

GENERAL TERMS AND CONDITIONS OF SALE OF MARINE FUELS, LUBRICANTS AND RELATED PRODUCTS

1. APPLICATION

Sp/f Krafta (company number 8209). Registered office address: Áarvegur 14, 2. floor, 100 Tórshavn, Faroe Islands (the “Seller”) will sell and deliver, or cause to be sold and delivered, to buyer, and buyer will purchase, accept delivery of and pay seller for Marine Fuel, Lubricants, and related products.

These General Terms and Conditions of Sale (“GTCS”) shall apply to all such sales of Marine Fuel, Lubricants, and related products. Unless otherwise agreed in writing between seller and buyer, these GTCS shall override any terms and conditions stipulated, incorporated, or referred to by buyer whether in its order or elsewhere.

With effect from 15 June 2025 (“the Effective Date”) and until further revision these GTCS shall apply to all Sales and Contracts for the sale of Marine Fuels, Lubricants and related products and services by the Seller.

2. MARINE FUEL QUALITY

The Marine Fuel to be sold shall be the grades of Bunker Fuel Oil, Intermediate Bunker Fuels, Marine Diesel Oil, Light Marine Diesel Oil, and/or Marine Gas Oil (collectively “Marine Fuel”) offered at the time and place of delivery by Seller or other Supplying/Delivering Company (the “Supplier”). “Marine Fuel” also covers the Seller’s all different grades of diesel, gasoil, lubricating oils, heavy fuel, and any other products and/or services offered for sale by the Seller. Buyer shall have sole responsibility for selection and acceptance of Marine Fuel, including determination of compatibility with Marine Fuel already on board the vessel, for use in the vessel to which it is delivered. Buyer may inspect the Marine Fuel before it is pumped out of Supplier’s shore tank, tank truck or, as the case may be, barge. Unless otherwise indicated to Buyer in writing by Seller or Supplier, any information provided to Buyer regarding the characteristics of Marine Fuel at any delivery location shall not be construed as specifications of the Marine Fuel to be delivered hereunder, but only as indications of the characteristics of the Marine Fuel available at that location from time to time. THERE ARE NO GUARANTEES OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE SATISFACTORY QUALITY, MERCHANTABILITY, FITNESS OR SUITABILITY OF THE MARINE FUEL FOR ANY PARTICULAR PURPOSE OR OTHERWISE, WHICH EXTEND BEYOND THE DESCRIPTION IN THIS SECTION.

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3. QUANTITIES

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The quantities shall be those quantities, subject to availability and confirmation of supplies, Buyer orders from time to time for delivery at the relevant ports. The quantity of Marine Fuel delivered shall be determined by the measurement means utilized by gauging in Supplier's shore tank or oil meter at Supplier's election. Except where government regulations or local authorities determine otherwise, adjustment in volume owing to difference in temperature shall be made in accordance with API/ASTMIP Petroleum Measurement Standards for Generalized Products (Table 6B, 24B or 54B depending on port location). In the measurement of Marine Fuel, Supplier shall make allowance for all water and non-petroleum sediment in excess of one per cent (1%). Buyer may be present or represented by properly accredited agent when such measurements are taken, but if Buyer is not present or represented, then Supplier's determination of quantities shall be deemed to be correct. Anything herein contained to the contrary notwithstanding, Seller's obligation to make any delivery hereunder is subject to availability to Seller or Supplier at the port at which delivery is requested, of the particular grade of Marine Fuel requested by Buyer.

4. PRICE AND OTHER CHARGES

Unless a different price is agreed in writing by Seller or Supplier, the price of Marine Fuel delivered hereunder shall be the established selling price effective for the place of delivery at the time of commencement of delivery by Seller or Supplier, as the case may be, for the grade of Marine Fuel delivered.

Buyer shall also pay all applicable duties, taxes, fees and other costs including, without limitation, those imposed by government and authorities, and other delivery charges, all of which shall be included in Seller's invoices to Buyer.

