

## TERMS & CONDITIONS

Version: 1.01

Date: 07.07.2023

These terms and conditions (the “Terms and Conditions”) apply to the Special Provisions concluded between LEGION OIL & GAS LLC and its Buyers or Sellers, as the case may be (collectively the “Parties”), which may be in the form of a sale and/or purchase contract, a sale and/or purchase order, or any other agreement. These Terms and Conditions are binding between the Parties and supersede and replace any other terms and conditions or previous contracts between the Parties. In the event any Special Provisions are agreed between the parties, the terms of the Special Provisions will prevail over terms contained in these Terms and Conditions to the extent that such terms are in contradiction.

### PART ONE IN RESPECT OF CONTAINER DELIVERIES BY SEA FCA, CFR OR CIF

#### Section 1. – Nominations

##### 1.1 In respect of FCA deliveries

Buyers to give not less than 30 consecutive days’ pre-advice of name of carrier, the closing date for receipt of the containers containing the stuffed goods, the name of the vessel as nominated by Buyers for intended loading of the containers and the place of delivery by Seller for such containers, if not specified in the Special Provisions. The nominated closing date to be within the Delivery Period agreed in the Special Provisions.

Buyers will make available to Sellers clean and odourless containers fit for the carriage of the Product no later than 14 days prior to the closing date.

Sellers shall collect the empty containers, stuff the containers with the Product at their cost and deliver the containers to the nominated carrier by the closing date at the nominated place of delivery.

##### 1.2 In respect of CFR or CIF deliveries

Without any undue delay Seller shall provide the Buyer with written notice of: (a) the shipping marks and numbers (if applicable); (b) the name of the vessel upon which the Product was shipped (if applicable or known); (c) the estimated time of arrival of the Product at the destination port (if applicable or known); (d) the date and number of any bill(s) of lading, waybill(s), cargo receipt(s) or any document(s) similar to any of the foregoing (if applicable); (e) the port of loading; (f) the port of discharge (if applicable); (g) details of when and where the empty containers have to be returned and details of the amount of free time and the applicable container demurrage and/or detention rate(s) (where applicable and if known); (h) details of any applicable tariffs, charges, surcharges, customs duties and other charges assessed or levied on the Product or the containers including any terminal handling charges or storage charges at the destination port (if applicable); (i) in respect to CIF sales only, details of the insurance procured for the shipment.

## **Section 2. – Risk and Property**

### **2.1 In respect of FCA deliveries**

Risk in the Product shall pass from Seller to Buyer at time of delivery of the stuffed containers for acceptance by the nominated carrier at the nominated place of delivery.

Title to the Product shall only pass from Seller to Buyer following receipt by Seller of payment of the price for the Product in full.

### **2.2 In respect of CFR or CIF deliveries**

Risk in the Product shall pass from Seller to Buyer at time of passing the ship rail by the stuffed containers at the nominated place of delivery.

Title to the Product shall only pass from Seller to Buyer following receipt by Seller of payment of the price for the Product in full.

## **Section 3. – Delivery and Acceptance**

3.1 Delivery basis, delivery period, and other delivery terms shall be agreed by the Parties in the Special Provisions. Delivery basis and all obligations of the Parties shall be construed according to INCOTERMS 2020 unless set out otherwise in these Terms and Conditions and/or the Special Provisions.

3.2 In respect of CIF and CFR deliveries the date of the Product's delivery shall be deemed the date of the relevant bill(s) of lading; in respect of FCA deliveries the date of the Product's delivery shall be deemed the date of delivery of the Product for acceptance by the nominated carrier at the nominated place of delivery.

3.3 The Seller may deliver the Product by instalments, which shall be invoiced and paid for separately. Each instalment shall constitute a separate contract. Any delay in delivery or defect in an instalment shall not entitle the Buyer to cancel any other instalment(s).

3.4 The Buyer shall arrange for the Product from each container to be accepted as expeditiously as possible. All delays in acceptance of the Product by the Buyer shall be at its risk and for its account.

## **Section 4. – Delivery Period and Indicative Discharge Dates**

4.1 Where delivery period is specified in the Special Provisions, it shall be the range of days in which the stuffed containers are ready for loading onboard the carrying vessel at the container terminal (in respect of CIF and CFR deliveries) or in which the stuffed containers are delivered for acceptance by the nominated carrier at the nominated place of delivery (in respect of FCA deliveries), and loading may be effected or completed outside the delivery period or outside any other period specified in the Special Provisions.

4.2 Where delivery period is specified in the Special Provisions, if the Seller also expressly or implicitly provides the Buyer with a date or range of dates within which a nominated Vessel shall arrive at the Discharge Port these shall be indicative only, made by the Seller as an honest assessment without guarantee. The Seller shall not assume any responsibility for the delivery of the Product at the Discharge Port within such arrival date range.

## **Section 5. – Time allowed, discharge, delays and demurrage**

5.1 At discharge port Buyer shall take delivery with customary quick dispatch after notice of readiness has been given by the shipowner or his representative(s) in accordance with the Bill/s of Lading, Charter party or Contract of Affreightment. Buyer is obliged to discharge containers and accept all Product at the discharge port without delay, including any allegedly damaged Product.

5.2 Any stevedore damage to vessel and/or containers at port of discharge to be settled in full by Buyer directly with the line at the Buyer's time, responsibility and expense and without involving Seller.

5.3 Buyer is liable for due acceptance of the Product. Buyer shall reimburse the Seller with all the Seller's costs, losses and damages arising as a result of the Buyer's delay and/or failure to accept the Product.

5.4 Buyer shall be allowed free days at port of discharge, as provided by the respective container line.

5.5 Any demurrage/detention outside of free days or any other costs at discharge port shall be settled by Buyer directly with the container line. In case Seller (or any third party acting on behalf of Seller) has paid any amount of demurrage/detention or any other costs at discharge port, Buyer shall reimburse such amount to Seller within 2 (two) working days after presentation of the relevant Seller's invoice and proof of payment of the demurrage/detention amount or any other costs to the container line.

## **Section 6. – Insurance**

### **6.1 In respect of FCA and CFR deliveries**

The responsibility for securing insurance, whether against marine or any other risks, shall rest wholly with the Buyer. The Buyer undertakes to procure and pay for insurance against marine and any other risks to the full value of the shipment hereunder.

### **6.2 In respect of CIF deliveries**

The responsibility for securing insurance shall rest wholly with the Seller until the Product reaches the agreed delivery point and is placed at the disposal of the Buyer. The Seller undertakes to procure and pay for insurance against marine risks to the full value of the shipment hereunder.

