

General terms and conditions for the purchase of crude oil and oil products

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Preface

1. These general terms and conditions (the “**General Terms and Conditions for Purchase**”) and the COVA framework agreement for purchase of crude oil and oil products, with reference COVA 2016/1 (the “**Framework Agreement**”), are part of and applicable to (i) all tenders as referred to in the Framework Agreement (the “**Purchase-tender**”) and (ii) any Purchase Contract (as defined below) entered into by COVA and the Seller. Collectively all these documents are further referred to as: the “**Agreement**”.
2. Other general terms and conditions, which may be used by Seller, are explicitly rejected and shall not be applicable. Other (general) terms and conditions shall only be part of the Agreement to the extent they are explicitly incorporated therein.

Definitions

1. “**ADN**”: means the latest version of the European Agreement concerning the International Carriage of Dangerous Goods by inland waterways, and annexed regulations or any other European or International agreement that would replace the ADN.
2. “**Agreement**”: means collectively these General Terms and Conditions for Purchase, the Framework Agreement, the Purchase-tender and the Purchase Contract.
3. “**API**”: means the American Petroleum Institute and the “**MPMS**” means the API Manual of Petroleum Measurement Standards as amended from time to time.
4. “**ASTM**”: means American Society for Testing and Materials.
5. “**CIF**”: means “Cost, Insurance and Freight” as per Incoterms; if there is any inconsistency or conflict between the Incoterms and the Agreement, the Agreement shall prevail.
6. “**COVA**”: means the *Stichting Centraal Orgaan Voorraadvorming Aardolieproducten* (the Netherlands National Petroleum Stockpiling Agency) or its successor in title, as referred to in article 1 of the *Wet voorraadvorming aardolieproducten 2012* (the Dutch Oil Stockpiling Act) as published in the *Staatsblad 2013, 15*, effective since April 1st, 2013, and as may be amended from time to time; COVA has its statutory seat in Rotterdam and is registered there with the Chamber of Commerce under number 24134320.
7. “**Calendar Day**”: means a 24 hour period from 0.00 up to and including 23.59.

8. **“DAT”**: means Delivered At Terminal as per Incoterms; if there is any inconsistency or conflict between the Incoterms and the Agreement, the Agreement shall prevail.
9. **“Dutch Oil Stockpiling Act”**: means the *Wet voorraadvorming aardolieproducten 2012* and its implementing decrees, as amended from time to time.
10. **“EN”**: means the European Standards, as published by the European Committee of Standardization (ECN).
11. **“EU qualified”**: means that the Product is or will be in free circulation within the EU and not subject to any import duties; **“non-EU qualified”** means Product that does not fall within the meaning of EU qualified.
12. **“Force Majeure”**: means events qualifying as defined in article 13 of these General terms and Conditions for Purchase.
13. **“Incoterms”**: International Commercial Terms of the International Chamber of Commerce (ICC) or i.e. the Incoterms 2010 (or the latest version published) as referred to in the Purchase Contract.
14. **“Inspector”**: means an independent inspector, mutually agreed by COVA and the Seller, belonging to an entity independent of the Parties with recognised expertise in the field of oil storage and oil products and crude oil inspection, testing and measurement.
15. **“ISPS Code”**: means the International Code for the Security of Ships and of port facilities and the relevant amendments to Chapter XI of SOLAS adopted by the International Maritime Organisation (**“IMO”**), as may be amended from time to time.
16. **“Metric ton”** or **“metric ton”** or **“MT”**: means a quantity equivalent to a weight of 1,000 kilograms in vacuo.
17. **“Party”**: means COVA or the Seller, jointly indicated as the Parties.
18. **“Product”**: means the crude oil and / or oil products, as referred to in the Purchase Contract, and any other product designated under the *Wet voorraadvorming aardolieproducten 2012* (the Dutch Oil Stockpiling Act), effective April since April 1st, 2013.
19. **“Provisional Price”**: means the price COVA should owe the Seller as calculated on any moment before the calculation of the Purchase Price by the Seller using the pricing formula and the then applicable quotations.
20. **“Purchase Contract”**: means a written contract, whether or not pursuant to the Purchase-tender issued under the Framework Agreement, in which these General Terms and Conditions for Purchase are incorporated by reference, plus any amendments as agreed between the Parties.
21. **“Purchase Price”**: means the final price that COVA owes the Seller as specified in the Purchase Contract.

