



GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY OF MARINE LUBRICANTS

Except as otherwise expressly agreed to in writing, the following General Terms and Conditions of Sale and Delivery of Marine Lubricants („General Terms“) shall apply to all sale and delivery contracts for Marine Lubricants entered into with Nautica – Sigmarine Ltd (hereinafter „the Seller“) on or after March 19, 2018, and shall override any conflicting or additional terms submitted or proposed by the Customer.

1. Changes

The following General Terms are subject to change at any time without advance notice by the issuance of revisions hereto and/or new editions of General Terms and all such changes shall be effective from the date stipulated by the Seller.

2. Interpretation

(a) For the purpose of these General Terms „the Seller“ refers to Nautica – Sigmarine Ltd, its servants, agents, assigns, subcontractors, and any and all other persons acting under Nautica – Sigmarine's instructions in fulfillment, compliance or observance of the contract unless the context otherwise requires.

(b) „Customer“ means the entity or person who contracted for the particular supply of Products, together with the Vessel, her master, owners, operators, charterers, any party benefitting from consuming the Marine Lubricants, all of whom shall be jointly and severally liable as Customer.

(c) „Products“ mean Marine Lubricants which the Seller may supply the Vessel.

(d) „Vessel“ means the vessel, ship or craft duly nominated to receive Products and to which Products are supplied.

3. Orders

Written Confirmation of Supply dispatched by the Seller prior to delivery and not contested in writing by the Customer before the delivery of the Products to the Vessel, shall be conclusive evidence of (i) the order for Products placed by the Customer, (ii) the identity of the latter and (iii) the price and other details of the delivery thereof.

Each delivery hereunder shall be deemed a separate Contract. In the event of an inconsistency between the particular terms of the Confirmation and General Terms, the terms and conditions of the Confirmation shall prevail.

4. Delivery

(a) The Seller may appoint an agent or supplier to undertake deliveries on its behalf. Neither the Seller nor any supplier appointed by the Seller to make deliveries hereunder shall be obliged to deliver quantities ordered by the Customer unless they are available at the port of delivery and until said orders and all relevant terms are accepted by the Seller or the supplier and agreed with the Customer.

(b) Deliveries will be usually made during normal working hours on weekdays (excluding public or dock holidays or customary non-business days of the week). Unless specifically agreed between Seller and Customer, the Customer will not be entitled to any form of compensation (including demurrage) if the Seller/supplier is late in making delivery.

(c) The Seller's obligations to make sales and deliveries hereunder are conditional on the Customer's and the Seller's obtaining such government permits and licences in respect thereto as may, respectively at the time be necessary.

(d) The Customer shall be solely liable for making the hose connections on board the Vessel and generally to accept the Products on board; therefore the liability for any loss or spillage of Products overboard the Vessel shall be solely with the Customer, the Seller not having any liability whatsoever.

(e) To enable safe delivery, the Customer agree to provide safe reception for the marine lubricants ordered. If the delivery is to be made by barge, then the Customer must provide a safe and clear berth alongside the vessel or jetty. The Seller will not make any delivery unless he considers it safe to be safe to do so.

5. Delay

(a) The Customer or its agent at the port of delivery shall give to the Seller written notices of the date and time of forthcoming arrival of the Vessel and of the appropriate place where the Vessel shall anchor or berth at the port of delivery. These notices must be tendered at such prior times so as to allow the Seller to properly arrange for the supply.

(b) The Seller shall not be liable for any delay which is caused by any reason whatsoever save for the proven gross negligence of the Seller/its executives or the intentional action thereof. Indicatively only, the Seller shall not be liable for any delay caused by strike, lock out of the port, barge etc., the placement of the Vessel on a waiting list, weather conditions, bureaucracy, formalities of any kind, etc.

(c) The Seller shall not be responsible for any delay or failure to deliver the Products where performance is delayed prevented or made substantially more expensive by circumstances beyond their control. The Seller shall not be liable for any demurrage resulting from such delay or failure to perform.

6. Risk and title

(a) For bulk supplies delivery to the Customer shall be completed and title to the Products shall pass to him at the permanent intake connection of the Customer's Vessel or the Customer's nominated barge or coastal tanker or any other vehicle nominated for the delivery by the Customer. The Customer shall be responsible for connection to intake of the Customer's Vessel and pumping shall be performed under the direction of the receiving Vessel. In cases where the Products are supplied in non-returnable drums and/or

containers, delivery shall be deemed completed and title to the Products shall pass to the Customer on the dock alongside the Vessel where it is accessible by the Seller's or supplier's delivery equipment, or, if inaccessible to the Seller, at the nearest convenient point to the receiving Vessel.

