

## 1. Definitions

In these Standard Terms and Conditions;

- 1.1 **"Agreement"** means the agreement between ADVB and the Buyer as governed by the terms and conditions as set out herein and the Bunker Confirmation and where the Buyer is a broker as per the Bunker Broker Contract.
- 1.2 **ADVB"** means collectively Moceti International (Pvt) Limited and bearing the company registration no. PV 63532 and Lanka Bunkering Services Ltd bearing the company registration no. PV 620 (PV 63532).
- 1.3 **"Barge"** means the, barge lighter / tanker sometime used for supplying Marine Bunker Fuel to Vessels.
- 1.4 **"Bunker Delivery Note (sometime referred to as "BDN")"** is the document signed by both parties i.e. ADVB as the seller / supplier and Master or Engineer of the Receiving Vessel as the Buyer and the recipient for the confirmation of the supply and receipt of Marine Bunker Fuels as per the relevant Bunker Confirmation.
- 1.5 **"Bunker Confirmation"** means the document issued by ADVB where it accepts and confirms the supply of the Marine Bunker Fuel/s requested by the Buyer within its validity period to the Vessel.
- 1.6 **"Bunker Nomination:** is the document sent by the Buyer to ADVB, specifying the quantities and type of Marine Bunker Fuel required by the Buyer for the vessel named in the Bunker Nominations.

1.7 "**Bunker Requisition Form**" means a document where the Chief Engineer / Trader / Master of the Vessel indicate the exact requirement of the Marine Bunker Fuels including *inter alia*, the pipeline sizes, receiving rates etc, with other relevant information and the time the Vessel is ready to accept deliveries.

1.8 "**Bunker Supervisor**" means the Cargo Officer of the Barge or Tank Truck.

1.9 "**Buyer**" means the Vessel received and jointly and severally, her Master, Owners, Managers, Operators, Time Charters, brokers or any party requesting offers or quotations for or ordering Marine Bunker Fuels and/or services and any party on whose behalf the said offers, quotations, orders and subsequent agreements or contracts have been made.

For the avoidance of doubt, should Marine Bunker Fuels be ordered by an agent, then such agent, as well as the principal, shall be bound by, the liable for, all obligations as fully and as completely as if the agent were itself the principal, whether such principal be disclosed, or undisclosed and whether or not such agent purports to contract as agent only. Both principal and agent shall each be deemed to be a Buyer for purposes of contract.

1.10 "**Contract**" – the terms and conditions mentioned herein and the cover letter shall form part of the Contract.

1.11 "**Cancellation Charge**" is a payment levied by ADVB from the Buyer for cancellation of a nomination or when the validity of the Bunker Confirmation lapses due to a failure to dispatch the Marine Bunker Fuel on time to a Buyer.



- 1.12 "**Independent Surveyor**" an independent survey company or a surveyor appointed either by the Seller in its sole discretion or jointly appointed by the Seller and the Buyer.
- 1.13 "**Marine Bunker Fuels**" means marine fuel oil and intermediate grades, (RMG) marine Gas oil (DMA) ISO 8217:2005, and where orders for the same have been made in advance by the Buyer and ADVB has confirmed the availability of such orders, marine fuels which are ADVB's Commercial grades of Marine Bunker Fuel as currently offered generally to its intendant use only.
- 1.14 "**Master**" or "**Engineer**" means Master or Engineer of the Vessel or the Tank Truck.
- 1.15 "**Outer Anchorage**" or "**Off Port Limits (OPL)**" means outside the breakwater of the Ports of Colombo/Galle/Hambantota/Trincomalee
- 1.16 "**Spill**" escape, spillage or discharge of Products.
- 1.17 "**Supply Equipment**" ADVB's or the physical supplier's barges, tankers, trucks, pipes and pumps used to supply Marine Bunker Fuel to the Vessel
- 1.18 "**Standby Charge**" is the payment levied by ADVB from the Buyer to cover up the cost of overtime and other expenses.
- 1.19 "**Tank Truck**" means the bowser that it is sometimes used for delivery of Marine Bunker Fuel.

- 1.20 **"Vessel"** means the nominated vessel or ship, rig, a platform or a tanker receiving the Marine Bunker Fuel as contracted by the Buyer.
- 1.21 **"Working Day"** means any day excluding Saturdays, Sundays and Statutory Holidays in Sri Lanka.