**PART TWO**  
**IN RESPECT OF ROAD/RAILWAY DELIVERIES FCA, CPT, DDP OR DAP**

**Section 7. – Nominations**

7.1 Buyer shall give full dispatch instructions, enabling the Seller to perform his dispatch obligations, latest 7 days before commencement of delivery period set out in the Special Provisions (in respect of road deliveries), or latest on 14<sup>th</sup> day of the month preceding to the month of delivery (in respect of railway deliveries) failing which Seller shall be entitled to declare Buyer in default unless the parties agree to extend the delivery period, in which case all delays shall be for the Buyer's account.

**7.2 In respect of CPT, DDP and DAP deliveries only**

7.2.1 The notice of dispatch shall state the truck /rail wagons' numbers, the presumed weight loaded and the date or presumed date of the consignment note, CMR or railway bill.

7.2.2 The notice of dispatch shall be served within 2 (two) business days from the date of the consignment note, CMR or railway bill by or on behalf of Seller direct on his Buyer or on the Selling Agent or Broker named in the Special Provisions.

7.2.3 Failure by Seller to pass such notice to his Buyer will not constitute default.

7.2.4 Every notice of dispatch shall be open to correction of any errors occurring in transmission.

7.2.5 Should the truck/ rail wagon(s) arrive before receipt of the notice of dispatch and any extra expenses is incurred thereby, such expenses shall be borne by Seller.

**Section 8. – Risk and Property**

**8.1 In respect of FCA or CPT deliveries**

The risk in the Product delivered under the Agreement shall pass from the Seller to the Buyer at time and place of loading of the Product into the road and/or rail cars. The property in the Product under the Agreement shall pass from the Seller to the Buyer after receipt of the full payment for the Product by the Seller.

**8.2 In respect of DDP or DAP deliveries**

The risk in the Product delivered under the Agreement shall pass from the Seller to the Buyer at time and place of arrival of the Product by the road and/or rail cars to destination. The property in the Product under the Agreement shall pass from the Seller to the Buyer after receipt of the full payment for the Product by the Seller.

**Section 9. – Delivery and Acceptance**

9.1 The Seller shall ensure that each delivery of the Product is accompanied by consignment note, CMR or railway bill that shows the contract number or all relevant Buyer and Seller reference numbers, the type and quantity of the Product (including the code number of the Product, where applicable), special storage instructions (if any); and

9.2 The Buyer is obliged, within 2 (two) working days from acceptance of the Product at destination, to provide the Seller with the originals or scanned copies of the relevant consignment note(s), CMR(s) or railway bill(s) duly filled and stamped by all the relevant parties. If the Buyer fails to comply with the requirement set out herein, the Buyer shall, upon the first

call, to reimburse all the Seller's proven losses, damages and expenses arising as a result of the said failure.

9.3 The Seller shall deliver the Product to the location set out in the Special Provisions or such other location as the parties may agree at any time after the Seller notifies the Buyer that the Product is ready.

9.4 The Seller may deliver the Product by instalments, which shall be invoiced and paid for separately. Each instalment shall constitute a separate contract. Any delay in delivery or defect in an instalment shall not entitle the Buyer to cancel any other instalment.

9.5 The Buyer shall arrange for the Product to be accepted as expeditiously as possible. All delays in acceptance of the Product by the Buyer shall be at his risk and for his account.

## **Section 10. – Insurance**

### **10.1 In respect of FCA and CPT deliveries**

The responsibility for securing insurance shall rest wholly with the Buyer. The Buyer undertakes to procure and pay for insurance to the full value of the shipment hereunder.

### **10.2 In respect of DDP or DAP deliveries**

The responsibility for securing insurance shall rest wholly with the Seller until the Product reaches the agreed delivery point and is placed at the disposal of the Buyer. The Seller undertakes to procure and pay for insurance to the full value of the shipment hereunder.

## **Section 11. – Time allowed, delays and idle costs**

### **11.1 In respect of FCA deliveries**

The road and/or rail cars shall be available to the Seller for a maximum of 48 hours between:

11.1.1 the time at which the empty road and/or rail cars are made available to the Seller at the Loading Terminal for loading; and

11.1.2 the time at which all loaded road and/or rail cars are made available at the Loading Terminal for collection by or on behalf of the Buyer. Any time in excess thereof shall be charged at a rate per day per road and/or rail car (pro-rata for part of a day) either as specified in the Special Provisions or as charged to the Buyer by the road and/or rail car owner/operator.

### **11.2 In respect of CPT, DAP or DDP deliveries**

The road and/or rail cars shall be available to the Buyer for a maximum of 48 hours between:

11.2.1 the time that the road and/or rail cars arrive at the agreed delivery point; and

11.2.2 the time at which the empty road and/or rail cars are made available at the relevant delivery point for collection by or on behalf of the Seller. All road and/or rail cars despatched by the Seller in one delivery shall be returned together. Any time in excess thereof shall be charged at a rate per day per road and/or rail car (pro-rata for part of a day) either as specified in the Special Provisions or as charged to the Seller by the road and/or rail car owner/operator.

## **PART THREE**

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Version: 1.01

Date: 07.07.2022

## **IN RESPECT OF VESSEL/TANKER DELIVERIES FOB, CFR OR CIF**

### **Section 12. – Delivery**

#### 12.1 In respect of FOB deliveries

The Product shall be delivered by the Seller to the Buyer, in bulk FOB at the Loading Terminal on to Vessel(s) provided or procured by the Buyer.

#### 12.2 In respect of CFR and CIF deliveries

The Product shall be delivered by the Seller to the Buyer, in bulk at the Loading Terminal and shipped by the Seller CFR or CIF (as applicable) to the agreed Discharge Port(s).

### **Section 13. – Risk and Property**

#### 13.1 In respect of FOB deliveries

13.1.1 Notwithstanding any right of the Seller to retain the documents until payment, the risk and property in the Product delivered under the Agreement shall pass to the Buyer as the Product passes the Vessel's permanent hose connection or ship rail at the Loading Terminal.

13.1.2 Any loss or damage to the Product during loading, if caused by the Vessel or its officers or crew, shall be borne for the account of the Buyer. Any claim made by the Seller's supplier(s) against the Seller in respect of damage to any facilities at the Loading Terminal caused by the Buyer's Vessel shall be borne by the Buyer.

#### 13.2 In respect of CIF and CFR deliveries

13.2.1 Notwithstanding any right of the Seller to retain the documents until payment, the risk and property in the Product delivered under the Agreement shall pass to the Buyer as the Product passes the Vessel's permanent hose connection or ship rail at the Loading Terminal.