22. **“Representative”**: means a COVA designated person or company.
23. **“Seller”**: means the party selling the Product to COVA.
24. **“SOLAS”**: means the International Convention for the Safety of Life at Sea.
25. **“Specifications”**: mean the characteristics of the Product, as set out in the Purchase-tender and the Purchase Contract.
26. **“Stock Transfer”**: means the transfer of Product, title and risk within the same Tank.
27. **“Storage Facility”**: means the facilities and installations utilised by COVA for storing the Products or an alternative delivery point if so designated and agreed in the Purchase Contract.
28. **“Storage Facility Operator”**: means the entity that stores or takes delivery of the Products for COVA.
29. **“Supply Crisis”**: means the events specified in the Dutch Oil Stockpiling Act or as determined by the International Energy Agency, established in Paris.
30. **“Tank”**: means any and such storage space on land, including but not limited to caverns, capable of storing the Product.
31. **“Tank Barge”**: means a craft carrying Product which is employed in port areas and sheltered waterways.
32. **“Tank Transfer”**: means the transfer of Product between two Tanks located in the same Storage Facility.
33. **“Vessel”** or **“Ship”**: means any seagoing vessel including tankers, ships and coasters, carrying the Product.
34. **“Working Day”**: means a period of twenty-four hours starting at 00H00 and finishing at 23H59 on the same day, where the day in question shall be a day when COVA office is open for business.

Article 1 – Delivery

1. The Product shall be delivered by Seller in bulk to COVA nominated Storage Facility, DAT as per the Purchase Contract. Delivery shall be given and taken in full or part cargo lots at COVA's option.

Article 2 – Quality and Quantity

2.1 Quality

1. The Seller guarantees that the quality of the Product complies with the agreed Product Specifications as mentioned in the Purchase Contract and/or the Purchase-tender and furthermore with the generally accepted standards for the Product. The Product delivered (not in case of crude) is not older than six months (i.e.) has been refreshed within the last six months based on the quality certificate.
2. Before each delivery at the Storage Facility, COVA shall instruct the Inspector to analyze the key-points as specified in the Purchase Contract and/or the Purchase-tender, from a composite sample taken by the Inspector at the delivery point at the Storage Facility, as follows:
 - a. from a representative composite Vessel, Tank Barge or tank wagon/lorry; or
 - b. from a representative in line sampler or from the receiving Tank composite sample, according to the Storage Facility practice, if delivered into Tank (from pipeline or by Tank Transfer) or by Stock transfer (if product transferred between Parties into the same Tank).
3. Three additional composite samples will be taken and kept available by the Inspector for a period of three months or longer if deemed necessary (one for the Seller, one for the Storage Facility Operator and one for COVA), unless otherwise agreed in the Purchase Contract.
4. In case of non-conformity of the Product with the agreed Product Specifications, COVA shall have the right to refuse the delivery of the Product. If the Product is delivered:
 - a. by Vessel, Tank Barge or tank wagon/lorry, the Seller shall immediately order its Vessel, Tank Barge or tank wagon/lorry to vacate the discharge facilities and leave the terminal; the Seller shall replace the product within thirty days at his cost with another delivery of Product, in accordance with the Product Specifications in the Purchase Contract; or
 - b. by pipeline, the Seller shall be obliged, within three months, to take the off-spec Product (delivered or degraded as a consequence of the delivery by the Seller) back at his own cost, and replace it by Product in accordance with the Product Specifications as agreed in the Purchase Contract; or
 - c. In Tank Transfer (“ITT”), the Seller shall be obliged to replace it at his own cost by another volume meeting the Product Specifications as agreed in the Purchase Contract.
5. Should the Seller be obliged to deliver another cargo under the above provisions, the original price and pricing shall remain unchanged and apply to the replaced quantity of Product.
6. The Seller shall hold COVA harmless from any third party claims as regards to the provisions of this article. All adverse financial consequences, if any for COVA, arising from the Seller delivering the Product not in accordance with the terms of the Purchase Contract shall be recovered from the Seller by COVA.

2.2 Quantity

1. The quantity delivered is the quantity of the Product delivered at the Storage Facility, that shall be ascertained by the Inspector and determined as follows.

