



Terms and Conditions for Bulk Shipments by Barge or Vessel

Where necessary, Seller will furnish Buyer with Safety Data Sheets (“SDS”), which include health, safety, security and environment (“HSSE”) information on Product consistent with regulatory requirements. Buyer will comply with all applicable Laws concerning the availability and use of the Product SDS and Buyer will disseminate appropriate HSSE information to all persons (including but not limited to Buyer’s employees, contractors and customers) as required by applicable law or which Buyer foresees may be exposed to Product. When Buyer further processes, mixes or incorporates the Product into another material, resells, exchanges and/or transfers or otherwise deals with the Product, Buyer agrees to develop and use its own branded SDS and certificates of analysis consistent with the regulatory requirements of the jurisdiction(s) in which Buyer markets the Product, and Buyer shall not use any of Shell’s trademarks, the Shell name, Shell contact numbers and emergency numbers or the Shell Branded SDS on the Buyer’s SDS or certificates or analysis for the Product without obtaining the prior express written consent of Seller. Buyer will take reasonable steps to obtain obligations similar to those in this paragraph from its customers to whom it sells the Products.

Seller is a Responsible Care® Company and seeks to promote safe handling of its products throughout the value chain. As such, Seller requires that appropriate minimum controls shall be in place at all loading and discharge locations to protect Seller’s employees and contractors from injury and/or exposure during handling of Product. If the discharge of Product is suspended pursuant to Clause 1.1(d) below, and Buyer does not within 60 days after the commencement of such suspension, remedy the condition of the discharge berths and/or associated facilities such that they become, in Seller’s reasonable opinion, safe and fit for handling deliveries under this Contract, Seller shall have the right to terminate this Contract with immediate effect by giving a written termination notice to Buyer.

These Terms and Conditions for Bulk Shipments by Barge or Vessel (“Terms and Conditions”) form an integral part of the Contract and, unless otherwise specifically provided herein, applicable provisions of the Contract shall be deemed included in this attachment. Any terms used in this attachment, which are defined in the Contract, are intended to have the same meaning when used in this attachment. “Vessel” as used in these Terms and Conditions may mean any barge, tow, or oceangoing barge, or may mean any oceangoing or intercoastal self-powered vessel, whichever is appropriate. The term “tow” means any combination of boats or barges with the ability to function as a single unit.

Section 1. Nomination Procedure.

1.1. Nomination of Port and Berth.

1.1.(a.) **Information Regarding Berths.** If Buyer and Seller have not specified such details in the Contract, as far in advance as may reasonably be accomplished, a Party receiving a vessel arranged by the other Party shall advise such other Party of the port, and name and exact location of the berth or anchorage to which the vessel should be directed for loading or discharge. The Party receiving a vessel will also advise of (i) limitations of the berth, including maximum beam, overall length, maximum draft, and summer deadweight; (ii) any controlling regulation; and (iii) any other details the Party arranging the vessel may from time to time reasonably require.

1.1.(b.) **Changes in Information.** A Party receiving a vessel arranged by the other Party shall advise the arranging Party immediately if during the course of the Contract there are any material changes to the details of the port, berth or anchorage. Seller and Buyer will confer promptly to implement reasonable measures required by such changes to avoid disruption in loading or unloading and to avoid additional freight or other charges. However, if such changes to the details of the port and berth or anchorage result in additional freight, costs for change or replacement of existing charters or other charges, the Party making such changes will be responsible for payment or reimbursement of all such freight, costs and charges.

1.1.(c.) **Condition of Port/Berth.** Buyer and Seller will undertake reasonable efforts to confirm that the cargo loading/receiving facilities nominated comply with all applicable local, national and international regulations and laws concerning the safe receipt and handling of the cargo, and do not present a hazard to the vessel, its crew or the environment, including but not limited to compliance with the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto (MARPOL 73/78).

1.1.(d.) **Discontinuance of Use of Berth.** Any provision of the Contract or these Terms and Conditions notwithstanding, if the vessel owner, its master or the Party arranging the vessel reasonably conclude that loading/discharge berths and associated facilities are unsafe or unfit for handling of the cargo, then such obligations may be suspended without penalty and both Parties shall reasonably cooperate with each other and persons involved to remedy any such conditions so as to allow resumption of performance.

1.2. Chartering and Nomination of Vessels.

1.2.(a.) **Nomination of Vessel.** As soon as it may reasonably be available, a Party arranging a vessel will advise the other Party of the latest Estimated Time of Arrival (“ETA”) at the loading or discharge port, and the laytime allowance at each port and demurrage rate as per the performing vessel.