### **Section 14. – Delivery Period and Indicative Discharge Dates**

#### In Respect of FOB deliveries

14.1 The delivery period shall be the range of days in which:

14.1.1 the Buyer's nominated Vessel must tender a valid NOR at the Loading Terminal pursuant to Section 19.2; and

14.1.2 the Seller shall have a sufficient quantity of the Product deliverable under the Agreement available at the Loading Terminal so as to enable loading to commence and continue on an interrupted basis after arrival of the Vessel.

14.2 The delivery period shall be either:

14.2.1 as specified in the Special Provisions; or

14.2.2 established in accordance with the procedure(s) specified in the Special Provisions; or

14.2.3 where such delivery period cannot be ascertained by reference to Sections 14.2.1 or 14.2.2, as notified by the Seller to the Buyer by not later than the date 12 days prior to the first day of the delivery period so notified.

#### In respect of CIF and CFR deliveries

14.3 Where delivery period is specified in the Special Provisions, it shall be the range of days in which Seller's nominated Vessel must tender a valid NOR at the Loading Terminal and loading shall commence as soon as reasonably practicable, even if this means loading is effected or

completed outside the delivery period or outside any other period specified in the Special Provisions.

14.4 Where delivery period is specified in the Special Provisions pursuant to Section 14.4, if the Seller also expressly or implicitly provides the Buyer with a date or range of dates within which a nominated Vessel shall arrive at the Discharge Port these shall be indicative only, made by the Seller as an honest assessment without guarantee. The Seller shall not assume any responsibility for the delivery of the Product at the Discharge Port within such arrival date range.

## **Section 15. – Insurance**

### **15.1 In respect of FOB and CFR deliveries**

The responsibility for securing insurance, whether against marine or other risks, shall rest wholly with the Buyer. The Buyer undertakes to procure and pay for insurance against marine and other risks to the full value of shipment plus 10%, which shall operate from the time risk passes pursuant to Section 13 at the Loading Terminal until the Product passes the Vessel's permanent hose connection or ship rail at the Discharge Port.

### **15.2 In respect of CIF deliveries**

15.2.1 The Seller undertakes to procure and pay for insurance against marine risks to the full value of shipment plus 10%, which shall operate from the time risk passes pursuant to Section 13 at the Loading Terminal until the Product passes the Vessel's permanent hose connection or ship rail at the Discharge Port.

15.2.2 If requested by the Buyer, the Seller shall provide the Buyer with the original certificate of insurance or insurance company's cover note.

## **Section 16. – Charterparty conditions**

16.1 This Section shall only apply in the case of delivery CFR or CIF.

16.2 Where the Buyer, by written instruction, specifically requests that the Seller discharge a quantity of Product either:

(a) without bills of lading being available for presentation to the Vessel's master at the Discharge Port and/or

(b) at a Discharge Port other than that named in the bill of lading and/or

(c) that is different from the bill of lading quantity,

and the Seller discharges the Product in accordance with such Buyer's instructions, then the Buyer shall indemnify and hold the Seller harmless against any liability, loss or damage (including legal costs as between lawyer and client as associated expenses) which the Seller may sustain by reason of delivering the Product in accordance with the Buyer's instructions. This Section shall not be included in the scope of Section 27.

## **Section 17. – Nomination of Vessels**

### **In respect of FOB deliveries**

17.1 Full and part cargo lots

Unless otherwise provided in the Special Provisions, delivery hereunder shall be given and taken in one full cargo lot or a part cargo lot at the Buyer's option but subject always to the prior agreement of the Seller.

## 17.2 Nomination of Vessel

17.2.1 Each Vessel shall be nominated in writing by the Buyer to the Seller. Such nomination shall specify:

- (a) the name of the Vessel, date built, deadweight, length and flag;
- (b) the approximate quantity to be loaded;
- (c) the ETA of the Vessel;
- (d) the destination(s) of the Vessel;
- (e) such other information as may be required by the Seller or Loading Terminal from time to time;
- (f) details of any cargo on board or to be laden on board if loading a part cargo;
- (g) demurrage and dispatch rate.

17.2.2 The nomination shall not be effective unless it is received by the Seller not later than 7 days prior to ETA to loading port. If the nomination is received by the Seller after such 7<sup>th</sup> day and is accepted by the Seller, it shall be effective but the Buyer shall be liable for all costs resulting from any delays in loading the Product under the Agreement that are due directly to the failure by the Buyer to nominate in a timely manner and any such delays shall not count as time allowed to the Seller for loading or if the Vessel is on demurrage, as demurrage.

## 17.3 Substitution of Vessels

In respect of any nominated Vessel, the Buyer may, or if necessary to perform its obligations under the Agreement must, substitute thereof another Vessel provided always that:

17.3.1 the size of the substitute Vessel and the quantity to be loaded shall not, without the prior consent of the Seller, differ materially from the size of the Vessel previously named and the quantity specified in the nomination;

17.3.2 the delivery period which would have applied in respect of the Vessel originally nominated shall apply to the substitute Vessel; and

17.3.3 the Buyer shall give to the Seller notice in writing of the name and the destination(s) of the substitute Vessel as soon as practicably possible but in any event not later than the ETA of the substitute Vessel or the ETA of the Vessel originally nominated, whichever is earlier.

## 17.4 ETA

The Buyer or its representative shall notify the Seller or its representative of any change(s) in the ETA notified pursuant to Sections 17.2 and 17.3, but the delivery period may be extended only with the Seller's specific written agreement. The giving or withholding of such agreement shall be at the absolute discretion of the Seller.

## 17.5 Rejection of nominations and Vessels

The Seller shall give notice accepting or rejecting any Vessel nominated by the Buyer within 1 Business Day of receipt of the Buyer's nomination.

### In respect of CIF and CFR deliveries

## 17.6 Full and part cargo lots

Unless otherwise provided in the Special Provisions, delivery shall be given and taken in one full cargo lot or a part cargo lot at the Seller's option.

## 17.7 Nomination of Vessels

The Vessel shall be nominated in writing by the Seller to the Buyer at least 7 (seven) days prior to estimated date of commencement of loading. Such nomination shall specify:



- (a) the name of the Vessel, date built, deadweight, length and flag;
- (b) the grade and approximate quantity to be loaded;
- (c) the Loading Terminal and the estimated time of commencement of loading;
- (d) such other information as maybe required by the Buyer or Discharge Port operator from time to time;
- (e) details of any other cargo on board or to be laden on board if delivery is of a part cargo;
- (f) demurrage and dispatch rate.