If the Vessel fails to take delivery of the Marine Fuel or any part thereof for whatever reason, the Buyer shall compensate the Seller for any loss or damage which the Seller may suffer as a result of such failure. The Buyer shall also bear the risk of the return transport, storage or selling of the Marine Fuel, including but not limited to any loss of profit on any resale of the Marine Fuel.

Seller is entitled to charge the Buyer to pay backhaul fees for none delivered Marine Fuel, due to actions out of Seller's control. If supply results in waiting time for the Seller, the Buyer will pay waiting time fees applicable for the specific supply.

The price offered by the Seller shall be valid for the delivery date or delivery period (the "price validity time range") identified in the Seller's Written Offer to the Buyer. The Seller shall be under no obligation to deliver if the Vessel arrives outside of the price validity time range. If the Vessel does not arrive within the price validity time range, the Seller is entitled to terminate the Sale Contract immediately and to claim damages as if there was a Cancellation of the Buyer. The Seller is also entitled, at its sole discretion, to elect to deliver the Marine Fuel on new terms to be agreed between the Buyer and the Seller and without prejudice to the Seller's right to claim damages as if there was a Cancellation by the Buyer.

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Where Marine Fuel intended for export use, imported under bond, or drawback Marine Fuel manufactured from imported crude oil is delivered for Buyer's account without payment by Buyer of the applicable sales or use tax, customs duty, tariff, fee or other charge thereon, Buyer shall be liable to reimburse Seller or Supplier for any such tax or charge assessed, including interest and penalties thereon, or for any drawback denied after delivery by reason of failure by Buyer or the vessel to qualify therefore or to furnish the necessary proof within the requisite time period specified by applicable regulation or procedure.

If price controls are imposed, Seller and Supplier shall not be required to deliver if the maximum price allowed is below that previously established with Buyer.

Buyer shall be liable for all costs, expenses and/or charges incurred by the Seller or Supplier on account of the Buyer's failure, breach and/or non-compliance with its obligations under the agreed Nomination as set out in Clause 5 herein.

5. NOMINATIONS

Buyer shall give Seller, unless otherwise requested by Seller, at least seven (7) days prior notice of deliveries required, specifying the name of the vessel, vessel's agents, approximate date of delivery, location and method of delivery and grade and quantity of Marine Fuel. Buyer or vessel's local agents shall give to Seller or Supplier at least fortyeight (48) hours (excluding non-business days) advance notice (unless otherwise stated in Seller's Supply Directory), of the vessel name, exact quantity and type of Marine Fuel required and exact location and time at which delivery is required. Buyer agrees to reimburse Seller or Supplier for overtime and/or other additional expenses incurred due to the failure of Buyer, its servants or vessel's local agents to provide Seller or Supplier with sufficient prior notice of amendments of delivery time, quantity changes or cancellations.

In case of a unilateral cancellation of the Nomination, whether in whole or in part, made by the Buyer, the Seller shall in any case be entitled to charge a cancellation fee for costs incurred, as well as to claim damages in case of unilateral total or partial cancellation of the Nomination by the Buyer and if no cancellation is noticed and the Vessel does not arrive to the agreed Delivery Port or location, the Seller will be entitled to double damages. To this effect, "damages" means all and any operational, logistics and financial (including but not limited to risk management and hedging) damages, prejudices and losses suffered by the Seller and directly caused by the Buyer's cancellation. The Seller informs the Buyer that, as a usual business practice, it does normally incur in foreseeable financial expenses and costs to cover the risks caused by any Nomination.

6. DELIVERIES

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Vessels, including tankers, will be bunkered in turn as promptly as circumstances permit but neither Seller nor Supplier shall be liable for demurrage or for any loss due to congestion at the port or the terminal or when in Supplier's opinion clear and safe berth is unavailable. Delivery shall be made during Supplier's normal working hours unless required at other times and permitted by port regulations, in which event Buyer shall reimburse Seller or Supplier for all additional expenses incurred. If a government permit is required for deliveries, no deliveries shall be made until the permit has been issued to Buyer or Supplier, as applicable.