1.2.(b.) **Information in Vessel Nomination.** To the extent applicable, the Party arranging the vessel shall include in the vessel nomination (i) the vessel’s name (including last two previous names, if any), flag and crew nationality; (ii) the vessel’s capacity; (iii) the vessel’s length, beam and draft; (iv) the loading date range (which shall unless otherwise agreed, comprise a range of five (5) days for coastal movements and ten (10) days for oceangoing vessel); (v) the vessel’s agent and protection and indemnity club representative in the port of loading and discharge, as applicable; (vi) confirmation of the type, quantity and quality of cargo expected from Seller to be offered for loading; (vii) details of last three previous cargoes carried; (viii) the laytime allowance and rate of demurrage as per the performing vessel; (ix) the charter Party form under which the vessel has been fixed, if requested by the other Party; and (x) amount of in-transit cargo on board, if any.

1.2.(c.) **Demurrage and Laytime on Vessels Nominated.** If division of laytime is not otherwise specified for any nomination, total time allowed for

discharging all cargos shall be one half of total laytime allowed by the performing vessel, and laytime shall be allocated among cargo owners prorata (percentage by volume of the cargo to all cargo loaded or to be loaded on the vessel).

1.2.(d.) **Vessel Security and Safety Requirements** Vessels nominated by a Party shall comply with the requirements of the ISPS Code and, where the vessel may call upon a port within the USA and/or US territories or waters, the MTSA. The vessel shall, when required, submit a Declaration of Security (DOS) to the appropriate persons or authorities prior to arrival at the discharge port. A Party nominating a vessel will provide that the vessel, her master and crew will comply fully with the International Safety Management code and be in possession of a valid Safety Management Certificate. The vessel shall be owned or demise chartered by a member of the International Tanker Owners Pollution Federation Limited (ITOPF). The vessel shall have a full and efficient complement of master, officers and crew certified in accordance with Standards of Training Certification Watchkeeping (STCW) requirements. The vessel shall carry on board a valid certificate of insurance as described in the 1969 Civil Liability Convention for Oil Pollution Damage and the International Convention on Civil Liability for Oil Pollution Damage, 1992. The vessel shall have in place insurance cover for oil pollution no less in scope and amounts than available under the Rules of P&I Clubs entered into the International Group of P&I Clubs.

1.2.(e.) **Acceptance/Rejection of Vessel.** Unless the Party arranging the vessel advises that other time limits are imposed due to operational or chartering constraints, the Party receiving such vessel for loading or discharge shall give notice accepting or rejecting the vessel nomination within two (2) days. The Party receiving the vessel shall not unreasonably reject any vessel nomination. In the case of the receiving Party's reasonable rejection of the vessel, the Party arranging the vessel shall, as soon as practical, nominate and give notice of an alternative vessel and/or date range for arrival of such vessel for prompt acceptance or rejection, and in the event of further reasonable rejection, the Parties shall cooperate to find a reasonable alternative for transport of the cargo.

1.2.(f.) **Changes After Acceptance of Vessel.** If, after acceptance of the vessel nomination, the Party to receive the vessel cancels the shipment or makes any change with respect to (i) the quantity of cargo it will make available for loading or will receive for discharge, as the case may be, (ii) the dates for loading or receipt of the cargo, and/or (iii) the port or berth of loading or discharge then, in addition to any other remedies, that Party shall be responsible for any additional shipping costs including deadfreight and/or cancellation penalties.

1.2.(g.) **Changes After Nomination.** A Party arranging a vessel may substitute vessels meeting requirements for the shipment, in which case such arranging Party shall promptly advise the other Party. Any such substituted vessel shall be an acceptable vessel and shall arrive at the port with proximate cargo capacity or quantity, as the case may be, within a reasonable time of

the ETA of the original vessel considering the circumstances for change to the original vessel nomination.

1.3. **Additional War Risk Premiums.**

1.3.(a.) Where Seller has arranged the vessel, Buyer shall pay its prorata share of any additional war risk insurance premiums and/or crew war bonus where, after the effective date of the Contract the London insurance market declares a war risk zone and such additional expenses are charged by vessel owner due to the vessel transiting the war risk zone in order to load, transport or discharge the Product bought or sold pursuant to the Contract. The prorata share shall be determined by Buyer's percentage of all cargos that necessitate transit through the war risk zone for loading, transport or discharge. Any discount or rebate refunded to Seller on such premium for whatever reason shall be passed on to Buyer.

1.3.(b.) If the vessel is loading or discharging for others within the war risk zone, or transiting a war risk zone for others (i.e. such transit is not required for Buyer's cargo), Buyer shall not be liable for any additional war risk insurance premium and/or crew war bonus.