## 2. BUNKER NOMINATIONS

- 2.1. Buyers must issue a Bunker Nomination for the supply of Marine Bunker Fuel to the Buyer's nominated Vessel which request shall only be binding upon ADVB's confirmation of the same to the Buyer and upon the issue of a Bunker Confirmation by ADVB to facilitate delivery Marine Bunker Fuel to the Vessel.
- 2.2. The Buyer shall confirm whether the Bunker Nomination relates to the provision of Marine Bunker Fuel for use by the Vessel outside the territorial waters of Sri Lanka or for consumption within the territorial waters of Sri Lanka.
- 2.3. The Buyer or the agent of the Buyer shall be responsible for the payment of all applicable duties, taxes, fees and other costs incurred in the provision of Marine Bunker Fuel by ADVB to supply the Marine Bunker Fuel to the Buyer or to the Vessel..
- 2.4. ADVB shall issue a Bunker Confirmation to confirm its acceptance relating to the supply of the Marine Bunker Fuel/s requested by the Buyer. Accordingly, a binding contract comes into existence when ADVB communicates the confirmation to the Buyer for the Bunker Nomination.



- 2.5. A Bunker Confirmation shall be valid for a time period stipulated in the Bunker Confirmation and if the bunkering does not happen within the said time period or the laycan, said Bunker Confirmation shall automatically expire. If the nomination is cancelled by the Buyer or expires without being used, the parties are required to renegotiate the prices and the terms as a fresh transaction.
- 2.6. Any valid Bunker Confirmation shall be considered as final and there shall be no amendments to such a valid Bunker Confirmation.
- 2.7. The quantity of Marine Fuel delivered shall be the quantity specified in ADVB Agreement or in the Confirmed Nomination (as applicable) with a tolerance at Seller's option of +/- 5% Metric Tons.
- 2.8. Where a Contract is entered into by an Agent or a broker, whether disclosed or undisclosed, then such Agent or broker shall (i) be jointly and severally liable with the ultimate buyer for the proper performance of all the obligations of the Buyer under this Contract as if acting as a principal; and/or (ii) guarantee the Buyer's obligations under the Contract.

### **3. BUYER OBLIGATIONS**

- 3.1. The Buyer shall inform ADVB on the Working Day preceding the date of required delivery, *inter alia*, of the date, time and location of the delivery required and the total port stay of the Vessel.

3.2. The Buyer warrants that the Vessel is in compliance with all applicable national and international laws and regulations and the Buyer or the Master of the Vessel is in possession of all required certificates. The Vessel is subject to ADVB's acceptance and will not be supplied with Marine Bunker Fuel unless free of all conditions, difficulties, peculiarities, deficiencies or defects which might impose hazards in connection with delivery of Marine Bunker Fuel.

#### **4. PRE – DELIVERY DOCUMENTATION – BUNKER REQUISITION FORM**

- 4.1 Upon confirmation of Bunker Nomination, ADVB will notify buyer or agents for calling instructions (by email) and also undertake to inform in writing the emergency shut down procedure of the Vessel to ADVB.
- 4.2 Before commencement of delivery, ADVB or its representative shall present a letter of intent and/or similar document to the master of the receiving Vessel or the authorized representative of a Tank Truck for his acknowledgement.
- 4.3 Chief Engineer / Master of the Vessel or the authorized representative of a Tank Truck shall sign and place the seal of the Vessel on the Bunker Requisition Form in confirmation of the details indicated therein and return the same to Barge. Failure to sign and seal the Bunker Requisition Form shall not invalidate the confirmation of the order for Bunkers and the details contained therein.

4.4 Information to be provided in the Bunker Requisition Form would be as follows:

- a) name of the vessel;
- b) date and time the vessel would be ready to accept bunkers;
- c) type and quantity of products required (description of each grade);
- d) order in which graders are to be supplied;
- e) pumping rate at which delivery can be accepted;
- f) whether ship's personnel or supplier's staff should give the "stop pumping" signals;  
and
- g) whether the Chief Engineer or his representatives is calling over to the shore tanks, Barge or Tank truck for preliminary soundings.

