any official of a political party, any candidate for political office, or any person acting in an official capacity for or on behalf of any such government, department, agency, instrumentality, public international organisation, or political party;

"Supplier" means the seller or any party instructed by or on behalf of the seller to supply and/or deliver the Product to the Buyer; and

"Terms and Conditions" means these General Terms and Conditions for Purchase which shall govern the contractual regulations between the Seller and the Buyer.

3 APPLICATION

- 3.1 These Terms and Conditions apply when, at the Buyer's request, the Supplier agrees to supply the Products to the Buyer.
- 3.2 The Buyer may amend these Terms and Conditions from time to time by giving the Supplier notice in writing of the amendments at least one (1) month prior to the amendments taking effect.
- 3.3 Any terms and conditions put forward by the Supplier in respect of a supply of the Products will not be binding on the Buyer so far as they purport to amend, annul or vary any of these Terms and Conditions, unless specifically agreed to by the Buyer in writing.



3.4 To the extent to which the terms of any supply of the Products by the Supplier to the Buyer differ from these Terms and Conditions, the acceptance by the Supplier to supply the Products will be deemed to be an offer to supply only on these Terms and Conditions and acceptance of the Products by the Buyer will constitute acceptance of the Products on these Terms and Conditions. For the avoidance of doubt, to the extent that the terms of any supply of the Products by or on behalf of the Supplier differ from these Terms and Conditions, these Terms and Conditions will prevail.

3.5 If the Supplier does not wish to supply the Products on these Terms and Conditions as amended from time to time, the Supplier must notify the Buyer within twenty-four (24) hours of receipt of a purchase order or the date of the amendment of these Terms and Conditions, otherwise the Supplier will be deemed to have agreed to supply the Products on these Terms and Conditions.

4 PRICE AND PAYMENT TERMS

4.1 The Buyer agrees to pay the Supplier for the Products supplied at the prices agreed between the Parties. Prices must not be changed unless agreed by both Parties in writing.

4.2 The Supplier will invoice the Buyer upon completion of an order for the Products. The Supplier shall send the Buyer a detailed price invoice or invoices as instructed on the purchase order clearly stating the purchase order number, item numbers and containing all information required to be stated on a tax invoice for any VAT purposes.

4.3 All payments to be made by the Buyer to the Supplier under these Terms and Conditions will be paid to the Supplier by bank wire transfer within thirty (30) days of receipt of an invoice from the Supplier. Payments shall not operate as a waiver of any of the rights of the Buyer under a purchase order, these Terms and Conditions or otherwise.

4.4 Unless the Buyer agrees otherwise in writing, no payments will be due to the Supplier prior to delivery and to acceptance by the Buyer of the Products.

4.5 If the Buyer pays for the Products upfront or prior to delivery, the Supplier must hold all such payments on trust and for the benefit of the Buyer until the Products are delivered to the Buyer in accordance with these Terms and Conditions.

4.6 The Buyer may withhold any payment due to the Supplier to such extent as may be necessary to protect the Buyer from loss because of a doubt that the Products will fulfill the requirements of a purchase order or breach by the Supplier of any of these Terms and Conditions, or due to a dispute in an invoice.

5 ORDERS FOR PRODUCTS

5.1 The Buyer may submit to the Supplier a written purchase order that shall include, among others, the description, quantity, quality and price of the Products and the delivery date and shipment address of the Products. Upon receipt of a purchase order, the Supplier will send a written acknowledgment of the purchase order to the Buyer, within twenty-four (24) hours of receipt of a purchase order, including acknowledgment of the description, quantity, quality, price, delivery date and shipping address of the Products. A purchase order and the Supplier's acknowledgement may be sent by email.

5.2 Supplier shall perform any changes to a purchase order required by the Buyer which may include, but not limited to, additions to, or reductions in the quantity of Products. If the Buyer is contemplating a change, notice shall be provided to the Supplier, who shall promptly advise the Buyer of its reasonable effect on the delivery date. Notices for the purpose of this section may be sent by email.

5.3 No change to a purchase order shall be accepted by the Buyer, and the Buyer shall not be liable to make any payment therefore to the Supplier unless such change has been authorized by the Buyer in writing.

6 COMPLETION AND DELIVERY

6.1 Time is of the essence in regard to these Terms and Conditions, the delivery date and all of the Supplier's obligations.

6.2 The Supplier agrees to deliver the Products to the Buyer pursuant to delivery schedules which may, from time to time, be provided by the Buyer. The Supplier shall be responsible to deliver any Products ordered by the Buyer to support the Buyer's production schedule as notified to the Supplier from time to time. The Supplier shall meet all delivery dates, specifications and quantities as set forth in any acknowledged purchase order pursuant to section 5.1.

