

Castrol Offshore Conditions of Sale

Part A - applicable in all situations

These Conditions of Sale are written in plain English. We have used the terms we, us, our etc to refer to the Seller, Castrol Offshore Limited and its affiliate companies and you, your etc to refer to the Buyer. In these Conditions of Sale, affiliate means any company that is controlled by or is under the common control of BP plc.

What terms apply?

The terms of any contract between us when we supply you with lubricants (meaning any lubricant or related product that we supply to you) or provide you with any additional services (such as used oil analysis, facility visits, technical consultancy, technical seminars) shall be based only on these Conditions of Sale. No other terms and conditions presented by you to us (for instance in a purchase order, confirmation of order, specification or otherwise) shall form part of the contract between us.

We shall consider every order received from you or your acceptance of a quote from us to be an offer by you to buy lubricants on these Conditions of Sale.

These Conditions of Sale shall not apply to the sale of lubricants at locations which are the subject of a separate local contract between an affiliate and yourself.

Agency and liability

If you have accepted these Conditions of Sale and are therefore entering into a contract with us as an agent on behalf of someone else, whether you disclose this agency to us or not, both you and your principal will be jointly and severally liable under these Conditions of Sale. Similarly, if your agent has accepted these Conditions of Sale and are therefore entering into a contract with us on your behalf then both your agent and you will be jointly and severally liable to us.

Order taking

It is your responsibility to notify us (by contacting your local Castrol Offshore representative) of the grades and quantities of lubricant that we should deliver, when you would like delivery and where you would like us to deliver (your nomination). We will then confirm to you whether this is possible and advise of an estimate of any additional charges as actual charges may vary from the estimate. All orders shall be subject to any limits that we may have specified, for example in respect of maximum or minimum delivery quantities or lead time required by us, and deliveries of any lubricant will be subject to availability at the location in question.

We will only be liable to you for accepting or fulfilling your order once we have confirmed to you in writing that we accept your order

Where you have asked that we make delivery at a particular time within normal work hours, we shall try to deliver at such time or as soon after it as is practicable. Where you have asked that we make delivery on public or dock holidays or on customary non-business days of the week, we shall not be liable to deliver to you unless we specifically agree with you that we are able to do so. Unless we specifically agree with you, you will not be entitled to any form of compensation if we are late in making the delivery.

To enable us to make safe delivery to you, you agree that you will provide safe reception for the lubricants ordered. We will not be able to make any delivery to you unless we consider it to be safe to do so.

Price of any lubricant we deliver to you or additional services that we provide to you

You agree to pay the price we have agreed in writing with you or (in the absence of agreement) the price as notified to you by us from time to time, for the grade and location in question for all deliveries of lubricants that we make to you as well as any relevant additional charges such as freight, delivery, handling or surcharges as appropriate applicable at the date of the order. Wherever possible, we will aim to advise or remind you of such additional charges although it is your responsibility to inform yourself of these additional charges. We will also itemise the charges separately on your invoice. Further, you agree to pay us any additional charges that we incur if we cannot deliver to you at the time that we have previously agreed by reason of any fault of your own as well as any expenses and losses incurred by us as a result of you (or your representative) refusing to accept (either partly or completely) any amount of lubricant that you have previously

Where we provide you with any additional services, you will pay us the charges for those services as agreed between us

All amounts quoted by us or agreed in writing with you will be exclusive of any applicable taxes or duties (unless otherwise stated in our quotation). Any applicable taxes or duties will be for your account. We will accept any lubricant credit issued by an affiliate as payment, up to the value of such credit. Unless expressly specified to the contrary in the contract, we may increase our prices by giving you not less than 30 days' prior written

When will you pay us?

We will send you an invoice for all deliveries made to you. This will show the quantity of lubricant delivered and all additional charges that we have incurred in making that delivery. We will send you a separate invoice for any additional services (including used oil analysis) that you have received from us. We shall not be obliged to send you any original documentation along with our invoices. We may send you a revised invoice if,

after checking the original invoice or on receiving further information, we do not consider it to be correct. Invoices shall record all volumes for bulk deliveries in litres at 15° Celsius unless we are unable to do so due to local delivery conditions. If you have any queries regarding an invoice please contact your local Castrol Offshore representative.

You agree to pay us thirty (30) days from the date of invoice unless otherwise agreed between us. If our bank is closed on the day that this time limit expires, then you shall pay us on the next day that our bank is open for business.