Delivered ex Vessel, Tank Barge or tank wagon/lorry:

- a. where the Product is delivered from Vessel, Tank Barge or tank wagon/lorry directly into static shore tanks, the quantity of the Product so delivered shall be determined by reference to the Storage Facility measurements or approved volume meters, in accordance with the standard practice in use at the Storage Facility at the time of delivery;
and
- b. only with COVA prior written agreement, if the Product is delivered from the Vessel, Tank Barge or tank wagon/lorry directly into active shore tanks or where certified gauging tables cannot be used at the moment of discharging the Product, the quantity of the Product delivered shall be determined by reference to the Vessel's or Tank Barge's discharged figures as adjusted by its Vessel Experience Factor at discharge ("VEF"). The quantity for tank wagons and lorry's will be determined by weighing scale.

Delivered into Tank or by Stock Transfer:

- a. Where the Product is delivered into Tank (from pipeline or by Tank Transfer) or by Stock Transfer, the quantity of the Product delivered shall be determined by reference to the receiving Tank gauging, in accordance with good international oil industry practice.

Quantity units to be used are:

- a. Total Calculated Volume - Total calculated cubic meters (and/or barrels (60 Deg F.) where indicated by local custom) measured at fifteen degrees Centigrade (15 Deg C.) as otherwise defined in the MPMS, Chapter 1, with all corrections for temperature based on ASTM D1250-04 or the latest equivalent tables; and
- b. Weight - Metric tons, with all weights expressed "in vacuo" in accordance with ASTM-EI Petroleum Measurement Tables (EI HM1 or equivalent).

2.3 Quality and Quantity

1. The results ascertained by the Inspector shall be binding on the Parties, except in case of fraud or manifest error.

Article 3 – Title and Risk

1. Title and risk in the Product and all liabilities with respect thereto shall pass from the Seller to COVA when the Product passes the inlet flange of:
 - a. the receiving pipeline system at the Storage Facilities when delivered ex Vessel, Tank Barge or tank wagon/lorry; or
 - b. the receiving Tank when delivered by pipeline or by Tank Transfer.

Should the Product be delivered by Stock Transfer, the title and risk shall pass in Tank from the Seller to COVA when the Inspector shall have certified that the Product meets the Specification as agreed in the Purchase Contract or in the absence of an inspection, when agreed between the

Parties prior to the transfer of title and risk being completed and confirmed by the Storage Facility Operator.

2. Any loss of, or damage to the Product occurring before, during or after the discharge operations, which is caused by Seller or any of their respective contractors, agents or employees, shall be for the account of Seller.
3. Seller represents and warrants towards COVA that the Product shall be delivered in absolute ownership free of all encumbrances.

Article 4 – Inspection

1. COVA, the Inspector and/or the Representative may request to attend the delivery as an observer only. The Seller shall not unreasonably withhold its consent to such request.
2. Sampling and testing with regard to quality and quantity as set out in article 2 of these General Terms and Conditions for Purchase, shall be in accordance with the latest approved methods as published in the MPMS.
3. The Inspector for quantity and quality determination at the Storage Facility shall be mutually agreed by both Parties and shall be appointed by COVA, and its cost shared 50/50 by both Parties, each share being invoiced directly by the Inspector according to each Party agreed tariff. The inspection procedure will be carried out in accordance with these General Terms and Conditions for Purchase and COVA's Product Delivery Inspection Procedure, as attached to the Purchase-tender and the Purchase Contract.

Article 5 – Purchase price and payment

5.1 Purchase price

1. Unless a fixed price mechanism is agreed in the Purchase Contract, the price is determined on the basis of daily international quotations. The method of calculation is specified in the Purchase Contract. Included in the Purchase Price shall be all costs (inclusive of – but not limited to – freight, taxes, fees and levies) up to and including the moment of delivery.

5.2 Payment

1. Invoices may be given preferably by electronic mail (PDF) or if not possible – on request – by an original hard copy sent by normal mail.
2. Payment shall be made upon production of the Inspector report and the Seller's invoice and any other required document.
3. Unless otherwise specified in the Purchase Contract, COVA pays the Provisional Price after each delivery and within seven (7) Calendar Days after receipt of the provisional invoice on the basis of 90% of the average of the price quotations until the day of delivery, with final payment of the Purchase Price after the end of the pricing period within seven (7) Calendar Days after receipt of the final invoice.