In the event Buyer fails to take delivery of the full amount ordered or tendered, whichever is less, of Marine Fuel ex terminal, Seller will charge Buyer the amount of loss sustained by having to sell the fuel in downgraded form and/or at a lower price than that at which it was ordered. If Buyer causes delays to Supplier's facilities in effecting deliveries, Buyer shall pay demurrage at Supplier's established rates, and reimburse Seller or Supplier for all other expenses in connection therewith.

Delivery shall at all times be made in accordance with the rules stipulated in the Faroese Administrative Act on bunkering and transport of oil and oil products, "Kunngerð nr. 84 um bunkring, flutning av olju o.a." dated 2 July 2010 as subsequently amended.

At Buyer's request, deliveries will be made alongside Supplier's dock if facilities for such deliveries are shown to be available in Seller's Supply Directory. In no case shall Seller or Supplier be liable for any damage or delay resulting from causes beyond their control or avoidable by due care on the part of the Buyer or its vessel.

Seller may elect to discontinue operations at any delivery location for any reason without obligation to Buyer.

7. TITLE AND RISK OF LOSS

All deliveries shall be deemed to be complete and title shall pass to Buyer when the Marine Fuel has reached the flange connecting the delivery facilities provided by Supplier with the receiving facilities provided by Buyer at which point Seller's or Supplier's responsibility shall cease and Buyer shall assume all risk of loss, damage, deterioration or evaporation as to the Marine Fuel so delivered. The Marine Fuel shall be pumped at the risk and peril of Seller or Supplier up to that flange only and thereafter Seller and Supplier shall not be responsible for any loss or damage.

8. INDEMNITY

Buyer shall hold harmless and indemnify Seller and Supplier against all claims, losses, damages and liabilities arising from or in consequence of any acts and/or omissions of Buyer and/or its employees, servants, ships' officers, agents, representatives and/or crews in connection with the delivery of Marine Fuel to which these GTCS apply.

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9. PAYMENT

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Unless government regulations require otherwise, Seller shall have the right to invoice Buyer for deliveries of Marine Fuel based upon email of delivery details in lieu of delivery documents. Delivery documents may be provided to Buyer if requested, but payment shall not be conditional upon Buyer's receipt of such documents. Unless otherwise agreed or stipulated by the Seller, payment shall be made by or on behalf of the Buyer in DKK without discount, deduction or setoff and by Cash on Delivery, against presentation of Seller's or Supplier's invoice, by electronic transfer of funds to a bank in accordance with Seller's written instructions, for each delivery of Marine Fuel to any vessel upon any order (or notice) given by or on behalf of Buyer in which event such orders shall at all times be deemed to be orders from the Buyer.

Seller reserves the right to modify or terminate credit arrangements upon notice to Buyer, and to require immediate payment for Marine Fuel already delivered and prepayment or other financial security acceptable to Seller for further deliveries, including orders pending. Seller may also at its option be entitled to apply, in satisfaction of any obligation owing hereunder by Buyer, the amount of any monies, which may then or thereafter become owing from Seller or Supplier to Buyer.

Seller also reserves the right to collect from Buyer a late payment charge of penalty interest at the rate of 2 percent per month as subsequently amended on overdue amounts, from the payment due date to the date payment is received.

Payment shall be deemed to have been made on the date cleared funds are first available for use in the Seller's account at its designated bank. If payment falls on a non-business day, that is, a weekend or other day on which Buyer's or Seller's bank is closed, then payment shall be made on or before the nearest business day to the due date. If the preceding and succeeding business days are equally near the due date, payment shall be made on or before the preceding business day.