#### 17.8 Buyer's nomination

The Buyer shall within 1 Business Day or such other period as may be specified in the Special Provisions after receipt of the Seller's nomination made pursuant to Section 17.7, notify the Seller of:

17.8.1 if the Special Provisions provide a range within which a Discharge Port or ports may be nominated, the Seller's approval to each port shall be required in writing within 1 Business Day after any valid nomination, such approval not be unreasonably withheld; and

17.8.2 full written instructions regarding the particulars and destination of the bills of lading and such other customary Loading Terminal documentation which may be required by the Buyer. The Buyer shall be liable for all costs resulting from any delays in loading the Product due to failure by the Buyer to supply such information in a timely manner. The Seller shall have the right to issue its own instructions if such instructions are not so provided by the Buyer. All costs (including but not limited to demurrage) arising directly out of any failure by the Buyer to comply with the foregoing shall be for the Buyer's account.

#### 17.9 Substitution of Vessels

In respect of any nominated Vessel, the Seller may, or if necessary to perform its obligations under the Agreement must, substitute another Vessel provided always that:

17.9.1 the size of the substitute Vessel and the quantity to be loaded shall not, without the prior written consent of the Buyer, differ materially from the size of the Vessel previously named and the quantity specified in the nomination; and

17.9.2 the Seller shall give to the Buyer notice in writing of the name of the substitute Vessel not less than the last day of the delivery period, provided always that such substitution shall not be allowed after commencement of loading of the Vessel originally nominated unless otherwise specifically agreed between the parties.

#### 17.10 Acceptance of Vessels

The Buyer shall give notice accepting or rejecting any Vessel nominated by the Seller within 1 Business Day of receipt of the Seller's nomination, provided always that such rejection is made on the reasonable grounds.

#### 17.11 Loaded details

As soon as possible after the loading has been completed, the Seller shall notify the Buyer of the actual quantity(ies) loaded and the ETA of the Vessel at the Discharge Port.

### **Section 18. – Arrival of Vessel, Berth, discharge, etc.**

#### In respect of FOB deliveries

##### 18.1 Arrival of Vessel

18.1.1 The Buyer shall arrange for its Vessel to report its ETA to the Loading Terminal, with a copy to the Seller, at least 72, 48 and 24 hours prior to its arrival and otherwise in accordance with the

standard reporting procedure applicable from time to time at the Loading Terminal in question. If the Buyer's Vessel fails, for any reason, to give at least 24 hours' prior notice of arrival at the Loading Terminal, the time allowed to the Seller for loading shall be extended by a period equal to the delay in giving such 24 hours' notice, but in any case not exceeding an additional 24 hours.

18.1.2 By no later than 2400 hours (local time) on the last day of the delivery period the Vessel must have:

(a) arrived at the Loading Terminal in question (or the usual waiting place), and be in all respects ready to commence loading the Product deliverable hereunder; and

(b) tendered a valid NOR.

18.1.3 Once a valid NOR has been tendered, the Buyer shall be obliged to receive delivery of the Product.

## 18.2 Loading

18.2.1 Unless otherwise agreed in writing by the Seller, the Seller shall not be under any obligation to commence loading prior to 0800 hours (local time) on the first day of the delivery period.

18.2.2 After receipt of the NOR pursuant to Section 18.1.2, the Seller, having regard to the requirements of the Loading Terminal, Loading Terminal procedures and the time when the Vessel has complied with the provisions of Section 18.1, shall commence loading as soon as reasonably practicable, even if this means that loading is effected or completed outside the Laydays or outside any other period specified in the Special Provisions.

## 18.3 Berth

Subject to compliance by the Buyer's nominated Vessel with all other requirements of the Loading Terminal at the time in question, the Seller shall provide or cause to be provided a Berth to be indicated by the Seller or its representative that the Vessel can safely reach and leave and where it can lie and load always safely afloat.

### In respect of CIF and CFR deliveries

#### 18.4 Arrival of Vessel

The Seller shall arrange for its Vessel to report its ETA to the Discharge Port, with a copy to the Buyer, at least 72, 48 and 24 hours prior to its arrival and otherwise in accordance with the standard reporting procedure applicable from time to time at the Discharge Port in question.

#### 18.5 Berth

Subject to compliance by the Seller's nominated Vessel with all other requirements of the Discharge Terminal at the time in question, the Buyer shall provide or cause to be provided a Berth to be indicated by the Buyer or its representative at which the Vessel can when fully laden safely reach and leave and where it can lie and discharge always safely afloat.

#### 18.6 Discharge

The Buyer shall arrange for each Vessel to be discharged as expeditiously as possible.

## **Section 19. – Time allowed, delays and demurrage**

### In respect of FOB deliveries

#### 19.1 Loading rate

If not set out in the Special Provisions, the loading rate to be 1500 metric tons per weather working day of 24 consecutive hours SSHEX EIU.

## 19.2 Notice of Readiness

19.2.1 Notice of Readiness ("NOR") shall be tendered at the office of Seller or the agent at the loading port between 8.00a.m. and 5.00p.m. local time on all days except Saturdays, Sundays and holidays. NOR shall be tendered from the Seller's berth when the vessel is in all respects ready to load.

19.2.2 Only when the loading berth is occupied, Master may warrant that the vessel is in all respects ready to load and may tender NOR from the nearest to the loading port pilot station or anchorage in case vessel stops there and drops the anchor. Any notice received after 5:00 p.m. local time shall be deemed to have been received at 8.00a.m. the next business day.

19.2.3 An independent surveyor appointed by Seller shall have the privilege to inspect vessel's holds and reject the NOR if the holds are not clean, dry, odorless, and in all respects ready to receive the Product. If so rejected, the NOR shall be invalid, and laytime shall only start to count after the vessel has tendered a valid NOR when the vessel is in all respects ready. In case of dispute, an independent surveyor mutually agreed and jointly appointed by Seller and Buyer shall inspect and determine the readiness of the vessel's holds' for loading, Buyer bearing the costs of such inspection.

19.2.4 NOR not to become valid before commencement of delivery period or expiry of the contractual pre-advice period whichever is later.

## 19.3 Laytime

19.3.1 Laytime starts counting at 8.00a.m. the next working day if NOR is validly tendered during normal office hours, between 8.00 a.m. and 5.00 p.m. local time from Monday to Friday. Time from 5.00p.m. Friday (or at 5.00p.m. on a day preceding an official holiday) until the following Monday at 8.00a.m. (or at 8.00 a.m. on the day following an official holiday) not to count, even if used.