## 5. DELIVERY

- 5.1. ADVB's shall make best endeavours to make delivery under the Contract. In the event, ADVB at any time and for any reason believes that there may be a shortage of Marine Bunker Fuel, it may allocate its available Marine Bunker Fuel among its Buyers who have been assured with a Bunker Confirmation in such a manner at its absolute discretion.
- 5.2. Unless otherwise agreed by the parties, delivery shall be made to Vessels at the Port of Colombo, (Ex pipeline, Ex Barge or Ex Tank Truck ) or where applicable Ex Tank Truck or Ex Barge at any other port in Sri Lanka.
- 5.3. The Buyer shall assume full responsibility for making all connections and disconnections between the delivery hose and the Vessel's intake pipe, and shall ensure that all assistance



is given to ADVB to make a prompt delivery.

- 5.4. ADVB reserves the right not to supply Marine Bunker Fuels into any tank other than a Vessel's running tanks regularly used for Marine Bunker Fuel.
- 5.5. Delivery shall commence after the Chief Engineer of the Vessel confirms his readiness to receive Marine Bunker Fuel.
- 5.6. The Bunker Supervisor shall maintain the requested pumping rate by the Vessel unless advised otherwise by the Chief Engineer.
- 5.7. The bunkering hose should be fully drained before the final measurements are taken to transfer the Marine Bunker Fuel from Barge to the Vessel.
- 5.8. The Buyer or his agent may be present to witness the loading / delivery operations of the Marine Bunker Fuel.
- 5.9. The Barge used for delivering Marine Bunker Fuel within the harbor/ port could be either of ADVB or of a third party barge operator as decided by ADVB at its sole discretion.
- 5.10. The Buyer shall comply with all requests for information from ADVB or ADVB's Agents or subcontractors, and from any port agent appointed by the ADVB.
- 5.11. Upon the completion of the delivery and the measurement of the quantities, BDN shall be signed by the Master of the Vessel and returned to ADVB as an acknowledgment of the actual volume and delivery to the Vessel. A duplicate copy of the same can be retained by the Master of the



Vessel.

- 5.12. ADVB shall use reasonable endeavours to make delivery as agreed, however no guarantee of the time or rate of delivery is given and ADVB shall not be liable for any losses or damages including demurrage, howsoever caused due to (a) congestion affecting the physical supplier of Marine Bunker Fuel at the delivery facilities, (b) prior commitments of available Barges, (c) local customs, pilots, port or other authorities or (d) shortage of Marine Bunkering Fuel of the required specification or (e) failure or under-performance of the Supply Equipment, or (f) any circumstances out of the direct control of the ADVB.
- 5.13. Lightering/barging charges and related mooring, unmooring and port dues shall be on the account of the Buyer, who will be liable for all demurrage or additional expenses incurred if the Buyer causes delay in the supply of Marine Bunker Fuel.
- 5.14. The Buyer is committed to take the full quantities of Marine Bunker Fuel specified in the Bunker Confirmation and the Buyer shall be responsible for any costs resulting from the Buyer's failure to take complete delivery, including but not limited to any loss of profit. The Buyer shall bear the risk of the return transport, barge or trucks demurrage and the costs of storing of Marine Bunker Fuel.
- 5.15. If the supply is delayed by the Buyer for whatever reason or the Vessel fails to leave the port immediately, Buyer shall indemnify ADVB for any consequential losses or damages suffered by the ADVB including losses arising due to the delay in the supply of other vessels.

## 6. DELIVERY PRECAUTIONS

- 6.1. Prior to delivery of any Marine Bunker Fuel, the Chief Engineer of the Vessel will specially ensure the following:
- a) that no delivery is made to any tank into which a tanker is discharging cargo, nor from any tank the contents of which have had insufficient time to settle following the receipt of a replenishment cargo;
  - b) that the swing pipe, alternatively redelivery pipe is immersed at sufficient height above the bottom of the tank to avoid any possible pounding of water and sludge.
  - c) that the daily measurement and purging of free water has taken place;

## 7. QUANTITY AND QUALITY

- 7.1. The Bunker Nomination shall contain the quantity of Marine Bunker Fuel required by the Buyer.
- 7.2. There are no guarantees or warranties, either expressed or implied as to the satisfactory quality, merchantability, fitness or suitability of the Marine Bunker Fuel for any particular purpose or otherwise.
- 7.3. Discrepancies in the quality and quantity of the Marine Bunker Fuel delivered shall be determined in accordance with the procedure set out as follows:
- a. ADVB's measurements of the Marine Bunker Fuel in accordance with the Bunker

Procedure shall be accepted as conclusive evidence of the quantities delivered.

