

Sheerline Petrochemicals Ltd
Standard Terms & Conditions

1. DEFINITIONS

- 1.1. In these Terms and Conditions (hereinafter the "Conditions"), 'Seller' shall mean Sheerline Petrochemicals Ltd; 'Buyer' shall mean the party who buys or agrees to buy Goods or Services from the Seller or from a third party in cases where the Seller is acting as an intermediary; 'Goods' shall mean all the articles which the Buyer agrees to buy from the Seller, or any of them; "Services" includes, but is not limited to, the carrying out of maintenance, overhaul, repair work, reconditioning, whether on board ships or ashore and dry docking; 'Price' shall mean the price for the Goods or Services as set out in the invoice issued by the Seller; "Contract" shall mean the contract for the sale of Goods or supply of Services between the Seller and the Buyer.

2. GENERAL

- 2.1. Subject to Clause 2.2, these Conditions together with the terms set out in the Seller's Sales Confirmation and invoice shall apply to all contracts for the sale of Goods or supply of Services by the Seller to the Buyer, to the exclusion of all other terms and conditions including any terms or conditions which the Buyer may purport to apply in any other document, and shall constitute the entire agreement between the Seller and the Buyer and supersede all prior discussions, agreements and terms.
- 2.2. Where the Seller acts as an intermediary, with express or implied authority to negotiate and conclude with a third party the purchase of Goods or supply of Services on behalf of the Buyer, the contract for the sale of Goods or supply of Services shall be made between the Buyer and that third party on the terms and conditions applicable by that third party. The Seller shall not in such case be a party to that contract as between the Buyer and the third party and shall have no responsibility nor liability whatsoever in connection therewith nor performance thereof. The Seller shall always have the rights and limitations set out in these Conditions. Furthermore, in consideration of the Seller acting as an intermediary as set out above, the Buyer agrees to hold the Seller harmless and indemnify the Seller against all losses suffered in connection with the Seller so acting.
- 2.3. All orders for Goods or Services shall be deemed to be an offer by the Buyer to purchase Goods or Services subject to these Conditions only.
- 2.4. In entering into the Contract the Buyer has not relied upon any statements or representations made by the Seller.
- 2.5. Any provision in these Conditions which may be invalid or unenforceable shall to the extent of such invalidity or unenforceability be deemed severable and shall not affect any other provision(s) in these Conditions.
- 2.6. The provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply and a person who is not a party to the Contract shall have no right under that Act to enforce any term thereof.
- 2.7. The Seller may assign, transfer or sub-contract any or all of its rights and obligations arising under, by reason of, or in connection with the Contract without the Buyer's consent. The Buyer shall not assign, transfer or sub-contract any or all of its rights and obligations arising under, by reason of, or in connection with the Contract.
- 2.8. Where not otherwise specifically provided for in these Conditions, the provisions of the ICC Incoterms 2000 shall apply and are incorporated herein.

3. PRICE & PAYMENT

- 3.1. The Price shall be the amount set out in the invoice issued by the Seller. Unless otherwise stated in the Seller's invoice the Price shall be inclusive of Value Added Tax (where appropriate) but exclusive of any packing, transportation costs, freight and insurance which shall be arranged and paid for by the Buyer. All import duties or taxes are at the sole risk and account of the Buyer.
- 3.2. The Price (including any prepayment agreed), shall be paid by the due date specified in the Seller's invoice. Payment shall be made by the Buyer net of charges and without any deductions or set off whatsoever.
- 3.3. Time for payment of the Seller's invoice shall be of the essence.
- 3.4. Interest on overdue invoices shall accrue daily from the date when payment becomes due, until the date of payment, at a rate of (2) % per month, pro rata.

4. GOODS AND SERVICES

- 4.1. All warranties, conditions or terms relating to quantity, description, fitness for purpose, quality or condition of the Goods or Services, whether express or implied by statute or common law or otherwise, are excluded to the fullest extent permitted by law.