The Purchase Price may be fixed or based on a formula as to be agreed in the Purchase Contract. If the Purchase Price is based on a formula, it shall be calculated according to the terms and conditions of the Purchase Contract within three Working Days after the end of the pricing period. If the Purchase Price is agreed to be in Euro it shall be converted in Euro as follows: each daily price as calculated according to the price formula of the Purchase Contract shall be converted in Euro, using the same day ECB fixing. In case a quoted day is a bank holiday in Europe, then the previous ECB fixing shall be used for that day.

4. COVA shall arrange for payment to be made into the Seller's designated bank account, with value date seven Calendar Days after receipt of a provisional invoice including an original certificate of quantity and an original certificate of quality issued by the Inspector, or within seven Calendar Days from receipt of the final invoice provided that COVA is in the possession of these documents, but never earlier than seven Calendar Days after the date of delivery of the Product in accordance with the Product Specifications.
5. Each Party will bear the cost of its own bank.
6. COVA is entitled to set off amounts arising from the Agreement due to Seller with amounts, which Seller is due to pay to COVA.
7. In case of late payment COVA shall after a proper notice of default provide payment of interest on arrears amounting to the interest rate determined in accordance with legal trade interest (*wettelijke handelsrente*) as defined in the Dutch Civil Code concerning combating late payment in commercial transactions, increased by one (1)% per month. In addition, COVA shall after a proper notice of default be liable for the compensation of any judicial or extrajudicial costs, incurred by Seller in order to recover the payment of the Purchase Price, including the fees for its lawyers, with a fixed minimum of EUR 1,500.

Article 6 – Transportation, demurrage, nomination and insurance

7.1 Transportation

1. Seller has the full responsibility for the entire transportation process and its associated risks. In particular, Seller shall check the Storage Facility receiving restrictions directly with Storage Facility Operator.

6.2 Demurrage

1. COVA will not be liable at all for any demurrage or any costs or damages, whatsoever, related to deliveries, except as under article 9.3 or in case the demurrage is recoverable from the party responsible. COVA will make a reasonable effort to recover the demurrage from the party responsible. Only in case COVA receives demurrage from the party responsible, COVA will pay the received amount to the Seller.

6.3 Nomination

1. Seller shall send his nomination in due time directly to the COVA's designated Storage Facility Operator and shall make sure that all correspondence is copied to COVA.

Applies in case of delivery Vessel or Tank Barge

2. The Vessel or Tank Barge shall at all times be subject to acceptance by the Storage Facility. The Seller shall be responsible for nominating a Vessel or Tank Barge which does not exceed the restrictions for the particular port and/ or terminal and/or berth (which restrictions are available upon request from the Storage Facility) and which is accepted by the port and/or terminal authorities. Unless otherwise agreed, the Seller shall make the nomination by mail stating the Purchase Contract reference number to the Storage Facility (copy to COVA's operating department) three Working Days prior to the first day of the agreed delivery date range and such nomination must be received during working hours before 15.00 hours Rotterdam local time. If received after that time on the day in question, it shall be deemed to have been received at 09.00 hours the next following Working Day.

Delivery by Vessel

3. Unless otherwise requested in the Purchase Contract, the nomination shall state:
 - a. Name of Vessel
 - b. Flag
 - c. Year built
 - d. Summer DWT
 - e. Length over all
 - f. Length between perpendiculars ("LBP")
 - g. Beam
 - h. Summer draft
 - i. Estimated draft on arrival
 - j. Classification: Name of society and class
 - k. Name of Vessel's P&I Cluband any other information or documents reasonably required by the Storage Facility (and / or by COVA) regarding delivery of the Product.

Delivery by Tank Barge

4. Unless otherwise requested in the Purchase Contract, the nomination shall at least state:
 - a. Contract number
 - b. Name of Tank Barge
 - c. EURO number of Tank Barge
 - d. confirmation with and information on EBIS
 - e. the quantity
 - f. the Product
 - g. ETA (one day)

and any other information or documents reasonably required by the Storage Facility (and / or by COVA) regarding delivery of the Product.