Provided however the Buyer is at liberty to be present at the measuring if they wishes to verify the correctness of ADVB's measurements. However, ADVB is entitled to proceed in the absence of such representatives, and the quantities ascertained by ADVB shall be accepted by the Buyer as the correct measurement. The quantities of marine fuel delivered shall be measured from the official gauge or manual sounding or meter of the bunker tanker effecting the delivery.

- b. in case of a direct delivery by pipeline, the Engineer or the Buyer or his representative may check the shore tank soundings before and after delivery. In case of a barge delivery, the Engineer / Master or his representative may check the Barge soundings before and after the delivery.
- c. in the case of delivery by Tank Truck, the Engineer or the Master may check whether the tank levels are correct before delivery and that the tanks are empty after delivery.
- d. where the quantity of Marine Bunker Fuel delivered is calculated from tank dip measurements, all calculations shall be made in accordance with the ASTM-IP Petroleum Tables for Generalized Products.
- e. any dispute with regard to shortages shall be resolved by re-checking all relevant calculations prior to disconnection of hoses from the Vessel and any subsequent complaints shall not be entertained by ADVB. ADVB's figures shall be taken as final.
- f. any claims relating to quality shall be sent to ADVB within thirty (30) days of the delivery of



the Marine Bunker Fuel. Failure to claim within this period shall mean that any such claim is deemed to be waived and time barred. No claims will be admissible if the product delivered is found to have been mixed with another product on board the Vessel or a Tank Truck.

- g. In the event a quality claim is raised, the parties hereto shall have the quality of the Marine Fuels analyzed at independent laboratory in suppliers Port, Colombo, Sri Lanka. ADVB shall provide the laboratory with one of the samples. If ISO grades have been specified the analysis shall be established by tests in accordance with ISO Standard for Marine Gas Oil - ISO 8217:2005 DMA and ISO Standard for 8217:2017 RMG for Fuel Oil 0.5 pct sulfur and ISO 4259:2006. If non-ISO grades have been agreed, tests will be made in accordance with standards corresponding to the aforementioned ISO standards. Unless otherwise agreed, the expenses of the analysis shall be for the account of the party whose claim is found wrong by the analysis.
- h. In the event of a dispute with regard to the quality of the Marine Fuel delivered, the samples retained by the ADVB shall be deemed conclusive and final evidence of the quality of the product delivered. The conformity of the Marine Fuel shall be determined in accordance with ISO 4259 and to the extent that the components detected are within the allowed tolerances in respect of reproducibility or repeatability in quality are accepted as set out in ISO 4259 the Marine Fuel shall be deemed to be compliant according to ISO 8217.

## **8. SAMPLING AND RETENTION OF SAMPLES**

- 8.1. Four (4) samples of all Marine Bunker Fuels supplied to the Buyer from each Barge delivering Marine Bunker Fuel to the Vessel or from each trip of the same bunkering operation by any one Barge shall be drawn as samples. Each such sample must be clearly identified. Such samples

- 8.2. shall be drawn in the presence of both ADVB's and the Buyers representatives (if the Buyer has chosen to be present). The Buyer may satisfy itself of the cleanliness of the sampling containers and accuracy of the process.
- 8.3. Two (02) samples shall be retained by ADVB in safe custody for thirty (30) days after the delivery of the Marine Bunker Fuel to the Vessel, and the other two (2) samples shall be handed over to the Master of the Vessel.
- 8.4. The Master / Chief Engineer shall ensure that the method of taking samples are so as to ensure that the samples are representative of the Marine Bunker Fuel delivered to the Vessel and that the sampling is witnessed by representatives of ADVB as well as the Vessel. The following methods are suggested:.
- a) samples would be collected once the flow is established and the sample point flushed out properly.
  - b) the samples should be collected from the sample cock fitted with a valve on the discharge side of the terminal or on the Barge. In the case of deliveries carried out by a Barge during the pumping, samples of the oil flow should thus be collected. A little fuel oil should be allowed to flow before collection in order to wash off any dirt or dust on the outlet. Before collecting the first sample the container should be washed.
  - b) if several samples have been collected in separate containers, the contents of the same should be thoroughly shaken and mixed on completion of the loading operations and then split again over the different sample cans so as

to ensure that each can holds a similar quantity of product.