6.3 The Supplier shall, at its own expense, provide such information concerning status and progress of the Products as the Buyer shall deem necessary to ensure that the Products will be delivered by the delivery date. If the Supplier expects any delays in the delivery of the Products, the Supplier shall immediately notify the Buyer and provide the Buyer with a written action plan to remedy such delay. The provision of such notice and action plan by the Supplier to the Buyer shall in no way relieve the Supplier of any of its obligations under these Terms and Conditions and shall not operate as a waiver of any of the rights of the Buyer under these Terms and Conditions.

6.4 The Supplier shall take all necessary precautions to ensure that all Products delivered to the Buyer are packaged in a safe and sufficient manner so as to avoid damage or loss to the Products whilst in transit and until delivered. Packaging of the Products shall comply with all applicable statutory requirements and/or codes of practice. The Supplier shall indemnify the Buyer in respect of any and all loss, expense, damage, claim and liability incurred by the Buyer arising in connection with any breach of Supplier's obligations under this section 6.4.

7 TITLE AND RISK

7.1 Title in the Products shall pass to the Buyer either: (a) when the Products or part thereof are first identifiable as being appropriated to the purchase order or; (b) upon payment of the relevant invoice by the Buyer or; (c) upon acceptance of the Products by the Buyer at the specified delivery point, whichever occurs first.

7.2 Notwithstanding passage of title (in whole or in part) on the occurrence of section 7.1 (a) or (b), risk shall remain with the Supplier until delivery or acceptance of the Products by the Buyer in accordance with the provisions of the purchase order, whichever shall be the later.

7.3 All materials or equipment to be incorporated in the Products the title of which has passed to the Buyer shall be clearly marked by the Supplier as the Buyer's



property and shall be stored separately from the Supplier's property (if applicable).

by the Buyer or its representatives, at the Supplier's expense.

8 QUALITY AND DESCRIPTION

- 8.1 The supply of the Products by the Supplier to the Buyer shall: (a) conform strictly as to quantity, quality, description and specification with the particulars stated in the relevant purchase order and with all applicable statutory requirements; (b) be of sound materials and workmanship; (c) be in strict compliance with the Buyer's Property and any other samples, patents, drawings or specifications provided by the Buyer (if applicable); (d) be fit for the purpose for which it is supplied under the relevant purchase order.
- 8.2 All work performed by the Supplier under these Terms and Conditions shall be performed by suitably qualified and competent personnel and all equipment and tools used shall at all times be maintained in first class operating condition by the Supplier.

9 DEFECTS AND WARRANTY

- 9.1 The Supplier expressly warrants to the Buyer that the Products supplied to the Buyer shall be: (a) supplied with due care and skill using the standard of diligence that would reasonably be expected from a prudent, expert and experienced provider of products which are similar to the Products; (b) of merchantable quality and fit for the purpose for which they are designed; and (c) free from defects in material and workmanship as of the date of delivery of such Products to the Buyer.
- 9.2 Where a defect does not become apparent until after the date of delivery, the Supplier's liability shall not cease merely because the Buyer has been unable to give notice of the defect to the Supplier within reasonable time. If any defects which the Supplier is obliged to remedy under this section, are not remedied within a reasonable time, or circumstances render it impracticable for the Supplier to do the same, the Buyer may do so itself or authorise others to do the same, and the Supplier shall reimburse the Buyer for all costs arising there from.
- 9.3 The Supplier warrants that any and all information provided to the Buyer in respect of the Products supplied or to be supplied to the Buyer is accurate, complete and sufficient.
- 9.4 These warranties and the Buyer's remedies under this section are in addition to any other rights and remedies of the Buyer pursuant to applicable law and equity.

10 INSPECTION AND TESTING

- 10.1 The Buyer and its representatives shall at all times be granted access to any premises of the Supplier and be allowed to: (a) inspect and test the Products at any time prior to acceptance or delivery, whichever shall be the later; and (b) audit the Supplier's management systems, operations and production process used to manufacture the Products for the purposes of ensuring satisfactory product quality. Unless otherwise specified, all Products will be subject to final inspection and acceptance by the Buyer.
- 10.2 The Buyer and its representatives shall have full power to reject any Products it considers to be defective or inferior in quality of material or workmanship and/or not in accordance with the Buyer's specifications or the Buyer's Property (if provided). Any work so rejected shall immediately be replaced or corrected as required

11 SUPPLIER COVENANTS

- 11.1 The Supplier covenants and agrees that it will:
- (a) Comply with all applicable laws, regulations, customs requirements and other legal requirements from time to time in force and which are binding on it or the Buyer, the business operations of it or the Buyer or any of its property or the property of the Buyer;
 - (b) Require its employees to use devices, guards, and proper safe operating procedures as are prudent in connection with the supply of the Products;
 - (c) Not remove or modify, nor permit the removal or modification of, any safety device, guard or warning sign;
 - (d) Not supply any products prohibited under applicable laws or regulations;
 - (e) Procure that its Associated Persons will:
 - (i) not make, and has not made, in connection with any aspect of the supply of the Products or any other transaction involving the Supplier, any Prohibited Payment. Further, to the knowledge and belief of the Supplier no other person has made or will make any Prohibited Payment in connection with any aspect of the supply of the Products or any other transaction involving the Buyer;
 - (ii) comply with all applicable laws, regulations, codes and sanctions relating to the Product;
 - (iii) Not, in connection with any aspect of the supply of the Products or any other transaction involving the Buyer, to make any Facilitation Payment.
- 11.2 Breach of section 11.1 shall be deemed a material breach of these Terms and Conditions.

