

Stem Fuels General Terms and Conditions

Revised January 1st 2022

Introduction

These General Terms and Conditions shall apply to all deliveries contracted for unless the Sellers expressly confirm otherwise in the Order of Confirmation. Each delivery constitutes a separate contract. We encourage all of our customers to read our terms and conditions.

I. Definitions

“**Seller**” shall mean any of the Stem Fuels companies, hereunder Stem Fuels S.A. and Stem Fuels S.L.U and any of its subsidiaries, including, agents, brokers, and any representatives of Stem Fuels.

“**Buyer**” shall mean all parties, named on the Confirmation of Order who have contracted with the Seller to buy Products, including their assignees, agents, brokers, representatives, subsidiaries, affiliates, or successors.

“**Parties**” shall mean the Seller and Buyer collectively.

“**Party**” shall mean Seller or Buyer.

“**Products**” shall mean the Bunker Oil, Fuels, Oils, Lubricants, goods, items, materials and/or other products being the subject and specified in the Seller’s Confirmation of Order.

“**Services**” shall mean agency services, or other similar attendance to Buyer’s needs.

“**Contract**” shall mean an agreement between Seller and Buyer for the purchase of Products, on the terms hereof as agreed by and between the Parties.

“**Vessel**” shall mean the vessel, rig, platform or other installation to which the “Products”, and/or “Services” are to be delivered by Seller to Buyer.

“**Conditions**” shall mean Seller’s General Terms and Conditions of Sale and Delivery.

“**Supplier**” shall mean the party physically supplying the Products and/or Services to the Vessel.

II. Specifications and Quality

- I. The Buyers, having greater knowledge than Seller of his own requirements, shall always have the sole responsibility for the nomination of the specifications and grades of the Products fit for use by the Vessel.
- II. The Sellers warrant that the Products shall be of a homogeneous and stable nature and shall comply with the specifications and grades nominated by the Buyers. Unless otherwise agreed in the Confirmation of Order. The Products shall in all respects comply with the latest edition of ISO Standard 8217 as per the date of the Confirmation of Order.
- III. Products shall be segregated from Product(s) already on board the receiving Vessel from the delivered Products delivered under the Contract between the Parties.
- IV. Seller can never be held responsible for any consequences of the misuse or defective application of the Products.
- V. In order to determine the quality of the Product delivered, Sellers shall invite the Buyers to witness the sampling of the Products. The samples shall be taken in accordance with ISO-8217, and from a point chosen by Seller or its representatives. In case of dispute about the quality, Seller shall seek to agree with Buyer upon the guidance from an independent inspector and his analysis of one of the retained samples. Method ISO- 4259, shall be used in all cases of dispute. Two samples shall be retained by the Sellers for minimum forty-five (45) days after delivery of the Product(s) and the other three (3) samples shall be retained on board the Vessel (one for MARPOL purposes).
- VI. All samples shall be sealed and provided with labels with the Vessel's name, delivery facility, product/grade name, delivery date and place and point of sampling/seal number including authenticated with the stamp from the Vessel and signed by Master of the Vessel and Sellers' representative.

VII. Quantity

The quantity of the Product (s) in accordance with the contract between the Seller and the Buyer shall be done in accordance with official gauge, manual soundings and/or other measurements taken by the Seller which shall be conclusive evidence of the quantities delivered and shall be noted in the Bunker Delivery Note which the Parties will be invited to sign. The Bunker Delivery Note shall be binding evidence in case of any dispute.

VIII. Price

The price of the Product(s) shall be the amount per unit and in the currency stated in the Confirmation of Order. Any additional expenses which is not specified clearly at the Confirmation of Order shall be on the Buyers account. Delivered price to the Vessel includes the transportation of the Product(s) to the Vessel including the Product(s) but does include any other expenses such as local port fees and other related expenses.

IX. Payment

Stem Fuels S.A.
Calle 54 y Ave.
Atrium Tower
Panama City, Panama

Stem Fuels S.L.U
Avenida Manuel Soto Ingeniero, 15
46024 Valencia
Spain
CIF: B40552747

E: stemfuels@stemfuels.com
E: inquiries@stemfuels.com
P: +34 96 11 600 64
P: +507 836 77 78

Payment shall be made in accordance with the payment terms stated in the Contract between Seller and Buyer. Payment shall always be made in full, without any deduction, set-off, counterclaim, and free of bank charges. Delay in payment shall entitle the Seller to charge an interest at the rate of 2% monthly and a handling fee on USD 250 per invoice.

Non-payment reserves the right to the Seller to pursue legal actions to recover the payment. Any costs related to recover of the payment from the Buyer shall be on the additional expense of the Buyer to indemnify the Seller for those costs.

In case the Buyer is transferring the payment (s) to the Seller from a different bank account than the one initially informed to Seller then Buyer shall inform Seller about relevant details for verification to Seller such as incorporation details, shareholder information for the entity and the relation to Buyers entity within 5 working days from requested from Seller. In case Seller does not find the information sufficient, Seller can decline the payment and request Buyer to make a new transfer from the entity initially informed to Seller.

In case the financial condition of the Buyer becomes impaired after the initial dealings with Seller, hereunder, any financial conditions related to Buyers entity, possible default, any vessel (s) from Buyer under ship arrest or possible ship arrest from other parties, or any other impaired financial condition (s) in the sole opinion of the Seller, then, Seller have the full rights to suspend/cancel the deliveries with Buyer and require that Buyer make a payment immediately to Seller for the product(s) already delivered by Seller.

X. Delivery

Vessels will be supplied promptly as weather, local restrictions, and other circumstances permit. The Buyer shall make sure that the Vessel is in possession of all required certificates to comply with relevant regulations and local authorities. Seller shall not be liable for any demurrage or delays caused the delivery of the Product(s).

XI. Claims

All claims shall be made in written to the Seller at the time and place of the delivery. A claim from the Buyer shall not relieve it of the responsibility to make the payment in full to the Seller.

XII. Risk

The risk of the Product(s) shall pass to the Buyer once the Product (s) have passed the Sellers' flange connected to the Vessel's manifold and/or when the Product is delivered to the Buyer at the place stated in the Confirmation of Order.

XIII. Liability

The supplier and/or the Seller shall not be liable for any direct, indirect, consequential damages of any kind.

XIV. Cancellation

If the Buyer cancels the supply after the Confirmation of Order to the Seller then the Buyer is liable for any costs or expenses incurred to the Seller and the Buyer shall pay the difference between the price payable to the supplier of the Seller and the selling price to the Buyer.

XV. Force Majeure

Seller or Buyer shall not be responsible for damages caused by weather, restrictions, delays, fires, flood, perils of the sea, war (declared or undeclared), terrorist actions, embargoes, accidents, equipment failures, strikes, labor disputes, failure of, or shortage of vessels, shortage in facilities used for production, acts of God or similar events which is out of the control for the Buyer and Seller.

XVI. Governing Law

i. This Agreement is subject to General Maritime Law of the United States of America. Any disputes will be carried out at the court of New York.

ii. Notwithstanding Clause XVI. i) above the Seller shall retain the right to commence any legal action in the courts of any jurisdiction it sees fit or deems necessary to safeguard its rights under the Contract against the Buyer, its assets or the Vessel, whether to obtain security or on the merits of the case.