- d) the sample or samples so collected should be handed over to the Vessel and receipt thereof acknowledged for in writing by the Master or Chief Engineer.
- e) all four one liter sample cans shall be sealed with tamper proof seals.
- f) a label shall be affixed to each sample can with the following information:
  - i) name of vessel;
  - iii) place in where the sample was drawn;
  - iii) grade of Marine Bunker Fuel;
  - iv) date on which sample was drawn ;
  - v) identification numbers; and
  - vi) duly signed by both ADVB and the Buyer
  - vii) contain the vessel stamp
- g) The Master / Chief Engineer shall sign on the label of the sample on behalf of the Buyer and the Bunker Supervisor shall sign on behalf of ADVB

## **9. BUNKER DELIVERY NOTE (BDN)**

9.1. The Bunker Delivery Note would be duly filled by, the Bunker Supervisor and given to the Master / Chief Engineer of the vessel for confirmation of supply and receipt of Marine Bunker Fuel in accordance with the relevant Bunker Confirmation.



9.2. The Master / Engineer of the vessel shall sign the Bunker Delivery Note and place the seal of the vessel for acceptance of the product indicated therein on behalf of the Buyer.

9.3. Bunker chief officer shall sign the Bunker Delivery Receipt on behalf of ADVB.

PROVIDED HOWEVER, failure by the Master / Engineer of the vessel to sign the Bunker Deliver Receipt shall not prejudice ADVB's claim for Marine Bunker Fuel delivered to the vessel.

9.4. The master / Chief engineer of the receiving vessel has to sign always a clean BDN. No remarks or an endorsement of a disputes to be made on the BDN. If such dispute arises, the dispute should be first be rechecked by engaging an independent surveyor prior signing the BDN.

## **10. PRICES AND OTHER CHARGES**

10.1 The price for Marine Bunker Fuels payable by the Buyer to ADVB shall be the ADVB confirmed price applicable on the date of the Bunker Confirmation plus any premium as appropriately

prevailing on the date of delivery at the Port of Colombo, Trincomalee, Galle or any other international port in Sri Lanka as the case may be, less any discounts agreed between the ADVB and the Buyer.

10.2 Cancellation charges,

(a) USD 5000.00 apply for cancellation of a by-passing vessel without bunkering after stem confirmed

(b) USD 25 per metric ton apply for cancellation of confirmed stem and re-nomination through another supplier.

(c) USD 15 per metric ton apply for reduction of the quantity after stem confirmed

## **11. PAYMENT**

11.1 Payments for supplies to be paid in accordance with the cover page.

## **12. TITLE AND RISK OF LOSS**

12.1 Unless otherwise stated in these provisions, all deliveries shall be deemed to be complete and title and risk shall pass to the Buyer when the Marine Bunker Fuel has reached the flange connecting the delivery facilities provided by ADVB with the receiving facilities of the Buyer at which point ADVB's responsibility will cease and the Buyer shall assume all risk of loss, damage, deterioration, evaporation as to the Marine Bunker Fuel so delivered. The Marine Bunker Fuel shall be pumped at the risk and peril of ADVB until that flange only and thereafter ADVB shall not be responsible for any loss, damage or spillage.

12.2 Notwithstanding that delivery has taken place, the Marine Fuels shall remain the sole and absolute property of ADVB as legal and equitable Owner until such time as the Buyer shall have paid to ADVB the agreed price together with all interest, costs and expenses which may have accrued due and together with the full price of any other fuel the subject of any other contract with the Seller. Both the Owner of the vessel and the Buyer acknowledge that they are in possession of the Marine Fuels solely as a bailee for ADVB, until such time as all the payments have been made to ADVB.