19.3.2 Time used for shifting from the pilot station or anchorage to loading berth and from loading berth to anchorage, as well as time used for opening/closing of hatches, custom clearance, shifting, mooring/unmooring, gangway lowering and for draft survey not to count as lay-time or time on demurrage. Time lost/delays incurred at port due to navigational restrictions and/or regulations always for the Buyer's account (and shall not count as laytime or demurrage). In case in the same period of time one procedure should be counted as lay-time and other excluded from it, the procedure which should be excluded prevails, i.e. time will not be counted as lay-time or time on demurrage.

19.3.3 Any delays to the vessel's arrival at the place of loading, or the loading operation, or the vessel's departure from the load port following the completion of loading caused directly or indirectly by an Event of Force Majeure as defined by section 26 shall not count as lay-time or time on demurrage. This exceptions clause applies to interrupt laytime and/or demurrage whether or not the Event of Force Majeure in question ultimately results in a partial or complete prevention of performance for the purposes of section 26.

19.3.4 All other terms and conditions as per relevant C/P. For the avoidance of doubt, the relevant C/P is that applying to the carrying voyage.

## 19.4 Delays

In the event of any delay of any kind or from any cause whatsoever whether in connection with the scheduling of the Vessel's turn to load (including any change in such scheduling), provision of a Berth for the Vessel, berthing or loading of the Vessel or otherwise howsoever without

limitation, and provided always that the Vessel is eventually loaded pursuant to Section 18.2.2, any rights of the Buyer against the Seller, however the same may arise and whether or not arising under the Agreement, shall be limited in all circumstances whatsoever to a claim for the payment of demurrage, and the Buyer shall not be entitled to complain directly or indirectly of any delay except for the purpose of founding a claim to such demurrage.

## 19.5 Demurrage

19.5.1 If the shipment is not loaded within the time allowed in accordance with Section 19.1, the time so allowed shall be extended by the excess time but (subject always to Section 17.2.2, 18.1.1 and 19.2.4) the Seller shall pay to the Buyer demurrage, in the same currency as is prescribed for payment for the Product delivered under the Agreement, in respect of the excess time at the appropriate rate per day (or pro rata for part of a day) as hereinafter specified.

19.5.2 The appropriate rate of demurrage shall be either:

(b) the rate, if any, specified in the Special Provisions; or

(c) the applicable charterparty rate.

19.5.3 Any demurrage claim must be notified to the Seller in writing within 30 days of the date of completion of loading, with full supporting documentation (including, but not exclusively, the time computation, NOR, Vessel's port log, statement of facts and, where applicable, evidence of the charterparty rate), together with any other documentation that the Seller may reasonably require. If the Buyer fails to give such notice or provide such documentation within the above respective time limits, then the Buyer's claim shall be deemed to have been waived and any liability of the Seller for demurrage shall be extinguished.

19.5.4 Dispatch rate is half of demurrage rate. Dispatch, if any, to be agreed and paid within 15 days of the date of completion of loading.

## 19.6 Part cargo lots

If the delivery hereunder is co-loaded with the Product being delivered to the Buyer by another supplier at the same Berth, the Seller shall only be liable for that proportion of the demurrage equal to the ratio of the volume delivered by the Seller to the total volume loaded onto the Vessel at that Berth

## In respect of CIF and CFR deliveries

### 19.7 Discharge rate

If not set out in the Special Provisions, discharge rate to be 1500 metric tons per weather working day of 24 consecutive hours SSHINC. Buyer is obliged to discharge all Product from the vessel without delay, including any allegedly damaged Product.

### 19.8 Notice of Readiness

Notice of Readiness (NOR) shall be tendered at the Buyer's office or the office of the vessel agent at the discharge port between 8.00 a.m. and 5.00 p.m. local time on all days except Saturdays, Sundays and holidays, WIPON/WIFPON/WICCON/WIBON.

### 19.9 Lay-time

Lay-time to commence at 2.00 p.m. on same day if/when NOR tendered as above before noon, or at 8.00 a.m. on the next working day if notice of readiness tendered as above after noon.

Time from 5.00 p.m. on Friday (or from 5.00 p.m. p.m. on a day preceding official holiday) till 8.00 a.m. on Monday (or till 8.00 a.m. on the day following the official holiday) not to count, even if used. All other terms and conditions when not conflicting with the above as per relevant C/P. For the avoidance of doubt, the relevant C/P is that applying to the carrying voyage.

## 19.10 Demurrage

19.10.1 If the shipment is not discharged within the time allowed, the Buyer shall pay to the Seller demurrage, in the same currency as is prescribed for payment of the Product delivered under the Agreement, in respect of the excess time at the appropriate rate per day (or pro rata for part of a day).

19.10.2 The appropriate rate of demurrage shall be either:

- (a) the rate, if any, specified in the Special Provisions; or
- (b) the applicable charterparty rate.

19.10.3 Any demurrage claim must be notified to the Buyer in writing within 90 days of the date of completion of discharge, with full supporting documentation (including the time computation, NOR, Vessel's port log, statement of facts and, where applicable, evidence of charterparty rate). If the Seller fails to give such notice or provide such documentation within the above respective time limits, then the Seller's claim shall be deemed to have been waived and any liability of the Buyer for demurrage shall be extinguished.

## **PART FOUR APPLICABLE TO EACH OF PARTS ONE, TWO AND THREE**

### **Section 20. - Definitions, etc.**

#### 20.1 Definitions

In the Agreement (as hereinafter defined) unless the context otherwise requires:

20.1.1 "Agreement" means these Terms & Conditions together with the Special Provisions;

20.1.2 "Berth" means a berth, dock, anchorage, single point or single berth mooring facility or discharge place as may be indicated by the party in question;

20.1.3 "Business Day" unless the Agreement expressly provides to the contrary means a day other than a Saturday or Sunday or a bank holiday in Germany. Where the last day for any notice to be given under the Agreement falls on a day which is not a Business Day, such notice shall be given (by not later than the specified time, where applicable) on the last preceding Business Day;

20.1.4 "CFR" and "CIF" shall each have the meaning ascribed thereto in Incoterms 2020 (as amended from time to time), except as modified by the Agreement; further, if there is any inconsistency or conflict between Incoterms and the Agreement, the Agreement shall prevail;

20.1.5 "CMR note" is an international consignment note which is specified under the Convention for the Contract of the International Carriage of Goods by Road 1956 (the CMR Convention).