5. DELIVERY AND SUPPLY

- 5.1. The Seller shall not be liable to the Buyer for delays in manufacturing, late delivery or short delivery of the Goods or in the supply of the Services;
- 5.2. The Goods may be delivered in advance of the delivery date upon the Seller giving notice of the same to the Buyer.
- 5.3. The Buyer shall make all arrangements to take prompt and immediate delivery of the Goods whenever tendered for delivery. If the Buyer fails to do so, then the Seller is entitled to cancel the Contract and recover from the Buyer all damages, costs and expenses incurred.
- 5.4. The Seller shall not be liable for any loss or damage whatsoever due to failure by the Seller to deliver the Goods or supply the Services promptly or at all.
- 5.5. Notwithstanding that the Seller may have delayed or failed to deliver the Goods or supply the Services promptly the Buyer shall be bound to accept delivery and supply and to pay for the Goods or Services in full, when tendered for delivery or supply by the Seller.

6. ACCEPTANCE

- 6.1. Upon delivery in accordance with the terms of sale agreed, the Buyer shall immediately inspect and make every possible examination of the Goods or Services and notify forthwith the Seller in writing of any alleged defect, shortage in quantity, damage, failing which the Buyer shall be deemed to have accepted the Goods or Services.
- 6.2. If the Buyer is entitled to reject any of the Goods, the Buyer shall nonetheless pay the full Price for such Goods unless the Buyer promptly gives notice of such rejection to the Seller and, other than where the Goods are supplied ex-works, return such Goods to their source or such other destination as the Seller may direct, in their original packing and condition.
- 6.3. Subject to the Buyer's right of rejection in Clause 6.2 above, notwithstanding the Sale of Goods Act 1979 s.35A(1), acceptance of some of the Goods by the Buyer shall deprive the Buyer of the right to reject the rest of the Goods, whether they conform to the Contract or not.
- 6.4. Where the Buyer rejects any Goods then the Buyer shall have no further rights whatsoever in respect of the supply to the Buyer of such Goods or the failure by the Seller to supply Goods which conform to the Contract

- 6.5. After acceptance or deemed acceptance the Buyer shall not be entitled to reject Goods which are not in accordance with the Contract
- 6.6. Goods delivered to the Buyer, which are in accordance with the Contract, will only be accepted for return with the prior written approval of the Seller, on terms to be determined at the absolute discretion of the Seller.
- 6.7. Any cancellation by the Buyer of the Goods or Services ordered shall result in forfeiture of any deposit or advance payment made and the Seller further reserves the right to claim for any provable damages and/or to charge cancellation fees equivalent to 20 % of the value of the order.

7. INSURANCE

- 7.1 Unless otherwise agreed in the Contract and so stated in the invoice, insurance for the Goods shall be separately arranged by the Buyer at the Buyer's sole responsibility and account.

8. FORCE MAJEURE

- 8.1. The Seller shall not be liable for any delays and or default due to any act of God, war, civil or labour disturbances, malicious damage, strike, lockout, industrial action, fire, flood, drought, extreme weather conditions, transportation difficulties, compliance with any law or governmental order, rule, regulation, direction or any other circumstance beyond the reasonable control of the Seller. Any date for delivery, provided delivery may still be effected, shall be extended by the period affected by force majeure.

9. TITLE & RISK

- 9.1. In spite of any delivery of the Goods having been made to the Buyer, title in the Goods shall at all times remain in the Seller and shall not pass to the Buyer until the Buyer has paid in full to the Seller the Price and any and all other sums whatsoever due from the Buyer to the Seller.
- 9.2. Until title in the Goods passes to the Buyer in accordance with this Clause, the Buyer shall:
 - 9.2.1. Hold the Goods on a fiduciary basis as bailee for the Seller;
 - 9.2.2. Store the Goods, at no cost to the Seller, separately from all other goods in its possession;
 - 9.2.3. Mark the Goods in such a way that they are clearly identified as the Seller's property; and
 - 9.2.4. Not sell, pledge or otherwise encumber the Goods.
 - 9.2.5. Keep the Goods insured for their full value against all risks including war risks.
- 9.3. The risk of loss of or damage to the Goods shall be on the Buyer in accordance with the provisions of the ICC Incoterms 2000 as may be amended.