10. CLAIMS

Buyer's rights in respect of any claim, including but not limited to claims relating to quantity, quality, and price, are conditional on written notice being given to Seller promptly after the circumstances giving rise to the claim are discovered, but in no event later than thirty (30) days following the date of delivery. Buyer's submission of any claim does not relieve it of responsibility to make payment in full as required under Section 9. Claims as to quality must be based on tests made as soon as possible by an independent laboratory from retained samples taken at time of delivery from the shore tank or tank truck from which delivery was made. Should any timely claim submitted by Buyer not be settled to Buyer's satisfaction, any legal action brought by it thereon shall be timebarred unless commenced within six (6) months after delivery or other event, action, inaction or omission from which such claim arises. This provision shall survive any termination of the contract arising between Seller or Supplier and Buyer.

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11. COLLECTION

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Deliveries of Marine Fuel hereunder are made not only on the credit of the Buyer but also on the faith and credit of the vessel which uses the Marine Fuel and it is agreed that Seller and Supplier will have and may assert a lien against such vessel for the amount of the delivered price of said Marine Fuel. Additionally, the Seller and Supplier will have and may assert a lien for the said amount of the delivered price against such vessel, should the laws applicable at the place of Seller's address which is set forth in the beginning of these GTCS, at the place of delivery of the Marine Fuel and/or at the place of seizure of such vessel, grant or recognize a lien for Marine Fuel delivered to a vessel. All costs associated with the seizure of the vessel shall be for the Buyer's account. Taking of any additional security measures by Seller or Supplier shall not operate as a waiver of this provision. If at any time a price provided under these GTCS shall not then conform to the applicable laws, regulations or orders of a Government or other competent authority, appropriate price adjustments will be made. For the avoidance of doubt, the Buyer shall not be entitled to cancel the effect of the lien by wording on the delivery ticket or otherwise.

12. FORCE MAJEURE

In addition to any other excuses (arising out of the same or other causes) provided by law, no failure or omission by either party to carry out or observe any of the provisions or conditions of these GTCS or of any contract into which it is incorporated shall give rise to any claim against that party, or be deemed to be a breach of contract, if the same shall arise out of causes not reasonably within the control of that party, whether or not foreseen, including (without limitation) such causes as labor disputes, strikes, pandemics, governmental intervention, terrorist actions (threatened or actual), Seller's response to the insistence or request of any governmental instrumentality or person purporting to act therefore wars, civil commotion, fire, flood, accident, storm or any act of God; and the term "party" when used with reference to Seller shall also include Supplier. Under no circumstances, however, shall Buyer be excused from its obligation to pay all amounts due for Marine Fuel actually delivered.

A party affected by events described in this Section 12 shall give prompt notice to the other party describing in sufficient detail the events and the estimated scope of such disability.

13. SHORTAGE OF MARINE FUEL

If, as a result of any of the events, matter or things referred to in Section 12, or any other foreseeable or non-foreseeable event, including contractual changes relating to the supply of crude oil and/or petroleum products from which Marine Fuel of the type to be sold hereunder is derived, supplies of Marine Fuel are curtailed, or are available to Seller or Supplier only under conditions which, in Seller's or Supplier's sole judgement are deemed unacceptable, Seller may allocate, on any fair and reasonable basis according to its own discretion its available supplies of Marine Fuel to meet its own requirements and those of its subsidiaries and affiliated companies and other customers, including Buyer and,

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at Seller's or Supplier's option, other customers; and Seller and Supplier shall not be required to increase supplies from some other source of supply or to purchase Marine Fuel to replace the supplies so curtailed.

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No party affected by any cause(s) described in Sections 12 and 13 herein shall be required to remove such cause(s) if doing so would cause any additional expense. Seller or Supplier shall not be obligated to purchase additional supplies of Marine Fuel or to make up deliveries omitted during the period of disruption, nor will the term of the agreement be extended due to the causes set out in Sections 12 and 13 herein.