1.4. **Delay or Rejection of Buyer Arranged Vessel.**

Where Buyer is responsible for arranging the vessel, as soon as it is reasonably concluded that the vessel will not arrive ready for loading by the last day of the previously agreed loading date range, Buyer shall offer to extend the loading date range suitably under the circumstances or to cancel the vessel nomination and nominate a substitute vessel or voyage. Buyer's extended date range or substitute vessel nomination will be subject to Seller's acceptance. Following reasonable rejection of a vessel by the load port or berth authorities or by Seller or the terminal for failure to comply with the safety and operational requirements, Seller shall not be obliged - until such conditions are remedied - to deliver under the Contract that quantity of cargo which could not be loaded because of such noncompliance.

1.5. **Notification of Incidents.**

Should vessels involved in delivery of Product bought or sold pursuant to the Contract be involved in a marine incident including collision (with other ships, jetties, buoys, etc.), fire or explosion, grounding, spillage, storm damage, pollution or threatened pollution or any marine incident with loss of life or injury the Parties will promptly each advise the other as to information known about the incident. Parties advising any Shell affiliate shall do so by immediately emailing Shell Casualty London (email address "Casualtyalert@Shell.com") commencing with the words "Casualty Distribution" or by telephoning +44-207-934-7777. The text of the message should include (if known): (i) type of casualty/incident; e.g., fire, explosion, collision, grounding, chemical or oil spill etc.; (ii) the date and geographical location of the incident; (iii) the name of the charterers of the vessel; (iv) the extent of the personal injuries/death; (v) estimate of damage to ship(s)/shore facilities; (vi) estimate of the cargo lost or damaged and a definition of the product or products involved; (vii) telephone number of a contact within the other Parties' and vessel owner's organization with whom Shell can respond/follow-up; (viii) time and origin of the message.

In the event that not all of the above information is immediately to hand, notification should not be withheld but should be dispatched immediately on the understanding that the balance of the information will be forthcoming immediately when available. Urgent Shell product related medical advice may be obtained by calling +31 70 377 6666. If this is necessary, the above procedures should still be followed. For avoidance of doubt, the above notification in no way absolves either Party from the requirement to notify appropriate authorities as their responsibility to do so may apply under law.

1.6. **Incident Response and Liability.** If a Party has arranged for charter of a vessel but does not bear risk of loss for the Product, then in the event of casualty, breakdown, accident, danger, damage or disaster at port or in transit losses are incurred, actions taken or sacrifices made which are necessary for completion of the voyage or salvage of the vessel or rescue of the crew, the Party with risk of loss shall be responsible for all costs payable or owed by the cargo interests on the vessel, and no such liability shall shift to charterer whether or not the loss or liability may be due to the negligence of the master of the vessel or her crew or other causes. If, in response to an emergency situation, the vessel or vessel owner contacts the charterer for instructions as to the cargo or actions to be taken in response, rescue or salvage, the charterer will undertake reasonable efforts to consult with and obtain concurrence from the Party bearing risk of loss of the cargo in responses taken or made. However, the charterer shall thereafter be able to make decisions reasonably required in response and the Party with risk of loss shall reimburse the cost of such actions and indemnify the charterer for any and all liabilities, expenses, losses or damages attributable to the cargo owner's interest which might reasonably arise therefrom. In no event shall the Party with risk of loss of the cargo raise as a defense to a claim for reimbursement that in undertaking or performing such measures, charterer (or those responding on charterer's behalf) acted as a volunteer.

Section 2. Conditions for Loading and Discharge of the Cargo.

2.1. **Circumstances at Berth for Loading and Discharge.** Seller shall load (except where applicable Incoterms provide for delivery at vessel side) and Buyer shall accept discharge of (except under Incoterms that provide for Seller to incur expense of unloading) the cargo at no expense to the other Party at the berth and port arranged as provided in these Terms and Conditions and under circumstances where the nominated vessel can safely reach the berth, lie, load/discharge and leave, always safely afloat. All dues and port costs relating to the vessel (including but not limited to agency fees) and/or shifting berth (unless such shift is solely for purposes of the Party receiving the vessel) shall be the responsibility of the Party arranging the vessel.

2.2. **Responsibilities for Loading and Unloading.** The Party with responsibility for loading and/or unloading shall promptly arrange for each vessel to be loaded or discharged continuously and as expeditiously as possible. At all times when needed, the Party with such

responsibility shall furnish or have furnished in good working order and in compliance with applicable requirements all flexible hoses, connections, pipelines, shoreside storage tankage and other accommodation for loading or discharge of the vessel. Certificates of fitness or test reports demonstrating sufficiency of the equipment shall be provided to the other Party or its designated inspectors upon request.

2.3. No Warranty of Discharge Date.

2.3.(a.) Except where the Contract or Incoterms specified in the Contract provide otherwise, dates for discharge of the cargo, range of dates or fact of delivery are not provided in the form of a warranty, notwithstanding any vessel nomination or other communication by Seller specifying an arrival date, discharge date or other information related to cargo arrival and discharge.

