

GENERAL TERMS AND CONDITIONS FOR THE SUPPLY OF MARINE FUELS AND LUBRICANTS

These General Terms and Conditions (hereinafter "Terms") govern all sales, quotes, allocations, deliveries, and services of Marine Fuels and related products by **South Swell LLC** (hereinafter the "Seller") to any buying party, including but not limited to the Vessel's Owners, Charterers, Operators, Managers, or Agents (hereinafter the "Buyer").

1. Prior Notice and Delivery Coordination

- **Notice Requirements:** The Buyer or its local port agent must provide the Seller with a minimum of 72 and 48 hours approximate notice, followed by a 24-hour definite notice of the Vessel's estimated time of arrival (ETA), exact bunkering location, and required delivery rate.
- **Operational Readiness:** The Buyer is strictly responsible for ensuring the Vessel provides a safe berth or anchorage spot (whether in-port, Inner Anchorage, or Outer Port Limits - OPL), and that the Vessel's crew handles all connections and disconnections to the bunker manifold safely.

2. Quality Standards and MARPOL Compliance

- **ISO 8217 Specifications:** Marine Fuels shall be specified in the Bunker Confirmation and are supplied in accordance with the latest ISO 8217 standard versions.
- **Environmental & Regulatory Responsibility:** The Buyer bears sole responsibility for ordering fuels that comply with local Caribbean jurisdictions and the MARPOL Annex VI regulations governing the vessel's specific route or Emission Control Areas (ECAs).

3. Sampling Procedures

- **Binding Samples:** Quantity and quality shall be verified using the Seller's standard manifold sampling procedures. A minimum of four (4) representative samples will be drawn continuously throughout the delivery process at the discharge barge's or shore tank's delivery manifold.
- **Validity:** These samples will be sealed, labeled, and signed by both the Seller's representative and the Vessel's master. One sample is left onboard the Vessel (solely for MARPOL compliance), while the remaining samples are kept by the Seller. In case of quality disputes, only the Seller's retained samples analyzed by an independent laboratory will be considered admissible evidence.

4. Strict Time Bars for Claims

- **Quantity Claims:** Any discrepancy in volume must be noted immediately at the time of delivery via a formal Letter of Protest appended to the Delivery Receipt. Any claim submitted after the delivery hoses are disconnected without a prior written protest is permanently barred.
- **Quality Claims:** Any claim regarding the specifications or quality of the fuel must be submitted in writing with full supporting documentation within 14 calendar days from the date of delivery. If the Buyer fails to notify the Seller within this 14-day window, the claim is deemed completely waived.

5. Financial Terms: The "No Set-Off" Rule

- **Currency and Deadlines:** Payments must be made in US Dollars (USD) into the Seller's designated bank account within the agreed timeframe specified in the invoice or order confirmation.
- **No Set-Off / No Deductions:** The Buyer is strictly prohibited from withholding or delaying any payment due under the invoice on account of any dispute, cross-claim, or quality issue. Disputes do not excuse the obligation of immediate payment. Late payments will automatically accrue interest at a rate of 2% per month (compounded monthly) plus all collection costs.

6. Maritime Lien (Asset Security)

- **Vessel Credit:** Marine Fuels are sold not only on the credit of the Buyer, but also on the credit of the Vessel receiving the fuel.
- **Lien Rights:** The Seller retains a Maritime Lien against the receiving Vessel, her hull, machinery, equipment, freight, and cargo for all amounts due. This lien survives any transfer of ownership or charter party agreement, and the Seller may enforce this lien in any global port where the Vessel may be located.

7. Limitation of Liability

- **Financial Cap:** The total aggregate liability of the Seller for any claim, breach, negligence, or delay shall be strictly capped at the net invoice value of the specific Marine Fuel delivery in question.
- **Exclusions:** Under no circumstances shall the Seller be liable for any indirect, special, or consequential damages, including but not limited to loss of profits, charter hire, vessel delays, demurrage, or port expenses.

8. Vessel Delays and Cancellation Fees (Seller's Protection)

- **Vessel Delay & Demurrage:** If the Vessel fails to arrive or is not ready to receive Marine Fuels within the agreed delivery window, the Buyer shall indemnify the Seller for all resulting costs. This includes, but is not limited to, barge demurrage, standby charges, port fines, and additional storage fees incurred by the Seller.
- **Cancellation Notice & Fees:** If the Buyer cancels or alters the nomination less than 48 hours prior to the scheduled delivery date, the Buyer shall pay a flat cancellation fee of \$5,000 USD (or the amount specified in the Bunker Confirmation), plus all actual costs incurred by the Seller.
- **Market Price Protection:** If a cancellation or major delay forces the Seller to resell or return the allocated fuel, the Buyer shall remain fully liable to pay the Seller for any financial loss resulting from downward market price fluctuations.

9. Governing Law and Dispute Resolution

- **Applicable Jurisdiction:** This agreement, and all maritime claims arising out of it, shall be governed and construed in accordance with the General Maritime Law of the United States.
- **Arbitration Hub:** Any dispute shall be referred to and final via arbitration in the city of Miami, Florida, under the rules of the Society of Maritime Arbitrators (SMA) or the American Arbitration Association (AAA/ICDR) as selected by the Seller.

Effective Date: September 23, 2026