5. Each nomination shall at all times be subject to acceptance and approval by the Storage Facility operator.
6. Seller represents and warrants that – at the time of nominating its means of transportation – it is familiar with all latest port and Storage Facility limitations and restrictions. Seller acknowledges that it shall be responsible for nominating a means of transportation that meets the port and Storage Facility limitation and restrictions.
7. Seller will make sure and furthermore represents and warrants that:
 - a. the Vessel nominated shall be owned by a member of the International Tanker Owner Pollution Federation Limited and will be “major approved”;
 - b. the Vessel shall comply with the requirements of the International Safety Management (ISM) Code and shall have on board valid documents as required by the ISM Code and SOLAS (Safety of Life at Sea);
 - c. the Vessel or Tank Barge shall remain throughout the voyage and up to the discharge of the product in a Protection and Indemnity Club, member of the International Group of P&I Clubs, at Seller expenses; and
 - d. Seller will make sure that the Tank Barge nominated shall have a valid ADN original certificate of approval on board and shall have in place security procedures on board in compliance with ADN Chapter 1.10. (Security provisions of Part 1 – General Provisions).

Documentary instructions (if applicable)

8. COVA shall communicate to the Seller its documentary instructions together with the Purchase Contract. COVA’s standard documentary instructions for Vessels are detailed in **Appendix 1**. No Bills of Lading shall be given to COVA for DAT-sales.

6.4 Insurance

1. The costs and responsibility for securing insurance, whether against marine or other risks, shall rest wholly with the Seller until the Product is delivered to COVA.

Article 7 – Import and excise duties, VAT, EU documentation

1. The Product delivered by Seller to the Storage Facility under each Purchase Contract shall be EU qualified and Delivered At Terminal (“DAT”). Seller shall be responsible to provide any necessary documentation to the relevant local customs authorities at discharging port, establishing that the Product is EU qualified and therefore in free circulation within the EU. All COVA designated Storage Facilities are excise warehouses and COVA shall therefore not be liable for any further payment of any import or excise duties, or import VAT. COVA cannot be held responsible for any costs in the event of missing document concerning the Product delivered by Seller. COVA will be responsible for the formalities relating to excise numbers, E-AD procedure and providing a VAT number linked to any movements of the product after the sale to COVA. COVA will also be responsible for any taxes, duties or levies that become payable in respect of the stocks at any

time after the delivery, unless these taxes, duties or levies are attributable to the period prior to delivery and for the account of Seller.

Article 8 – Port and discharging expenses

1. The discharging costs, within the fence of the discharge terminal, are for COVA's account.
2. Up to the moment of delivery, all other expenses pertaining to the discharge of the Seller's Vessel, Tank Barge or tank wagon/lorry, including but not limited to freight taxes, fees, levies, all port dues, overtime costs, all charges and expenses relating to the berthing / arrival and unberthing / departure of the Vessel, Tank Barge or tank wagon/lorry, anchorage and towing, shall be borne by the Seller.

Article 9 – ISPS

1. The following applies to all deliveries:
 - a. Seller shall procure that the Vessel complies with the requirements of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS ("**ISPS Code**");
 - b. the Vessel shall when required submit a Declaration of Security ("**DoS**") to the appropriate authorities prior to arrival at the discharge port.
2. Notwithstanding any prior acceptance of the Vessel by the Storage Facility, if at any time prior to the arrival of the Vessel at the Storage Facility the Vessel ceases to comply with the requirements of the ISPS Code:
 - a. COVA shall have the right not to berth such nominated Vessel at the discharge port and any demurrage resulting shall not be for the account of COVA;
 - b. Seller shall be obliged to substitute such nominated Vessel with a Vessel complying with the requirements of the ISPS Code. If title and risk to the cargo on board the Vessel subsequently substituted pursuant to 3. b) has already passed to COVA, such title and risk shall be deemed to have been reverted to the Seller.
3. COVA shall procure that the jetty used by the Storage Facility shall comply with the requirements of the ISPS Code or equivalent.

Any costs or expenses in respect of the vessel including demurrage or any additional charge, fee or duty levied on the vessel at the discharge port/terminal/installation and actually incurred by Seller resulting directly from the failure of the discharge port/terminal/installation to comply with the ISPS Code shall be for the account of COVA, including but not limited to the time required or costs incurred by the vessel in taking any action or any special or additional security measures required by the ISPS Code.