## **13. LIEN**

- 13.1. Deliveries of Marine Bunker Fuel hereunder are made not only on credit of the Buyer but also on the faith and credit of the vessel which uses the Marine Bunker Fuel and it is agreed that ADVB will have and may assert a lien against such vessel for the amount of the delivered price of said Marine Bunker Fuel. All costs associated with the seizure of the vessel shall be for the Buyer's account.
- 13.2. The Buyer if not the owner of the vessel hereby expressly warrants that it/he has the authority of the owner to pledge the vessel's credit as mentioned in clause 13.1 herein and that it/he had given notice of the provisions of this clause to the owner. ADVB shall not be bound by any attempt by any person to restrict, limit or prohibit its liens attaching to a receiving vessel unless notice in writing of the same is given to ADVB before it sends its Bunker Confirmation to the Buyer.
- 13.3. All sales are on credit of the Vessel. Buyer is presumed to have authority to bind the Vessel with a maritime lien.
- 13.4. Disclaimer stamps placed by Vessel on bunker receipt will have no effect and do not waive the ADVB's lien.

## **14. SPILLAGE AND ENVIRONMENTAL PROTECTION**

- 14.1. The Buyer is familiar with the health effects related to bunkering and bunkering operations. Therefore, the Buyer shall take all necessary and relevant protective safety and health



procedures for the handling and use of such Marine Bunker Fuels. The Buyer shall adhere to all and any of such safety and health procedures while using or handling ADVB's Marine Bunker Fuel. The Buyer shall be responsible for compliance of the health procedures by its employees, agents, and other users with all health and safety requirements or recommendations related to the Marine Bunker Fuels supplied hereunder and shall exert its best efforts to assure that any of its employees or agents, users, and others avoid frequent or prolonged contact with or exposure to the Marine Bunker Fuels both during and subsequent to deliver. ADVB accepts no responsibility for any consequence arising from failure by the Buyer, its employees or agents, any users, or any other party to comply with relevant health and safety requirements or recommendations relating to such contact or exposure.

- 14.2. If a Spill occurs while the Marine Bunker Fuel is being delivered, the Buyer and ADVB shall promptly take such action as is reasonably necessary to remove the spilled Marine Bunker Fuel and mitigate the effects of such Spills. ADVB is hereby authorized, at its option and at the expense of the Buyer, to take such measures and incur such expenses (whether by employing its own resources or contracting with others) as reasonably necessary in the judgment of ADVB to remove the spilled Marine Bunker Fuels and mitigate the effects of such Spills. The Buyer shall cooperate and render such assistance as is required by ADVB in the course of such action. All expense, claims, loss, damage, liability and penalties arising from Spills shall be borne by the party that caused the Spill. If both parties are at a fault, all expense, claims, losses, damages, liabilities and penalties shall be divided between the parties in accordance with the respective degrees of fault.

- 14.3. In the event of Spill during fueling, the Buyer shall provide ADVB with such documents and information concerning the Spill and any programs for the prevention of Spills as may be required by ADVB or by law or regulations applicable in the port where the Spill occurred.
- 14.4. The Buyer must comply with all national and international trading, pollution, environmental and health and safety regulations and laws concerning the receipt and use of Marine Bunker Fuel and shall indemnify the Seller for all financial consequences, including clean-up costs and fines, of a breach of this provision.

## **15. INDEMNITY AND LIMITATION OF LIABILITY**

### **15.1. INDEMNITY**

- a. The Buyer shall confirm whether the Bunker Nomination relates to the provision of Marine Bunker Fuel for export purposes or for consumption within the territorial waters of Sri Lanka and shall be responsible for the payment of any applicable taxes and duties thereon. The Buyer shall indemnify and hold harmless ADVB against any losses, damage or expenses arising from or in consequence of such confirmation.
- b. The Buyer shall also indemnify and hold ADVB harmless from and against any and all claims, demands, suits or liabilities for damage to property or for injury or death of any person, or for non-compliance with any requirement of any governmental entity or breach of ADVB's Bunker Procedure/ Contract, or breach of any applicable international

or local laws arising out an act or omission by Buyer or its agents or servants in receiving, using, storing or transporting Marine Bunker Fuel hereunder, including exposure thereto, or delay or breach by the nominated Vessel or its crew members unless the same be due to the sole negligence of ADVB.

