STANDARD CONDITIONS OF SALE

All sales by Seller to its customer ("Buyer") are subject to the following conditions:

- 1. SELLER'S DELIVERY OF THE PRODUCTS DESCRIBED IN THIS INVOICE IS DEEMED AN EFFECTIVE MODE OF ACCEPTANCE BY BUYER OF SELLER'S OFFER TO SELL THE PRODUCTS. ACCEPTANCE OF THIS OFFER IS LIMITED TO THE TERMS CONTAINED HEREIN, WHICH SUPERSEDE ALL PRIOR NEGOTIATIONS, AGREEMENTS AND REPRESENTATIONS AND CONSTITUTE THE ENTIRE AND EXCLUSIVE AGREEMENT BETWEEN THE PARTIES WITH RESPECT TO THIS SALE. ANY ADDITIONAL OR DIFFERENT TERMS OR ANY ATTEMPT BY BUYER TO VARY THESE TERMS ARE REJECTED AND THIS OFFER IS DEEMED ACCEPTED BY BUYER WITHOUT THOSE ADDITIONS OR VARIANCES UNLESS OTHERWISE MUTUALLY AGREED IN WRITING AND FULLY EXECUTED BY AUTHORIZED REPRESENTATIVES OF SELLER AND BUYER. Customer acceptance of product delivery shall serve as Customer's consent and authorization following default in any payment when due, for Seller to effect a direct, Electronic Funds Transfer from any bank, financial institution, or other account under the direct or indirect control of Buyer, directly to Seller's bank. By acceptance of product, Buyer agrees to indemnify and hold harmless any depository holdings funds under the control of Buyer, which transfers funds to Seller.
- 2. Payment terms are stated and displayed on each Seller invoice. Seller shall be entitled to recover its costs and expenses of collection or enforcement of rights or remedies, including attorneys' fees and expenses for any collection or enforcement action to collect an unpaid account balance. As security for payment and performance of all indebtedness and obligations of Buyer, direct or indirect, absolute or contingent, existing now or hereafter arising, regardless of the form of such indebtedness, together with interest and any renewals or extensions thereof, and whether such indebtedness is from time to time reduced, increased, or entirely extinguished and reincurrred, together with any costs, expenses, and attorneys' fees of enforcement, Buyer hereby grants to Seller, in addition to any other available right, remedy or security interest, a continuing security interest in all of the following Buyer's petroleum products, inventory, and other goods manufactured, distributed, consigned or sold by, or bearing the trademark of Seller, wherever located, now owned, held or hereafter acquired, and all proceeds of such. Product is delivered to Buyer Free On Board at Seller's place of business ("Delivery Location") when the product passes the flange between the last permanent connection of the Seller's delivery equipment and Buyer's truck or vessel or that of its carrier. Title to and risk of loss of product will pass from Seller to Buyer upon its delivery at the Delivery Location.
- 3. All claims that the product does not conform to the description set forth in the invoice are waived unless made in writing by Buyer to Seller within fifteen (15) days after the product is accepted in accordance with the foregoing.
- 4. SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR THAT THE PRODUCT DELIVERED UNDER THE AGREEMENT IS FIT FOR A PARTICULAR PURPOSE, EVEN IF KNOWN TO SELLER. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR, AND EACH OF THE PARTIES WAIVES THE RIGHT TO SEEK, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND. BUYER'S EXCLUSIVE REMEDY FOR ANY AND ALL LOSSES OR DAMAGES RESULTING FROM DELIVERED PRODUCT, INCLUDING, WITHOUT LIMITATION, ANY ALLEGATION OF BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE OR STRICT LIABILITY, IS LIMITED TO EITHER THE REPLACEMENT OF THE PRODUCT OR REFUND OF THE PURCHASE PRICE, AT SELLER'S OPTION.
- 5. Buyer is liable for all taxes imposed on or with respect to all products, services and goods product delivered, or after delivery, to Buyer including all federal, state or local sales, use, gross receipts, consumption, environmental, spill fund, pollution, or other similar taxes, fees or charges that may arise from or be levied upon a sale or delivery of the Product, whether such taxes, fees or charges are in effect on the date of delivery or are made effective (or are increased) after the date of delivery ("Taxes"). Buyer will indemnify, defend and hold Seller harmless from and against the payment of or liability for any, and, all Taxes.
- **6.** Buyer will pay Seller the full invoice amount for product delivered, without set off, deduction, discount or counterclaim, in accordance with the terms shown on the face of Seller's invoice. Late payments will accrue interest from the due date until receipt of payment at a rate equal to 2% over the "Prime Rate" of interest for corporate loans posted for large U.S. banks, published under "Money Rates" by <u>The Wall Street Journal</u> on the applicable due date.
- 7. Seller relies upon the credit of the vessel or Buyer and shall have a lien, mechanics, maritime or other applicable lien, against the property sold to Buyer by Seller and the vessel does not waive that lien until the invoice amount is paid in full. Buyer must make all connection of and disconnect delivery hoses to the vessel/equipment and warrants that the vessel/equipment is properly equipped and maintained and operated by competent personnel unless otherwise agreed in writing between Seller and Buyer. Buyer will defend and indemnify Seller against any claim, fine or penalty asserted against Seller that arises from a breach of this warranty by Buyer.
- 8. Buyer hereby represents and warrants that the product is being delivered pursuant to the order of the owner or charterer of the vessel for the benefit of the vessel and that in the event that Seller has not been paid in full pursuant to the terms hereof, Seller shall be entitled to any maritime lien rights arising from the provision of the product to the vessel. Buyer / Broker/Trader/Time Charter agrees to assert, or to allow Seller to assert, any rights Broker/Trader/Time Charter may be entitled to claim in support of a maritime or other lien against any vessel, property or equipment to which Seller delivers any product, services, or bunkers on orders submitted to Seller and further agrees that any lien so obtained by Broker/Trader/Time Charter shall be assigned by Broker/Trader/Time Charter to Seller. This assignment shall expire once Seller is paid in full. By agreeing to this assignment, Seller does not waive any rights it may have against Broker/Trader/Time Charter arising from any such order and delivery. No disclaimer stamp of any type or form will be accepted on the delivery paperwork, invoice or bunker certificate, nor, should any stamp be applied, nor will it alter, change or waive Seller's maritime or other lien against the vessel, property or equipment or waive the vessels or Buyer's ultimate responsibility for the debt incurred through this transaction.
- 9. This sale will be governed and construed in accordance with the laws of the State of Texas.