12 THE BUYER'S PROPERTY

- 12.1 If the Buyer provides any of its property to the Supplier: (a) the Supplier shall only use the Buyer's Property for the purpose of producing and supplying the Products to the Buyer; (b) the Supplier agrees to use the Buyer's Property only in accordance with these Terms and Conditions; (c) the Supplier will not use the Buyer's Property to produce Products for sale to any other party without the Buyer's prior written consent; (d) the Supplier will maintain the Buyer's Property in its original operating condition except for ordinary wear and tear; and (e) the Supplier agrees to immediately notify the Buyer on any and all conditions that may require the Buyer's Property maintenance or repair.
- 12.2 The Supplier acknowledges and agrees that all of the Buyer's Property shall be and remain the exclusive property of the Buyer and no right, title or interest in the Buyer's Property shall transfer to the Supplier at any time.
- 12.3 The Supplier shall indemnify the Buyer in respect of any and all loss, expense, damage, claim and liability



incurred by the Buyer arising in connection with the operation, handling, or transportation of any of the Buyer's Property and/or Products while the Buyer's Property and/or Products are in the possession or control of the Supplier.

13 LIABILITY AND INDEMNITY

13.1 The Buyer shall not be liable to the Supplier or to any of its affiliates or representatives for any Consequential Loss.

13.2 Subject to section 13.3 the Supplier will indemnify (and keep indemnified) the Buyer from and against all liabilities, costs and/or losses including Consequential Loss suffered or incurred by the Buyer arising directly or indirectly from any:

(a) breach by the Supplier or its personnel of these Terms and Conditions;

(b) negligent act or omission by the Supplier or its personnel arising out of or in any way related to the supply of the Products;

(c) false, incorrect, inaccurate, incomplete or misleading information provided by the Supplier to the Buyer whether in respect of the Products or otherwise; and

(d) claim made against the Buyer by any of the Supplier's personnel in respect of relevant legislation concerning income tax, workers' compensation, annual leave, long service leave, superannuation or any applicable award, determination or agreement of a competent industrial tribunal.

13.3 The Supplier will not be liable under section 13.2 to the extent that the liability was caused by (as the case requires) the negligent acts or omissions or willful misconduct of the Buyer.

13.4 For the avoidance of doubt, nothing in these Terms and Conditions shall limit or exclude either Party's liability for:

(a) death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors (as applicable);

(b) wilful misconduct, fraud or fraudulent misrepresentation;

(c) any matter in respect of which it would be unlawful for a party to exclude or restrict liability.

14 INSURANCE

14.1 The Supplier shall ensure that it carries and maintains appropriate insurance, with insurers acceptable to the Buyer, including but not limited to, all operations of the insured including generally the contractual liabilities assumed herein. The Supplier shall ensure that all such insurances waive all rights of subrogation against the Buyer. The Supplier shall remit certificates evidencing said insurances, confirming names of insurers, policy numbers and expiration dates upon the request of the Buyer.

15 CONFIDENTIALITY AND INTELLECTUAL PROPERTY

15.1 The Supplier may receive, possess or otherwise acquire Confidential Information of the Buyer and the Supplier acknowledges that the Confidential Information is the property of, confidential to and a trade secret of, the Buyer. The Supplier must:

(a) keep the Confidential Information confidential and not directly or indirectly disclose, divulge or

communicate that Confidential Information to, or otherwise place that Confidential Information at the disposal of any other person without the prior written approval of the Buyer;

(b) take all steps to secure and keep secure all the Confidential Information coming into its possession or control;

(c) not use the Confidential Information for its personal benefit or for the benefit of any person or entity other than the Buyer and only use the Confidential Information to the extent necessary to perform its obligations under these Terms and Conditions;

(d) not memorise, modify, reverse engineer or make copies, notes or records of the Confidential Information for any purpose other than in connection with the performance of its obligations under these Terms and Conditions; and

(e) only disclose Confidential Information to those of its employees strictly on a "need to know basis" for the purpose of performing its obligations under these Terms and Conditions; and

(f) take all steps to ensure that its employees comply at all times with the terms of this section 15.1.