20.1.6 "CPT", "DAP", "DDP", and "FCA" shall each have the meaning ascribed thereto in Incoterms 2020 (as amended from time to time), except as modified by the Agreement; further, if there is any inconsistency or conflict between Incoterms and the Agreement, the Agreement shall prevail;

20.1.7 "Day" means a calendar day;

20.1.8 "Delivery" means placing or procuring to place the Product at the disposal of the Buyer at the time and place agreed upon. "Deliver" includes "procure to be delivered" and the term "delivery" shall be construed accordingly, and "deliverable" and "delivered" shall be similarly construed;

20.1.9. "Delivery Period" means the period of time during which the agreed quantity of the Product under the Agreement shall be delivered on the agreed terms.

20.1.10 "Discharge Port" means the port or terminal at which the Product to be delivered hereunder is or will be discharged or, where the context requires, the operator, authority or governing body of such port or terminal;

20.1.11 "ETA", in the case of FOB deliveries, means the estimated time and/or date or range of days of arrival of the Vessel at the Loading Terminal and, in the case of CFR and CIF deliveries means the estimated time and/or date or range of days of arrival of the Vessel at the Discharge Port;

20.1.12 "FOB" shall have the meaning ascribed thereto in Incoterms 2020 (as amended from time to time), except as modified by the Agreement; further, if there is any inconsistency or conflict between Incoterms and the Agreement, the Agreement shall prevail;

20.1.13 "Laytime" means the time allowed to the Seller for loading or the time allowed to the Buyer for discharge, as the case may be;

20.1.14 "Loading Terminal" means the port, terminal or any other facility at which the Product to be delivered hereunder is or will be loaded or, where the context requires, the operator, authority or governing body of such port or terminal;

20.1.15 "Month" means a calendar month;

20.1.16 "NOR" means the valid notice of readiness to load or discharge, as the case may be, as given by the master of the Vessel (or his representative) to the Seller (or its representative) at the Loading Terminal or to the Buyer (or its representative) at the Discharge Port respectively;

20.1.17 "Party" means either the Buyer or the Seller and collectively "the Parties";

20.1.18 "Product" means the commodity sold or purchased and specified in the relevant Special Provisions;

20.1.19 "Seller" or "Buyer" shall be construed according to the customary meaning under English law;

20.1.20 "Special Provisions" means the sale and purchase contract or other form of agreement between the Buyer and the Seller in which, by reference, these Terms & Conditions are incorporated to form the Agreement;

20.1.21 "Ton" means a metric ton or tonne;

20.1.22 "Vessel" means a tanker or other ship which is wholly or mainly constructed or is adapted for the carriage of Product.

## **Section 21. – Quality/quantity and claims in respect of quality/quantity**

### 21.1 Quality and Quantity

21.1.1 Unless otherwise stated in the Special Provisions, the quality and quantity of the Product delivered hereunder shall be not inferior to the specification set out in the Special Provisions.

### 21.2 Measurement and sampling

The quantity and quality of the Product delivered under the Agreement shall be determined by measurement, sampling and testing in accordance with the standard practice at the Loading Terminal at the time of shipment. The certificates of quantity and quality (or such other equivalent documents as may be issued at the Loading Terminal) for the Product comprising the shipment, provided by the Seller and issued in accordance with such standard practice shall, except in cases of manifest error or fraud, be conclusive and binding on both parties for invoicing purposes but without prejudice to the rights of either party to make any claim pursuant to Section 21.4.

### 21.3 Independent inspection

21.3.1 Either party may appoint, at its own expense, an independent inspector at the Loading Terminal to supervise loading, subject to any necessary prior agreement of the Loading Terminal operator having been obtained. Such appointment shall be notified in writing to the other party. Unless otherwise provided for in the Special Provisions, such appointment shall be without prejudice to measurement, sampling and testing as per section 21.2.

#### 21.4 Claims in respect of quality/quantity

21.4.1 Any complaint in respect of deficiency of quantity or of variation of quality (if allowed in the Special Provisions) must be notified in writing by the claiming party within:

(a) In the case of FOB, CFR and CIF deliveries: 30 days of the completion of discharge date.

(b) In the case of all other delivery types: 30 days of completion of delivery.

Following such notification, the claiming party shall provide a fully documented claim within 60 days of the completion of discharge/delivery date. If the claiming party fails to give such notice or submit a fully documented claim within the aforesaid time limits, the claim shall be deemed to have been waived, and any liability on the part of the non-claiming party shall be extinguished.

21.4.2 Notwithstanding the foregoing, no claim shall be admitted in respect of any deficiency of quantity where the difference between the loaded and discharged quantity is 0.5% of the loaded quantity or less.

### **Section 22. - Health, Safety and Environment**

To the extent permissible by law, the Seller shall not be responsible in any respect whatsoever for any loss, damage or injury resulting from any hazards inherent in the nature of the Product delivered hereunder.

### **Section 23. - Destination**

23.1 The Buyer undertakes that the Product deliverable hereunder shall not:

23.1.1 be exported to any Restricted Jurisdiction; or

23.1.2 be sold or supplied to any natural or legal person in any Restricted Jurisdiction; or

23.1.3 be sold or supplied to any natural or legal person for the purposes of any commercial activity carried out in or from any such Restricted Jurisdiction. For the purposes of this subsection, "Restricted Jurisdiction" shall mean any country, state, territory or region against which there are sanctions imposed either by the United Nations, European Union, United States of America and/or to which supplies of the Product are prohibited or restricted under the laws of the country in which such Product was produced.

23.2 Without prejudice to the foregoing provisions of this Section 23, in the event of any failure to comply with such undertakings or if the Seller has reasonable grounds for believing that such undertakings will not be complied with the Seller may (without prejudice to its other rights) at its sole discretion terminate the Agreement forthwith or forthwith suspend delivery under the Agreement until further notice or decline to commence or complete loading hereunder on notifying the Buyer either in writing or orally (with written confirmation to follow).

### **Section 24. - Taxes, duties, etc.**

Any taxes, duties, imposts, fees, charges and dues of every description imposed or levied by any governmental, local or port authority on the Product supplied hereunder in the country of export shall be for account of the Seller, and in the country of import shall be for account of the Buyer (except DDP).

In the case of FOB and FCA sales, all taxes, duties, imposts, fees, charges (including, without limitation, pilotage, mooring and towage expenses) and dues in respect of the Vessel or container(s) incurred at the Loading Terminal shall be for the Buyer's account.

In the case of CFR and CIF sales, all taxes, duties, imposts, fees, charges (including, without limitation, pilotage, mooring and towage expenses) and dues in respect of the Vessel or container(s) incurred at the Discharge Port shall be for the Buyer's account.