## **15.2. Limitation of Liability**

- a. Notwithstanding anything contained herein ADVB shall not be liable for damages whatsoever nature including physical injury nor for delay in delivery, detention or any loss arising from any disputes as to the quantity or quality of Marine Bunker Fuel or services. The liability of ADVB for consequential and indirect damages or special losses of whatsoever nature in connection with the performance or failure to perform the Contract, is excluded. In any event and notwithstanding anything to the contrary contained herein, the liability of ADVB hereunder for any of the disputes shall not exceed USD 25,000 for compensation payment by ADVB, it is a condition precedent that all sums due to ADVB from the Buyer are first paid and settled on the payment due date in terms of the Agreement.
- b. Where ADVB cancels a Contract due to the Buyer's breach of the Contract or conduct on the part of the Buyer entitling ADVB to cancel or ADVB establishing that sanctions are in force necessitating its withdrawal from a Contract then the Buyer shall have no recourse to ADVB and the Buyer shall be responsible for all losses, costs and expenses suffered by ADVB by reason of the cancellation, which shall include but not be limited to ADVB's loss of profit on the Contract, costs or charges reasonably incurred to ADVB's sub-contractors or suppliers, and administrative costs.



## **16. TERMINATION/CANCELLATION**

- 16.1. ADVB has the option to immediately cancel the Contract for the account and risk of the Buyer if at any time ,ADVB, in its sole discretion, has reasonable grounds to believe that the vessel, the charterer of the vessel, the fully or partly owner(s) of the vessel, any officers of the vessel, the operator and/or manager of the vessel or any other person or entity in any way related to the Contract is not in compliance with local and international standards or is sanctioned, and or black listed.
- 16.2. Under no circumstances can ADVB be held liable for any loss, delays, claims or damages whatever kind suffered by the Buyer due to a cancellation under this Article.
- 16.3. ADBV also reserve the right to cancel this Contract in the event the Buyer or the Master of the vessel (i) is in breach of the material provisions of the Contract or (ii) has commenced any liquidation, winding up or bankruptcy procedures.

## **17. CLAIMS**

- 17.1. Any complaint related to the delivered quantity of the Marine Bunker Fuel must be advised by the Buyer or the Master in writing immediately after finding out the same with the grounds for complaint, if not any claim shall be deemed to be waived and barred. Comments inserted in the Bunker Delivery Note or in a separate protest handed to the physical supplier shall not qualify as notice.
- 17.2. Any complaint related to the quality of the Marine Bunker Fuel delivered shall be made in writing

with grounds for such complaint to ADVB within 30 days of delivering such Marine Bunker Fuel. Failure to make timely notification as stipulated in this clause shall be considered as any claim invalid and time barred.

- 17.3. Where a claim is made in accordance with clauses 17.1 and 17.2, the Buyer shall cooperate with ADVB and appoint an Independent Surveyor to investigate the claim, and where requested allow the surveyor to board and inspect the vessel, interview the crew and the review and copy relevant vessel related documents.
- 17.4. The Buyer's submission of any claim does not relieve it of responsibility to make full payments as required under the Contract and the Buyer shall not be entitled to set off any claim from any payment due to ADVB.

## **18. FORCE MAJEURE**

- 18.1 ADVB or the Buyer shall not be liable for any loss, claim or demand of any nature whatsoever beyond the Buyer's or ADVB's control including (but not limiting the generality of the foregoing declared or undeclared war, sabotage, blockade, revolution, police action, riot or disorder, embargo or trade restriction of any sort, non-availability of raw material, government or quasi-government action, Act of God, fire, flood, earthquake, storm tide or tidal wave, explosion, accident, radiation, strike, pandemic, epidemic, lockout or other labour dispute or disease. This provision does not relieve the Buyer from its full obligation to make payment of all amounts due to ADVB under the Agreement.

## **19. ARREST OF THE VESSEL**

19.1 Notwithstanding anything to the contrary herein and without prejudice to any rights or remedies otherwise available to ADVB, the Buyer, by its acceptance of these conditions, expressly authorize the ADVB to arrest the vessel to which Marine Bunker Fuel may have been supplied or any other vessel owned or operated by or under the management of the Buyer, under any applicable jurisdiction as security for any claims that ADVB may have against the Buyer. Should the Buyer fail to make any payment to ADVB immediately when due, ADVB may dispose of such arrested vessel whether by sale or otherwise as applicable under the relevant jurisdiction. Any costs or expenses of whatever kind incurred by ADVB in respect of such arrest shall be for the sole account of the Buyer and shall be added to the claim for which the arrest is made.