10. REMEDIES

- 10.1. The Seller shall have no liability to the Buyer whatsoever unless any provable loss or damage was caused by the deliberate intent or recklessness of the executive officers of the Seller with knowledge that such loss or damage would result. The Seller shall have no liability for any consequential losses of the Buyer including but not limited to any loss of profit or liability of the Buyer to any third party. The Seller's liability shall in any event not exceed the lesser of 10 % of the Price or EUR 20,000.
- 10.2. If the Goods or Services are not in accordance with the Contract, then unless the Buyer has lawfully rejected the Goods in accordance with Clause 6 hereof, the Buyer's sole remedy shall be limited to the Seller making good any shortage by replacing such Goods or, if the Seller shall elect, by refunding a proportionate part of the Price or by the Sellers making good the Services supplied.
- 10.3. The Seller shall be entitled to a general lien on all the Buyer's goods in the Seller's possession, including but not limited to all such Goods which have been paid for by the Buyer, for any and all amounts due to the Seller by the Buyer, without prejudice and in addition to any and all rights which the Seller has either by law or by virtue of these Conditions.
- 10.4. If, prior to the title in the Goods passing to the Buyer, such Goods are incorporated into, or used or used up during the building, repair or maintenance of any goods, title in those other goods shall be and remain with the Seller, and all the Seller's rights in the Goods shall extend to those other goods, until title in the Goods passes to the Buyer in accordance with these Conditions.
- 10.5. In respect of any sums due to the Seller, the Seller shall have the right to arrest and/or take any action against any vessel owned, chartered or managed by the Buyer, and against any other assets belonging to the Buyer, irrespective of whether the Goods were delivered to the Buyer in respect of such vessel. In the event of the Seller arresting and/or taking any action against any vessel owned, chartered or managed by the Buyer, the Buyer shall hold the Seller harmless for any losses incurred by the Buyer as a result and shall indemnify the Seller against claims for losses by the owner, charterer or manager of such vessel and against the costs of such arrest and/or action.
- 10.6. No waiver or forbearance by the Seller, whether express or implied, in enforcing any of its rights shall prejudice its right to do so in the future.
- 10.7. Any and all claims of the Buyer shall be notified to the Seller within no later than 14 days from the date of supply of the Goods or Services and such claims shall lapse and be time barred unless arbitration is commenced in accordance with these Conditions within one year from the date that the Goods or Services were supplied.

11. LAW & JURISDICTION

- 11.1. The Contract and these Conditions are governed by and shall be construed in accordance with English law.
- 11.2. Any proceedings by the Buyer against the Seller arising out of or in connection with the Contract and / or these Conditions shall be subject to the exclusive jurisdiction of the courts of Cyprus. Any proceedings by the Seller against the Buyer may be brought in the courts of Cyprus and the Buyer hereby submits to the jurisdiction of the Cyprus courts, but the Seller shall also have the right to commence proceedings in any other jurisdiction the Seller may consider expedient or where the Seller may found jurisdiction or in which country an arrest of vessel or assets may be effected.
- 11.3. The Buyer waives any objection it may at any time have to the venue of any proceedings referred to in this Clause and any claim that such proceedings have been brought in an inconvenient or inappropriate forum, and irrevocably agrees that a judgement in any such proceedings shall be conclusive and binding on it and may be enforced in the courts of any other jurisdiction.
- 11.4. Any claim form, notice, judgement or other legal process may effectively be served on the Buyer or on any vessel owned, chartered or managed by the Buyer, or on the Master or anyone acting as the Master thereof, irrespective of whether the Goods were supplied by the Seller in respect of that particular vessel, or any vessel at all. Nothing contained in these Conditions shall affect the right of the Seller to serve such process in any other manner permitted by law.