Save where the vessel has failed to comply with the requirements of the ISPS Code, COVA shall be responsible for any demurrage actually incurred by Seller arising from delay to the vessel at the discharge port/terminal/installation resulting directly from the vessel being required by the terminal operator, the port authority or any relevant authority to take any action or any special or additional security measures or undergo additional inspections by virtue of the vessel's previous ports of call.

COVA's liability to the Seller under this Agreement for any costs, losses or expenses incurred by the Vessel, the charterers or the Vessel's owners resulting from the failure of the jetty used by the Storage Facility to comply with the ISPS Code shall be limited to the payment of demurrage and costs actually incurred by the Seller.

Article 10 – REACH, health, safety and environment

1. The Seller represents and warrants that it respects the requirements and obligations of Regulation No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (“**REACH**”), so as to allow legal import and placing on the market of the Product and/or the substances contained in the Product which are sold and/or delivered under the Agreement. The Seller shall provide COVA with a copy of the current Material Safety Data Sheet (“**MSDS**”) in connection with the Product.
2. For all deliveries at a facility designated by COVA, Seller shall ensure that it or its representatives including the transportation company's staff respect the health, safety and environment (“**HSE**”) policies of the discharge terminal designated by COVA.

Article 11 – Trade, control and boycott

1. Neither Party shall be obliged to perform any obligation otherwise required by this Agreement or a Purchase Contract forming part thereof, including but not limited to an obligation to (a) perform, deliver, accept, sell, purchase, pay or receive monies to, from, or through a person or entity, or (b) engage in other act(s) if this would be in violation of, inconsistent with, or expose such party to punitive measures under any applicable laws, regulations, decrees, ordinances, orders, demands, requests, rules or requirements relating to international boycotts or embargoes, trade sanctions, foreign trade controls, export controls, non-proliferation, anti-terrorism and similar laws applicable to such party (the “**Trade Restrictions**”).
2. Where any performance by a Party would be in violation of, inconsistent with, or expose such party to punitive measures under the Trade Restrictions, such Party (the “**Affected Party**”) shall, as soon as reasonably practicable and at the latest two weeks after publication of the relevant rule, give written notice to the other party of its inability to perform, with reference to the relevant rule, this article 11, the obligations affected by the relevant rule and the scope and the impact of the effect.
3. Once such notice has been given, parties shall convene within three (3) Calendar Days in order to discuss the matter which gave rise to the notice and they shall discuss in good faith whether the notice has been sent with cause or without cause and which alternatives have the same economic effect as performance of the contract while in conformity with the Trade Restrictions.
4. If no alternatives for performance of the Agreement are available, the Affected Party shall – at his discretion – be entitled:
 - a. to immediately suspend the affected obligation (whether payment or performance) until such time as the Affected Party may lawfully discharge such obligation; provided that the

Affected Party shall, where this is not contrary to the relevant Trade Restrictions in question, use its reasonable efforts to limit the effects of the rule on its obligations; and/or

- b. where the inability to discharge the obligation continues (or is reasonably expected to continue) until the end of the contractual time for discharge thereof, to a full release from the affected obligation, provided that where the relevant obligation relates to payment for goods which have already been delivered, the affected payment obligation shall remain suspended, and no interest shall accrue on such outstanding payment amount, until such time as the Affected Party may lawfully resume payment;
- c. to terminate this Agreement including any Purchase Contract forming part thereof, forthwith upon written notice to the other at any time; and/or
- d. where the obligation affected is acceptance of the Vessel, to require the nominating party to nominate an alternative Vessel;

in each case without any liability whatsoever (including but not limited to any damages for breach of contracts, penalties, costs, fees and expenses) unless the Seller knew or should reasonably have known before entering into the Purchase Contract that its performance would be in violation of, inconsistent with, or expose such party to punitive measures under the Trade Restrictions.