## **20. WAIVER**

20.1 The failure to exercise or delay in exercising any right power or remedy vested in ADVB under or pursuant to these provisions shall not constitute a waiver by ADVB of that or any other right power or remedy. In particular, grant by ADVB of any additional time to make a payment or waiving or reducing of any financial or other charge shall not prevent ADVB at any time thereafter from relying upon its strict contractual rights.

## **21. CONFIDENTIALITY**

21.1. "**Confidential Information**" for the purposes of this Contract, shall mean any and all such information provided during the negotiations and discussions to which each party shall have or



be given access to including but not limited to information pertaining to the group of companies, in whatever form, verbal or otherwise, including but not limited to business plans, marketing plans and strategies, financial records and analysis, research, technical specifications, investment strategies and policies, marketing-sales-pricing data, customer behavior information, designs, agreements, trade secrets, software or other intellectual property, whether or not identified as confidential information, in whatever media, electronic or otherwise, and any other materials identified in oral or in writing.

- 21.2. Neither party shall divulge any Confidential Information in relation to the other party's affairs or business, method of carrying on business as well as the contents of this Contract.
- 21.3. Notwithstanding anything to the contrary in this Contract: Confidential Information shall not include information which at the time of disclosure or thereafter : (i) has come within the public domain through no fault of, or action by, the receiving party, its employees, agents or representatives; or (ii) is clearly and unmistakably publicly available document, such as annual reports, proxy statements, prospectuses; etc. or (iii) has been independently acquired or developed by the parties or their representatives without violating any of its obligations under this Contract or (iv) if either party learns that it is or may be required to be disclose by a court order or pursuant to the rules and regulations of a governmental agency or body to disclose any Confidential Information, either party may disclose the necessary Confidential Information to the extent required by such order or the law to such authorities and institutions.

## **22. GOVERNING LAW AND ARBITRATION**

22.1. This Contract shall be governed and construed by the laws of Sri Lanka.

22.2. If any doubt, dispute or difference arises between the Parties hereto concerning this Agreement or any matter of whatsoever nature arising thereunder or the operation or the interpretation thereof or the rights, duties, or liabilities of any Party under or in connection therewith then and in every such case such doubt, dispute, or difference shall upon notice of the same being given by one Party to the other, first be discussed among the Parties hereto in a spirit of mutual co-operation. In the event of such doubt or dispute or difference remaining unresolved within (10) days after notice of the same has been given whether it has been discussed or not as aforesaid, such doubt dispute or difference shall be submitted for settlement by arbitration in Colombo, Sri Lanka by a sole arbitrator in accordance with rules of the Institute for Commercial Law and Practice (ICLP). The language to be used in the arbitral proceedings shall be English.

22.3. Notwithstanding this Arbitration Clause, a Party may invoke the jurisdiction of an appropriate Court in Sri Lanka for the purposes of obtaining urgent injunctive relief (including enjoining orders, interim injunctions and ship arrest orders) pending the constitution of the Arbitral Tribunal for the purposes of preventing and/or safeguarding against all irreparable losses or damages and the other Party shall not object to the exercise by Court of jurisdiction in this regard.

## **23. AMENDMENT**

23.1 These standard terms and conditions of Sale Procedure of ADVB may be amended unilaterally by ADVB from time to time.

23.2 Any contradiction between this clauses mentioned in this policy and the cover note, the terms stated in the cover note shall prevail.

## 24. NOTICES

All notices or notification required hereunder shall be deemed sufficient if in writing and sent via registered post, with a copy sent by facsimile or via e-mail to the attention and address, e-mail address and facsimile number set forth below:

ADVB:

Name – KUSHAN DESILVA

Designation – CEO

Email address – [kushan.desilva@advantis.world](mailto:kushan.desilva@advantis.world) , [bunker@moceti.com](mailto:bunker@moceti.com)

Contact number – +94772106203