2.3.(b.) Agreements and communications concerning the range of dates for arrival and laytime of vessels are offered for purposes of determining the Parties' liability, if any, for demurrage. No such agreements and communications shall confer to a Party rights or remedies or establish any breach of an obligation to supply or buy goods or products. The Parties' obligations to supply and buy such goods or products and its limitations of liability associated with it shall instead be as set forth and limited by the Contract.

2.4. Calculation of Laytime/Demurrage.

2.4.(a.) In determination of allowed laytime, the number of running hours for loading/discharge equipment specified in the Contract or in the nomination of the vessel shall be allowed to each Party for loading and discharge and all other purposes. After commencement, all calendar days shall be included in calculation of laytime, including but not limited to Saturdays, Sundays and public holidays.

2.4.(b.) Laytime shall commence when notice of the vessel's readiness for loading or discharge ("Notice of Readiness") has been tendered to the Party receiving the vessel or his representative by the master of the vessel or his representative, confirming that the vessel is in all respects ready to load or unload the nominated cargo. A Notice of Readiness may be issued at any time of day or night, whether or not the berth is ready and available, and whether or not any free pratique or other port/customs requirements have been obtained. If a 6-Hour or other Notice of Readiness allowance has been made in the charter with the vessel owner, laytime shall commence upon expiration of such period or when the vessel is fully moored, whichever is earlier. A Notice of Readiness may be tendered at any time after the vessel has arrived within the customary anchorage or waiting place of the port, or if the vessel moves directly to the berth, when the vessel is securely moored to the berth.

2.4.(c.) If an agreement exists for ship-to-ship transfer of the cargo to or from a vessel directly to or from one or more vessels in the same port or place, and such transfer takes place within a port, then the place of transfer shall be treated as the first loading or discharging place within the port for commencement of laytime or

demurrage. If the transfer is accomplished at sea, then all time between the arrival of the vessel at the transfer area until the vessels have separated shall count as laytime or demurrage, as the case may be.

2.4.(d.) Whenever cargo is being loaded or discharged with cargos not subject to the Contract at the same port and the vessel is waiting to berth, then laytime and demurrage shall be apportioned on the basis of the ratio of the tonnage of cargo subject to the Contract to the total tonnage of all such cargoes.

2.4.(e.) Laytime shall cease on completion of loading or discharge of the cargo and disconnection of cargo hoses. It is further provided, however, that if the vessel is delayed after disconnection of the hoses by causes attributable to the Party responsible for such loading or unloading or its agents, laytime shall continue, and if allowable laytime is exceeded, such Party shall be responsible for all demurrage incurred until the delay attributable to that Party or its agents ceases.

2.4.(f.) No event shall suspend the running of time for laytime, or suspend demurrage if allowable laytime is exceeded (including an event of force majeure or similar excuse for non-performance set out in the Contract), except when and to the extent it is established that demurrage is not owed, is reduced or is excused under the charter with the vessel owner.

2.5. **Shifting.** A vessel may be required to shift from the original loading or discharging berth then back to the same or a different berth, provided the Party requesting the shift first obtains the written consent of the Party arranging the vessel (if different from the Party requiring such shift) and the master of the vessel agrees that such shift will not compromise the safety of the vessel, the crew or the cargo aboard his vessel. Consent of the Party arranging the vessel shall not be unreasonably withheld. The Party requiring such shift shall be responsible for all additional expenses incurred. Time spent will count as laytime, and if allowable laytime is exceeded, the Party requiring such shift shall be responsible for all demurrage incurred.

2.6. **Tank Washing.** If washing is performed by requirement of MARPOL 73/78 or compliance with any other laws or is performed as a requirement of a Party or any competent authority, additional time for washing and for discharge of resulting liquids and waste materials shall be included in calculation of laytime and, if allowable laytime is exceeded, then the Party with responsibility for loading or unloading at such berth shall be responsible for all demurrage incurred therefor. All such liquids and waste products shall, as between Buyer and Seller, be the responsibility of Buyer at the discharging facility, with full responsibility and title to the liquids and waste products. A Party receiving such liquids and waste products agrees to handle and dispose of all such liquids and waste products properly and in a manner that fully complies with all applicable laws.

2.7. **Payment of Demurrage.** The charterer shall have 120 days after completion of discharge to make a claim for demurrage due to the other Party exceeding its nominated allowable laytime. Within thirty (30) days of

demand for demurrage, the other Party shall pay the charterer the full rate for demurrage specified in the charterers nomination. Where the charter with the vessel owner allows for demurrage to be reduced for events including, but not limited to, (i) fire or explosion not due to negligence of Buyer or receiver, (ii) acts of God, (iii) acts of war, (iv) riots or civil commotion, (v) strikes, or (vi) arrest or restraint by governments, the other Party shall pay only the reduced amount. Liability as provided herein is absolute except as provided in these Terms and Conditions, and shall not be reduced by any liability allocation provisions found in the Contract.