Article 12 – Anti-corruption

1. The Parties each agree and undertake to the other that in connection with this Agreement, they will each respectively comply with all applicable laws, rules, regulations, decrees and/or official government orders relating to anti-bribery and anti-money laundering and that they shall each respectively take no action which would subject the other to fines or penalties under such laws, regulations, decrees or orders.
2. COVA and the Seller each represent, warrant and undertake to the other that they shall not, directly or indirectly,
 - a. pay, offer, give or promise to pay, accept or authorize the payment of, any monies or the transfer of any financial or other advantage or other things of value to:
 - a government official or an officer or employee of a government or any department, agency or instrumentality of any government;
 - an officer or employee of a public international organization;
 - 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 organization;
 - any political party or official thereof, or any candidate for political office;
 - any director, officer, employee or agent/representative of an actual or prospective counterparty, supplier or customer of COVA or Seller;
 - 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
 - engage in other acts or transactions;

if such act is in violation of or inconsistent with the anti-bribery or anti-money

laundrying legislation applicable to any of the Parties.

3. In particular, Seller represents and warrants to COVA 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 crude oil originated or any agency, department or instrumentality of such government in connection with the crude oil which is the subject of the Purchase Contract, which would be inconsistent with or contravene any of the above-referenced legislation.
4. COVA or the Seller may terminate this Agreement including any Purchase Contract forming part thereof, forthwith upon written notice to the other at any time, if the other is in breach of any of the above representations, warranties or undertakings. In the notice of termination, the terminating Party shall as much as reasonably possible refer to the relevant facts as well as to the representation, warranty or undertaking that the other is in breach of within this article 12.

Article 13 – Force Majeure

1. Neither Party shall be liable for the non or delayed performance and/or the malperformance of its obligations if and to the extent that, and as long as the performance is, wholly or partly, temporarily or permanently, delayed, obstructed or prevented due to Force Majeure. Force Majeure shall, inter alia, mean a shortcoming, which cannot be attributed to the parties.
2. For the purposes of this Agreement “**Force Majeure**” shall be regulated in accordance with the Dutch Civil Code. Not considered force majeure shall be (i) the non or delayed performance and/or the malperformance of obligations by third parties who have undertaken these obligations vis-à-vis a Party, (ii) the situation in which there is an oil crisis or an imminent oil crisis, but the normal supply and removal procedures still apply and (iii) the situation in which a government body has altered permit requirements.
3. If a Party is prevented or delayed from or in performing any of its obligations under this Agreement by Force Majeure it shall promptly give written notice to that effect to the other Party, stating the particulars of such Force Majeure and of the obligations thereby affected, and shall thereupon be excused the performance or punctual performance as the case may be of such obligations for so long as the circumstances of Force Majeure may continue.
4. A Party so affected by Force Majeure shall use every reasonable effort to minimise the effects of Force Majeure upon the performance of this Agreement and shall promptly resume performance as soon as reasonably possible after removal of the circumstances of Force Majeure.
5. If either Party has proved that due to or as a result of Force Majeure compliance with the obligations in the Purchase Agreement is not possible, the obligation of that Party shall be suspended during the period of Force Majeure, without prejudice to the right of the other Party – without giving further notice of default and without prior intervention by the court – to immediately cancel the Purchase Agreement wholly or partly or, as the case may be, to consider the Purchase Agreement dissolved, if the period of Force Majeure is at least 30 Calendar Days and compliance with the Purchase Agreement may in fairness no longer be expected from this other Party.

Article 14 – Oil Supply Crisis

1. In case of an oil crisis within the meaning of the Petroleum Stockpiling Act 2012 (in Dutch: Wet voorraadvooring aardolieproducten 2011, as amended from time to time) or as determined by the International Energy Agency, established in Paris, or its successor, Seller shall make every effort, in joint consultation with COVA, to act to the best of its ability in COVA's best interests.

Article 15 – Termination

1. In addition to anything elsewhere in the Agreement, COVA may at its sole discretion, terminate the Agreement immediately upon written notice to the Seller in the event that the Seller becomes bankrupt or insolvent, enters into arrangement with its creditors, has any petition or proceedings under insolvency laws commenced against it or fails to timely deliver the agreed quality and quantity of the Product.
2. In case of termination, or as the case may be, dissolution as referred to herein, all amounts paid by COVA to Seller for products which Seller has not yet delivered to COVA, increased by the legal interest as from the Calendar Day of payment, shall have to be repaid to COVA within five Calendar Days from the date of the dispatch of the written summons thereto. In case of termination, or as the case may be, dissolution as referred to herein, COVA shall not be obliged to pay compensation to Seller and/or any third party.
3. 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 part of the agreement having any relevance thereto or any bearing thereon shall, notwithstanding the termination of the Agreement, continue in force and effect.