(b) Save in cases where payment for the Products is effected as it is provided for in paragraph 13.(b) or security is provided by the Customer, notwithstanding that delivery of the Products to the Vessel has been effected and irrespective of whether the Customer has or has not intermingled the Products with marine lubricants already onboard the Vessel at the time of delivery and is using them, title to and ownership of the Products remains with the Seller until payment of the purchase price is made.

7. Price and payment

(a) Except where it is otherwise agreed between the Seller and the Customer the price to be paid for the Products shall be agreed between them prior to each individual supply. The prices quoted for any delivery of a Product, are valid only for the date(s) of the expected delivery of the Product. Outside such date(s), the Seller shall notify in writing the Customer of the availability or not of the Product and the new price(s) thereof.

(b) The price of the Products is quoted exclusive of any applicable taxes, VAT or other duties, unless otherwise agreed.

(c) The Customer agree to pay any additional charges, expenses and losses that it incurs if the Seller cannot deliver ordered Products (either partly or completely) to the Customer at the time previously agreed, by reason of any fault of the Customer.

(d) Unless otherwise expressly agreed the Customer will pay the respective invoice(s) of the Seller net in cash within 30 (thirty) running days from delivery in the currency stipulated by the Seller at the time of the Confirmation by the Seller of the Products supplied.

(e) Default interest from the lapse of each invoice until the date of full payment incurred a 2.0% (two percents) per month or pro rata. Any payment on account of an overdue invoice shall be applied first on account of any costs in pursuing such payment, secondly towards default interest incurred and thereafter towards the outstanding invoice.

(f) If at any time before delivery the financial standing of the Customer appears to the Seller (in its absolute discretion) to have become impaired or unsatisfactory, the Seller may require cash payment or security to be provided by the Customer prior to delivery, failing which the Seller may cancel the delivery without any liability.

(g) The Customer agrees to pay any additional charges that the Seller incurs if he cannot deliver Products at the time previously agreed by reason of any Customer's fault, as well as any expenses and losses incurred by the Seller as a result of the Customer's (or its representative) refusing to accept (either partly or completely) any amount of marine lubricant previously ordered.

8. Cancellation Clause

If subsequent to the Confirmation, the Customer cancels the order of the Products (either partly or completely) for any reason whatsoever, the Seller without prejudice to any other rights it may have, shall be entitled to impose cancellation fee in the amount of 10.0% (ten percents) of the total order amount.

9. Safety and Environmental Protection

(a) It shall be the sole responsibility of the Customer to ensure that the Vessel, its crew and those responsible for its operation and management, observe and comply with all health, safety and environmental laws and regulations with regard to the receipt, handling and use of the Products. The Customer warrants that the Vessel is in compliance with all national and international trading and pollution regulations.

(b) In the event of a spill or discharge occurring before, during or after the delivery of the Products, the Customer shall, in addition to any other obligations imposed by law, immediately notify the appropriate governmental authorities and take or arrange whatever action is necessary to respond and clean up such spill or discharge, and pay all costs and expenses in connection therewith. If the Customer fails to take such prompt action, the Seller / its supplier shall be authorised to take such action on behalf of the Customer at the Customer's risk and expense.

10. Taxes and other charges

In addition to the price, the Customer agrees to pay for any additional charges raised, including those in respect of local taxes, duties, port dues, mooring, packaging, freight, wharfage, barging, vehicles, wagons, cleaning up, hose rental, drum packaging, minimum delivery and/or overtime.

The Seller shall use its reasonable endeavours to notify the Customer in advance and provide an estimate of such charges applicable to each particular supply.

11. Indemnity

The Customer shall indemnify and hold the Seller / its supplier harmless from and against any and all claims, demands, suits or liability for damage to property or for injury or death of any person arising out of or in any way connected with any fault of the Customer or its agents or servants in receiving, using, storing or transporting the Products.

12. Quantity, quality and claims

(a) The Seller promises that all marine lubricants delivered to the Customer will be free from defect in quality at the delivery time. All other warranties or conditions relating to quality, fitness or purpose, descriptions etc. including those implied by law are, to the fullest extent permitted by law, excluded.