15.2 Immediately on written request of the Buyer for any reason, the Supplier shall:

(a) cease the use of all Confidential Information;

(b) deliver to the Buyer all documents and other materials in its possession or control containing, recording or constituting that Confidential Information, or make the Confidential Information available for collection by the Buyer at its own cost or, at the option of the Buyer, destroy, and undertake to the Buyer that it has destroyed, those documents and materials; and

(c) for Confidential Information stored electronically, permanently delete that Confidential Information from all electronic media on which it is stored, so that it cannot be restored.

15.3 The Buyer shall be the sole owner of, and be entitled to the full and unrestricted right, including the right to apply for patent or other protection in its own name, to exploit any invention, technical information or know-how, any intellectual property arising from or developed in the course of the supply of the Products. For the avoidance of doubt, the Parties acknowledge and agree that any invention, improvement, design or other work in which intellectual property rights may subsist ("Works") that is developed or originated by the Supplier based in whole or in part on the Confidential Information will be owned exclusively by the Buyer and that all rights, title and interest in the Works shall vest solely in the Buyer.

16 DEFAULT

16.1 If Supplier fails to comply with any of these Terms and Conditions or if the Supplier becomes subject to any insolvency, administration or bankruptcy or if any of the Buyer's property provided to the Supplier (as the case may be) or any part of the Buyer's property are abused, illegally used or misused, the Buyer shall have the right, without legal proceedings, to the extent permitted by the laws of location where the Buyer's property is located, to enter the premises where the Buyer's property is located and take possession thereof without being liable to any party and the Buyer also shall have the right to exercise



NORTHERN ENERGY & SUPPLY
WE SERVE THE SHIPPING INDUSTRY.
365 DAYS/YEAR.

GENERAL TERMS AND CONDITIONS FOR PURCHASE

(ver. 2016:1)

any right and/or remedy available to it at law or in equity.

17 FORCE MAJEURE

17.1 Neither Party shall be responsible for any failure or delay in complying with these Terms and Conditions, other than an obligation to pay money, where such failure or delay is due to causes beyond its reasonable control. These causes shall include, but not be restricted to: fire, storm, flood, earthquake, explosion, accident, acts of the public enemy, war, rebellion, insurrection, sabotage, epidemic, quarantine restrictions, transportation embargoes, acts of God, acts of any government, whether national, municipal or otherwise, or any agency thereof and judicial action. The Party so affected by the force majeure shall notify the other Party as soon as practicable of its existence. The Parties shall then meet and endeavor to alleviate the effect and extent thereof.

18 PRIVACY

18.1 Each Party agrees to comply with all Privacy Laws in relation to any and all personal information that it collects from the other Party under these Terms and Conditions. The Supplier agrees that the Buyer may collect, store and process the Supplier's personal information for the purposes of carrying out its obligations hereunder, and the Supplier shall procure that any individual to whom such data relates has consented to the processing of his/her data by the Buyer in the manner described in this section.

19 ASSIGNMENT AND SUBCONTRACTING

19.1 The Supplier must not assign, transfer, or delegate or purport to assign, transfer or delegate its obligations under these Terms and Conditions or its rights hereunder without the prior written consent of the Buyer, which the Buyer may withhold in its absolute discretion.

19.2 The Supplier must not, without the Buyer's prior written approval, subcontract to any third party any part of the supply of Products to the Buyer.

20 THIRD PARTY RIGHTS

20.1 A person who is not a party to these Terms and Conditions shall not have any rights to enforce its terms.

21 LAW AND JURISDICTION

21.1 These Terms and Conditions shall be governed in all matters by the laws of Sweden.

21.2 Any dispute, controversy or claim arising out of or in connection with these Terms and Conditions, or the breach, termination or invalidity thereof, shall be finally settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce (the "SCC"). The Rules for Expedited Arbitrations shall apply, unless the SCC in its discretion determines, taking into account the complexity of the case, the amount in dispute and other circumstances, that the Arbitration Rules shall apply. In the latter case, the SCC shall also decide whether the Arbitral Tribunal shall be composed of one or three arbitrators. The place of the arbitration shall be Gothenburg, Sweden.

21.3 Notwithstanding sub-section 21.2 with respect to payment hereunder, the Buyer is, in his option entitled to institute proceedings or take action in any competent court or similar authority.

22 VALIDITY

22.1 These Terms and Conditions shall be valid and binding for all offers, quotations, prices and deliveries made by the Northern Energy & Supply, any associated company, representative or agent as of 9 December 2016.

22.2 These Terms and Conditions are available at the website www.n-e-s.se, on which site as well the Supplier may notify amendments, alterations, changes or verifications to same. Such amendments, alterations, changes or verifications are deemed to be a part of the entire terms once same have been advised on the website.

Gothenburg, Sweden 9 December 2016