Article 16 – Assignment

1. Neither Party shall assign its rights and obligations under the Agreement, in whole or in part, without the prior written consent of the other Party, such consent not unreasonably to be withheld.
2. If such written consent is given and wherever the assignment is made, the assigning Party shall remain jointly and severally liable with the assignee for the full performance of its obligations under the Agreement, unless agreed in writing otherwise at such time.
3. Any assignee of Seller, shall always have to be one of the COVA selected suppliers in accordance with the Framework Agreement.

Article 17 – Exchange of data, correspondence and notices

1. All correspondence between the Seller and COVA takes place according to the applicable data included in the Purchase Contract or, if that information is missing, otherwise known.

2. All notices to be given under the Agreement by either Party to the other shall be considered valid if given in writing, sent by e-mail or courier communications and delivered to the other party at its (e-mail) address specified in the Purchase Contract for such purpose unless otherwise specifically provided in the Agreement and shall, unless otherwise provided herein, be deemed to have been given on the Calendar Day on which such communication ought to have been delivered in due course of postal, e-mail or courier communications.
3. Any alteration to the contacts or addresses specified in the Agreement shall be notified immediately by e-mail or letter to the other Party.
4. Each Party shall bear the risk of non-receipt of correspondence and documents if they have not complied with the formalities of this article.

Article 18 – Severability

1. If one or more of the articles of these General Terms and Conditions for Purchase and/or the Purchase Contract become invalid and/or are declared invalid or legally impossible and/or unenforceable, this does not have any effect on the validity of the other articles of the General Terms and Conditions for Purchase and Purchase Contract.
2. In that case, the Seller and COVA ensure that the article is replaced by an article that corresponds most closely to the intent and spirit of the article that is invalid, declared invalid or legally impossible or is unenforceable.

Article 19 – Alteration

1. These General Terms and Conditions for Purchase can be altered at any time in good faith by COVA and published on the website of COVA (www.cova.nl). For each Purchase Contract, the terms and conditions that apply at that time, will be communicated to the Seller.
2. The one-time deviation or repeated non-application of one or more provisions of these General Terms and Conditions for Purchase does not constitute a waiver of rights and does not prevent COVA from yet appealing to this (these) article(s).
3. The Purchase Contract may only be altered expressly, in writing and with approval of the Seller.

Article 20 – Miscellaneous

1. The entire Agreement shall be considered to be performed in The Netherlands.
2. In the event of any conflict between any provision (or part thereof) of these General Terms and Conditions for Purchase and any provision (or part thereof) of the Purchase Contract, the latter always prevails.

Article 21 – Applicable law and jurisdiction

1. COVA maintains strategic oil stocks for the Netherlands on the instructions of the Minister of Economic Affairs. COVA is responsible for the purchase, sale and storage of crude oil and oil products and must comply with the conditions laid down in the *Wet voorraadvorming aardolieproducten 2012* (the Dutch Oil Stockpiling Act) as published in the *Staatsblad 2013, 15*, effective since April 1st, 2013, and as may be amended from time to time.
2. The Agreement, including for the avoidance of doubt these General Terms and Conditions for Purchase, the Framework Agreement, the Purchase-tender and any Purchase Contract will be governed, construed and enforced in accordance with Dutch law with the exclusion of any applicable international convention such as the Vienna Convention of 11th of April 1980 on the International Sale of Goods.
3. All disputes which may arise in connection with the Agreement or in connection with further agreements, which might be the result thereof, shall be determined at COVA's choice either by the competent court in Rotterdam or in accordance with the Arbitration Regulations of The Netherlands Arbitration Institute in Rotterdam. In case of arbitration, the arbitral tribunal shall consist of one arbitrator and the place of arbitration shall be in Rotterdam. The procedure shall take place in Dutch or English and the arbitral tribunal shall give judgment in accordance with the rules of law. A dispute as referred to in this article shall be considered to exist if one of the Parties notifies the other thereof.
4. Without prejudice to the provisions under article 21.2, the possibility exists, in cases of urgency, for the Parties to institute summary proceedings. In that case the president (in Dutch: *Voorzieningenrechter*) of the District Court in Rotterdam shall be competent.