(b) The Seller's / its supplier's measurements of the quantity of marine lubricants delivered shall be final. If the Customer considers that there has been a shortfall then this must be noted on the original delivery receipt note and countersigned by the Seller's / its supplier's representative. The Customer must inform the Seller of the alleged shortage claim within three (3) days of delivery.

(c) Unless the Customer (a) informs the Seller of what to be a defect in the marine lubricant delivered; and (b) takes representative samples of the lubricant that it considers to be defective (both unused and drawn from the system in use) and gives these to the Seller / its supplier as soon as possible, the Customer's claim will not be allowed. If the Customer makes a claim against the Seller, it will allow the Seller / its supplier to take any further samples or make any further tests that the Seller / its supplier considers appropriate as well as, at its request, to give the Seller / its supplier free access to the operating records of the affected machinery/vessel.

13. Maritime Lien

(a) Deliveries of the Products made hereunder are delivered not only on the credit of the Customer but also on the credit of the Vessel receiving delivery of the Products and it is agreed and the Customer warrants that the Seller shall have and may assert a lien against the receiving Vessel for the amount of the purchase of said Products.

(b) If at any time the financial responsibility of the Customer (whether he is the owner of a Vessel or a manager, agent or otherwise) shall become impaired or unsatisfactory to the Seller or, in its opinion, inadequate to meet the Customer's obligations towards the Seller cash payments prior to delivery or satisfactory security may be required before any further delivery and the Seller may at its option declare any amount then outstanding from the Customer to be immediately due and payable and to cancel any credit arrangements between the Seller and the Customer and/or associates /affiliate of the latter, all relevant outstanding between, forthwith due and payable.

(c) The Customer recognises and grants to the Seller an express maritime lien against the Vessel or Vessels to which the Products are supplied, to secure all obligations running from the Customer to the Seller under these General Terms. The Seller may execute its maritime lien on the Vessel or Vessels to which the Products are supplied by appropriate process in any Court of any Country having general admiralty and maritime jurisdiction.

14. Seller's liability

(a) The Seller will not be liable to the Customer - whether in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise - for any claim arising in connection with this contract for: (i) any loss, damage or injury caused from any hazard inherent in the nature of the marine lubricants; (ii) any loss of profit or anticipated profit, loss of business or depletion of goodwill, loss of time or hire, cost of overheads thrown away, demurrage or loss of schedule, costs of substitute vessel(s), loss related to loss of operational use of vessel(s), physical loss or damage (in whole or in part) of or to vessel(s) or cargo, or loss of contract(s) of affreightment, in each case whether direct, indirect or consequential; or (iii) any claims for consequential, indirect or special losses or special damages whatsoever (howsoever caused).

(b) The Seller's total liability to the Customer arising in connection with the contract shall be limited to: (i) in the case of a claim connected with the supply of marine lubricant, the price paid for the relevant marine lubricant under the contract; or (ii) in the case of a claim connected with any additional services provided by the Seller / its supplier, the replacement of any lubricant for which it can be shown that the supplier's analysis or recommendation was in error, and to repayment of the aggregate charges paid by the Customer to the Seller for the services in relation to the particular item of machinery concerned.

(c) The Customer agrees to indemnify the Seller against any loss, liability or claim and all costs and expenses whatsoever, arising out of or in connection with any spill, accident or any emergency incident occurring during delivery of marine lubricants or the Customer's failure to comply with any of its obligations under Clause 5 or Clause 9, except to the extent caused or contributed to by the Seller's negligence or failure or defect in its equipment.

15. Entirety of Agreement

No prior stipulation, agreement or understanding of the parties or their agents shall be valid or enforceable unless embodied or covered by these provisions.

16. Governing Law and Jurisdiction

These General Terms shall be governed by and interpreted in accordance with the laws of England and the parties hereby agree to exclusively submit any dispute to the jurisdiction of the English courts.

17. Validity

These General Terms shall be valid and binding in respect of all offers, quotations, prices and deliveries of Products made by the Seller / its supplier as of March 19, 2018, or any other later date. The present are available at the web-site:

<http://nautica-sigmarine.hr/wp-content/uploads/2018/03/general-terms.pdf>

on which the Seller may notify amendments, alterations and/or changes hereto, which are deemed to be an integral part of these General terms, once same have been made available through the above web-site.



Nautica – Sigmarine Ltd

Zrinjsko - Frankopanska 62 • 21000 Split • Croatia

tel: + 385 (0) 21 383022 • fax: + 385 (0) 21 383026 • e-mail: office@nautica-sigmarine.hr

• Tax No. 44686003152 • VAT No. HR44686003152