For the avoidance of doubt and in respect of every type of sale (except DDP), the Seller shall not be the importer of record but shall be responsible for ensuring that the Buyer is provided with all necessary documentation required to comply with customs and excise entry procedures at the Discharge Port and all duties and taxes that arise in respect of such customs and excise entry shall be for the Buyer's account.

## **Section 25. – Payment**

25.1 Except as expressly provided elsewhere in the Agreement, payment of the full amount of all sums due under the Agreement shall be made without any discount, deduction, withholding, offset or counterclaim in United States Dollars/Euro by wire transfer of same day funds on or before the due date specified in the Special Provisions to the bank account designated by the Seller.

### 25.2 Payment Due Date

25.2.1 The payment due date shall be as specified in the Special Provisions.

25.2.2 If the payment due date is not specified in the Special Provision, the payment shall be effected within 2 (two) banking days upon fulfilment of the Seller's delivery obligations.

25.2.3 Time of payment is of the essence, unless otherwise specified in the Special Provisions.

### 25.3 Interest

25.3.1 Without limitation to the provisions of this Section or the Seller's other rights under the Agreement or otherwise, the Seller shall have the right to require, in respect of any payment not made in full by the due date the payment by the Buyer to the Seller of interest on any unpaid amount calculated at a daily rate of 0.1% (one-tenth of one percent), such interest to run from the day immediately after the due date until the date payment is received by the Seller's bank. Such interest shall be payable to the Seller on demand therefore being made by the Seller. Interest shall continue to accrue under this Section 25.3 until payment notwithstanding the termination of the Agreement for any cause whatsoever.

25.3.2 The provisions of the Section 25.3.1 shall not be construed as an indication of any willingness on the part of the Seller to provide extended credit as a matter of course, and shall be without prejudice to any rights and remedies which the Seller may have under the Agreement or otherwise. Any expenses incurred by the Seller, including but not limited to reasonable legal fees, court costs and collection agency fees, caused by delayed or non-payment by the Buyer of the amount(s) due shall be for the account of the Buyer and payable upon demand with supporting documents.

## **Section 26. - Force-majeure, etc.**

26.1 Neither the Seller nor the Buyer shall be liable for a failure to perform any of its obligations under the Agreement insofar as that party proves that the failure was due to an impediment beyond its control;

26.2 An impediment within Section 26.1 above shall:

26.2.1 include delay, hindrance, reduction in, interference with, curtailment or prevention of a party's performance of its obligations hereunder resulting from events such as the following, this list not being exhaustive:



- (a) war, whether declared or not, civil war, riots and revolutions, acts of piracy, acts of sabotage;
- (b) natural disasters such as violent storms, cyclones, earthquakes, tidal waves, floods, destruction by lightning;
- (c) explosions, fires, destruction of tankage, pipelines, refineries or terminals and any kind of installations;
- (d) boycotts, strikes, lock-outs, labour disputes of all kinds, go-slows, occupation of factories and premises;
- (e) any curtailment, reduction in, interference with, failure or cessation of, supplies of Product from any of the Seller's or the Seller's suppliers' sources of supply or by any refusal to supply Product whether lawful or otherwise by the Seller's suppliers (provided in fact the sources of supply are for the purposes of the Agreement);
- (f) any compliance with any law, regulation or ordinance, or with any order, demand or request (including any obligation arising out of the exercise of a requirement to deliver Product of the quality deliverable hereunder by way of royalty-in-kind) of an international, national, port, transportation, local or other authority or agency or of any body or person purporting to be or to act for such authority or agency or any corporation directly or indirectly controlled by any of them; and

26.2.2 not include delay, hindrance, interference with, curtailment or prevention of a party's accrued obligation to make payment under the Agreement whether in respect of price, despatch, demurrage or any other financial obligation whatsoever.

26.3 The party seeking relief (the "Relying Party") shall as soon as possible after the impediment becomes known to it give notice in writing to the other party of such impediment and the effects, or the reasonably anticipated effects, on its ability to perform in as much detail as possible and the appropriate relief sought. The appropriate relief takes effect from the time the other party receives the notice. Failure to give notice as soon as possible may make the Relying Party liable to damages to the other party for loss which otherwise could reasonably have been avoided.

26.4 Nothing in this Section shall be taken to limit or prevent the operation of the Common Law doctrine of frustration (including frustration of the adventure, of purpose or of the Agreement).

## **Section 27. - Limitation of liabilities**

Neither party shall in any event, including any negligent act or omission on its part, be liable to the other, whether under the Agreement or otherwise in connection with it, in contract, tort, breach of statutory duty or otherwise, for any consequential, indirect or special losses, expenses or damages of any kind including (without limitation) loss of anticipated profits, plant shut-down or reduced production, loss of power generation, blackouts or electrical shut-down or reduction, goodwill, use, market reputation, business receipts or contracts or commercial opportunities, whether or not foreseeable.

## **Section 28. - Notices**

28.1 Unless otherwise provided elsewhere in the Agreement,

(a) All notices required to be served on the parties pursuant to the Agreement shall be served in legible form by E-mail, or by other mutually recognised electronic method of rapid communication, always subject to the provision that if receipt of any notice is contested, the burden of proof of transmission shall be on the sender who shall, in the case of a dispute, establish, to the satisfaction of the arbitrator(s) appointed pursuant to the Arbitration Clause, that the notice was actually transmitted to the addressee.

(b) All notices shall be served without delay, and any notice received after 1700 hours (German time) on a business day shall be deemed to have been received on the business day following.

(c) A notice to the brokers or agent shall be deemed a notice under the Agreement.

28.2 Notices may not be given by instant messaging.

### **Section 29. - Trade controls and boycotts**

Notwithstanding anything to the contrary herein, nothing in the Agreement is intended, and nothing herein should be interpreted or construed, to induce or require either party hereto to act or refrain from acting (or agreeing to act or refrain) in any manner which is inconsistent with, penalised or prohibited under any laws, regulations or decrees of the European Union or other official government rules or requirements applicable to such party which relate to foreign trade controls, export controls, embargoes or international boycotts of any type.

### **Section 30. - Facilitation Payments and Anti-Corruption**

30.1 The Buyer and the Seller each agree and undertake to the other that in connection with the Agreement, they will each respectively comply with all applicable laws, rules, regulations, decrees and/or official government orders of the European Union relating to anti-bribery and anti-money laundering.