14. ENVIRONMENTAL PROTECTION

If an escape, spillage or discharge of Marine Fuel ("Spill") occurs while Marine Fuel is being delivered to Buyer hereunder, Buyer will promptly take such action as is reasonably necessary and/or is required by law to remove the Marine Fuel and mitigate the effects of such Spill. However, notwithstanding the cause of such Spill, Seller and Supplier are each hereby authorised, at their option, upon notice to Buyer, or Buyer's operator of, or agent for the receiving vessel, to take such measures, either in cooperation with Buyer, or exclusively as the sole party, and incur such expenses (whether by employing its own resources or by contracting with others) as are reasonably necessary, in the judgement of Seller or Supplier, to remove the Marine Fuel and mitigate the effects of such Spill.

If Seller or Supplier has exercised its option to remove the Marine Fuel and mitigate the effect of such Spill, Buyer agrees to cooperate and render such assistance as is required by Seller or Supplier in the course of such action. Any expenses, damages, costs, fines and penalties arising from escape, spillage, discharge or pollution of Marine Fuel shall be paid by the party that caused or contributed to the Spill by negligent act(s) and/or omission(s). If both parties have acted negligently, any expense(s), disbursement(s) and/or cost(s) in respect of actions to remove such Spill shall be divided between the parties in accordance with the respective degree of negligence and culpability. Each party agrees to indemnify the other party and to hold it harmless against all expenses, disbursement(s) and/or cost(s) which under this Section 14 are stated to be for the account of the indemnifying party. Buyer also agrees to give, or cause to be given, to Seller or Supplier, all such documents, and other information concerning any Spill, or any program for the prevention thereof, which are requested by Seller or Supplier, or required by law or regulation applicable at the time and place where Supplier delivers Marine Fuel to Buyer.

15. GOVERNING LAW AND SUBMISSION TO JURISDICTION

Except as otherwise agreed between the parties, these GTCS and any contract into which they are incorporated, shall be governed by the laws applicable at the Seller's address which is set out at the beginning of these GTCS, without prejudice to Seller's right to enforce maritime liens in any appropriate jurisdiction. Each party expressly submits itself to the jurisdiction of the courts pertaining to the Seller's address.

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The United Nations Convention on Contracts for the International Sale of Goods shall not apply.

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16. TERMINATION

The Seller shall have the right to terminate the agreement in the event of a material breach (including without limitation anticipatory breach) by the Buyer of any of the terms and conditions of the agreement and/or in the event the Buyer is threatened with or is in the process of liquidation, windingup and/or receivership.

17. ADDITIONAL PROVISIONS

- (a) Notices hereunder shall be sent to Seller at the address first above given. Unless otherwise indicated by Buyer in writing, notices hereunder shall be sent to Buyer at the address designated by Buyer for invoicing. Either party may change its address by giving fifteen (15) days' prior written notice of its new address to the other party. Notices shall be delivered by postal service or by email, and shall be deemed given at the expiration of the normal delivery time.
- (b) No waiver by either party of any breach of any of the covenants or conditions herein contained to be performed by the other party shall be construed as a waiver of any succeeding breach of the same or any other covenant or condition.
- (c) Assignment of any right or delegation of any obligation hereunder by Buyer without Seller's prior written consent shall be void.
- (d) NO CLAIM SHALL BE MADE AND NO RECOVERY SHALL BE HAD HEREUNDER FOR ANY INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR LOSS OF PROSPECTIVE PROFITS, ANTICIPATED COST SAVINGS, CONTRACTS OR FINANCIAL OR ECONOMIC LOSS.
- (e) There is no implied warranty of workmanlike performance with respect to these GTCS other than services provided by employees of the Seller or Supplier in conjunction with the delivery of Marine Fuel as provided in these GTCS.
- (f) THIS INSTRUMENT CONTAINS THE ENTIRE AGREEMENT OF THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF AND THERE ARE NO OTHER PROMISES, REPRESENTATIONS OR WARRANTIES AFFECTING IT. This instrument shall not be modified or amended in any way except in writing by the parties.
- (g) If any order shall be placed by an agent for a principal as Buyer hereunder, then such agent shall be liable not only as agent but also for the performance of all obligations of the principal hereunder.

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