30.2 The Buyer and the Seller each represent, warrant and undertake to the other that they shall not, directly or indirectly,

30.2.1 pay, offer, give or promise to pay or authorise the payment of, any monies or other things of value to:

(a) a government official or an officer or employee of a government or any department, agency or instrumentality of any government;

(b) an officer or employee of a public international organisation;

(c) any person acting in an official capacity for or on behalf of any government or department, agency, or instrumentality of such government or of any public international organisation;

(d) any political party or official thereof, or any candidate for political office;

(e) any other person, individual or entity at the suggestion, request or direction or for the benefit of any of the above-described persons and entities, or

30.2.2 engage in other acts or transactions, in each case if this is in violation of or inconsistent with the anti-bribery or anti-money laundering legislation of any government.

30.3 In particular, the Seller represents and warrants to the Buyer that it has not made any payments or given anything of value to officials, officers or employees of the government of the country in which the Product originated or any agency, department or instrumentality of such government in connection with the Product which is the subject of the Agreement which would be inconsistent with or contravene any of the above-referenced legislation.

30.4 Either party may terminate the Agreement forthwith upon written notice to the other party at any time, if in its reasonable judgement, supported by credible evidence, the other party is in breach of any of the above representations, warranties or undertakings.

### **Section 31. - Arbitration and Small Claims**

#### **31.1 Arbitration clause**

Subject to section 31.2, any dispute arising out of or in connection with the Agreement, including any issue regarding its existence, validity or termination, shall be referred to and finally resolved

by arbitration under the LCIA Rules, which Rules are deemed to be incorporated by reference into this clause.

The number of arbitrators shall be one.

The seat, or legal place, of arbitration shall be England, London.

The language to be used in the arbitral proceedings shall be English.

The parties are bound, each to each other, by this arbitration clause, provided that they have entered into the Agreement that incorporates this Terms & Conditions by reference or entered into any other agreement to be bound by this arbitration clause.

Each such party agrees that it may be joined as an additional party to an arbitration involving other parties under any such agreement. If more than one arbitration is begun under any such agreement and any party contends that two or more arbitrations are substantially related and that the issues should be heard in one proceeding, the arbitrator(s) selected shall determine whether, in the interests of justice and efficiency, the proceedings should be consolidated before that (those) arbitrator(s).

### 31.2 Small Claims

Without prejudice to Section 31.1, any dispute arising out of the Agreement concerning the liquidated damages sustained by either party (including but not limited to demurrage) and claims not exceeding USD 200,000.00 (two hundred thousand US dollars) shall be referred to and finally resolved by arbitration under the LMAA Terms, which are deemed to be incorporated by reference into this clause.

The number of arbitrators shall be one.

The seat, or legal place, of arbitration shall be England, London.

The language to be used in the arbitral proceedings shall be English.

The parties are bound, each to each other, by this arbitration clause, provided that they have entered into the Agreement that incorporates this Terms & Conditions by reference or entered into any other agreement to be bound by this arbitration clause.

Each such party agrees that it may be joined as an additional party to an arbitration involving other parties under any such agreement. If more than one arbitration is begun under any such agreement and any party contends that two or more arbitrations are substantially related and that the issues should be heard in one proceeding, the arbitrator(s) selected shall determine whether, in the interests of justice and efficiency, the proceedings should be consolidated before that (those) arbitrator(s).

## **Section 32. - Miscellaneous**

### 32.1 Severability

If any provision (or part thereof) of the Agreement is declared to be illegal, invalid or otherwise unenforceable by a court of competent jurisdiction the remainder of the Agreement (and of such provision) shall not be affected except to the extent necessary to delete such illegal, invalid or unenforceable provision (or part thereof).

### 32.2 Survivability

If for any reason the Agreement shall be terminated then such termination shall be without prejudice to any rights, obligations or liabilities of either party which have accrued at the date of termination but have not been performed or discharged, and any parts of the Agreement having any relevance or any bearing shall, notwithstanding the termination of the Agreement for any reason, continue in force and effect.

### 32.3 Consents, etc.

Each party shall be responsible for obtaining all consents, authorisations, approvals and assurances of whatsoever nature necessary to enable it to comply with its obligations under the Agreement.

### 32.4 Conflict

In the event of conflict or inconsistency between these General Terms and Conditions and the Special Provisions, the Special Provisions shall prevail over these General Terms and Conditions.

### 32.5 Modification

The Agreement shall not be modified unless mutually agreed by the parties, which agreement must be evidenced in writing.

### 32.6 Waiver

Any waiver shall relate only to the matter, non-compliance or breach it expressly relates to and shall not apply to any subsequent or other matter, non-compliance or breach.

### 32.7 Entire Agreement

The Agreement contains the entire agreement between the Seller and the Buyer with respect to the matters set forth in the Special Provisions and supersedes all prior agreements, whether oral or written.

### 32.8 Warranties

The Buyer and the Seller each warrant that it has not in connection with the Agreement relied upon any representations, whether written or oral, made by or on behalf of the other party, but has relied exclusively on its own knowledge, judgement and expertise.

### 32.9 Warranty of Title

The Seller hereby warrants to the Buyer that at the time property in the Product passed to the Buyer as provided in the Agreement, the Seller had unencumbered title to the Product and had the right to sell the Product to the Buyer.

### 32.10 Third party rights

No term of the Agreement is intended to, or does, confer a benefit or remedy on any third party. A person, company or other legal entity who is not a party to the Agreement shall not have or acquire whether by virtue of the Contracts (Rights of Third Parties) Act 1999 or otherwise any rights in relation to the Agreement. Further, the parties hereto may rescind or vary the Agreement, whether in whole or in part, without the consent of any third party.

## **Section 33. - Default**

33.1 In default of fulfilment of contract by either party, the following provisions shall apply:

33.1.1 The party other than the defaulter shall, at their discretion have the right, after serving notice on the defaulter, to sell or purchase, as the case may be, against the defaulter, and such sale or purchase shall establish the default price.

33.1.2 If either party be dissatisfied with such default price or if the right at (a) above is not exercised and damages cannot be mutually agreed, then the assessment of damages shall be settled by arbitration pursuant to Section 31.

33.1.3 The aggrieved party shall serve a notice of default as soon as practicably possible. The party who is serving the notice of default shall state the grounds for termination of the Agreement and provide all available evidence for this purpose.

33.1.4 The notice is deemed to be served on the same day it was sent provided that the conditions of Section 28 are met.

33.1.5 The date of default shall be the service date of the notice.

#### **Section 34. - Applicable law**

##### 34.1 Governing law

The construction, validity and performance of the Agreement shall be governed by English law to the exclusion of any other law, which may be imputed in accordance with choice of law rules applicable in any jurisdiction.

##### 34.2 The UN Convention

The United Nations Convention on Contracts for the International Sale of Goods of Vienna, 11th April 1980, shall not apply to the Agreement.