All payments should be made in full without any deduction and in same day funds. We will discuss any deductions that you feel you are entitled to make separately with you. When making payment to us, please quote our invoice number, your name together with the name of the facility supplied. Where we have to convert any currencies we will use the closing mid rate for the relevant currencies as published in the Financial Times on the delivery date, or such other rate as we consider to be reasonable in all the

Please make all payments to the account set out on the relevant invoice. If no account is shown, then please make payment to Castrol Offshore Limited, National Westminster Bank Plc, 84 Commercial Road, Swindon, SN1 5NU, England. Sort Code: 60-21-40 Account No. 01079220 (GBP) or Account No. 04238265 (USD)

What happens if you do not pay us by the due date of payment?

If you have not paid us on the due date as set out in paragraph 7 above, then we will have the right (without prejudice to any other rights or remedies that we may have) to:

- set-off any amounts that we owe to you against the amount that you owe to us;
- reduce your credit period with us;
- insist that you pay us in cash in advance of any future deliveries (or provide us with satisfactory security instead) and immediately pay us all other amounts outstanding;
- withhold any future deliveries until you have paid us all the money that you owe us: or
- charge interest on the money that you owe us at a rate of 4 percent a year above the Bank of England's base lending rate from time to time. This interest will run until we receive the money in our account. This could be after a judgment has been made against you. We also reserve the right to claim interest under the Late Payment of Commercial Debts (Interest) Act 1998 against you.

Health, safety and the environment

Health, safety and the environment are very important to us. As such:

- we will provide you with lubricants' health, safety and environmental information, including Safety Data Sheets for all of the lubricants that you purchase from us. Copies of all published HSE information can be requested from your local Castrol Offshore representative. You agree to pass this information on to all of your employees, subcontractors, customers or other users of the lubricants and make sure, so far as it is within your power to do so, that each of these people comply with all the requirements and recommendations contained in the information;
- you agree that you will follow all the requirements and recommendations set out in the HSE information and obey all relevant health, safety and environmental obligations contained in any international law or law of any country (or state, territory or jurisdiction) where the lubricants are sold or handled;
- you will comply fully with all the relevant local requirements at the delivery point, including those relating to fire, loss or spillage of the lubricants.

If a spill, accident or any emergency incident occurs during delivery you shall tell us as soon as possible and take all steps reasonably necessary to remove the spill and mitigate its effect. If you do not do this then we may, at our option but at your cost, take whatever steps that we consider necessary to remove the spill and mitigate its effects. We may also take whatever steps we consider necessary to mitigate the effects of any other scenario which may jeopardise the health and safety of personnel. To do so we will employ our own resources or contract with others, the cost to be met by you should you cause the spill accident or emergency incident. You shall provide us as soon as possible with all the documents and information that we may request regarding any spill or

Risk and title to the lubricants delivered

Risk in the lubricants will pass to you on delivery. We will make delivery, and you shall accept delivery, of lubricants (a) if you arrange for or hire delivery agent, ex warehouse or blend plant, as appropriate; or (b) if we hire the delivery agent, when the lubricants are unloaded from our delivery vehicle and placed either alongside the facility, at the designated premises or as close as we consider it practical and safe to put them

Title in the lubricants shall pass to you on the later of the following events, namely either:

when the risk passes to you; or when you shall have discharged and paid to us all sums or debts outstanding or owing from you to us whether in respect of this contract or any matter or obligation whatsoever.

Until title in the lubricants passes from us to you:

- from the time that risk in the lubricants passes to you, you shall insure the lubricants to their full replacement value against all risks prudently insured against, and prove on demand that you have done so and hold on trust for us the policy and proceeds of insurance to the extent of the unpaid price of the lubricants;
- subject always to sub-clause (iii) below, you must:
 - not dispose of them, or charge, encumber or create any security interest in them, or purport to do any of the same:



- retain possession of them in good order and condition and free from any lien or other legal process;
- store them separately or mark them so that they can be readily identified as our property; and
- (d) inform us of their whereabouts on request;
- (iii) you must not without our consent in writing re-sell the lubricants, or cause the lubricants to be incorporated into or mixed with other lubricants or products (and any resale by you must be effected by you as principal and not as agent of us);
- (iv) if any of the lubricants are mixed with any other lubricants belonging to you then:
 - the lubricant mixture shall be treated and identified as belonging partly to us and partly to you according to the respective quantities so mixed (referred to below as "our part" and "your part" respectively); and
 - (b) should the lubricant mixture be used or disposed of in any way then you hereby agree that your part shall be deemed as having been disposed of first or used first unless and until all of your part has been completely disposed of or used:
- (v) you commit a breach of any agreement with us, or commit any act of bankruptcy or go into liquidation or become subject to any proceeding for liquidation or have a receiver appointed or become the subject of a petition for an administration order then we shall be entitled without prejudice to any other remedy we may have to enter the premises where the lubricants or any of them are kept without notice and at any time and retake possession of and remove the lubricants or such part thereof as is found on any premises; and
- (vi) you breach any conditions in relation to any contract we have between us, or if we have reasonable grounds for believing that you are insolvent, we may, without prejudice to any other right or remedy against you, withhold delivery of any lubricants which have not yet been delivered.

11. Lubricant schedule

All information supplied by us in any facility lubricant schedule is supplied in good faith. You acknowledge that any recommendations provided by us in any facility lubricant schedule are recommendations, but ultimately it is your responsibility as to what lubricant you use. If any facility lubricant schedule that we provide to you is either wrong or inaccurate because of information provided to us by either yourself or a third party, or because you have failed to disclose all the material facts (including any relevant local circumstances that we could not reasonably be expected to know about), we will not be liable to you for any loss that you suffer as a result. Similarly, we will not be liable for any loss suffered by you because you have not applied the lubricants listed in the schedule correctly.

12. Quantity and warranty claims

Our measurements of the quantity of lubricants delivered shall be final. If you consider that there has been a shortfall in the delivered quantity of lubricants, then this must be noted on the original delivery receipt note and countersigned by our representative. You must tell us of the alleged shortage claim within seven (7) days of delivery.

At the time we deliver to your nominated delivery point we agree that the lubricants will be (a) fit for the purpose stated on the lubricants themselves and/or on the information provided with the lubricants and (b) free from any defect in quality. All other warranties or conditions relating to quality, fitness for purpose, descriptions etc including those implied by law are, to the fullest extent permitted by law, excluded.

Unless you (a) tell us as soon as you become aware of what you consider to be a defect in the lubricant delivered; and (b) take representative samples of the lubricant that you consider to be defective (both unused and drawn from the system in use) and give these to us as soon as possible, your claim will not be allowed. If you make a claim against us, you agree to allow us to take any further samples or make any further tests that we consider appropriate as well as to give us free access to the operating records of the affected machinery.

13. Our liability to you

Your particular attention is drawn to this paragraph, please read it carefully.

We will not be liable to you (whether in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise) for any claim arising in connection with the contract for:

- any loss, damage or injury caused from any hazard inherent in the nature of the lubricants:
- our (or our agent's or contractor's) failure or delay to provide any used oil analysis services to you if such failure or delay was caused to any extent by your failure or delay in carrying out your duties under the contract;
 any loss of profit or anticipated profit, loss of business or depletion of goodwill, loss
- any loss of profit or anticipated profit, loss of business or depletion of goodwill, loss
 of time or hire, costs of overhead thrown away, loss of schedule, costs of substitute
 facilities, loss related to loss of operational use of facility, physical loss or damage
 (in whole or in part) of or to facilities, or loss of contract(s) you have with third
 parties, for example, drilling contracts, including joint venture or similar contractual
 relationships, in each case whether direct, indirect or consequential; or
- any claims for consequential, indirect or special losses or special damages whatsoever (howsoever caused).

Our total liability to you (including any liability for the acts or omissions of our employees, agents and sub-contractors) in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the contract shall be limited to the lower of US\$250,000 or:

- in the case of a claim connected with the supply of lubricants by us, the price paid for the relevant lubricant under the contract; or
- in the case of a claim connected with any additional services provided by us, the replacement of any lubricant for which it can be shown that our analysis or

recommendation was in error, and to repayment of the aggregate charges paid by you to us for the services in relation to the particular item of machinery concerned.

You agree to indemnify us against any loss, liability or claim and all costs and expenses whatsoever, arising out of or in connection with any spill, accident or any emergency incident occurring during delivery of lubricants or your failure to comply with any of your obligations, except to the extent caused or contributed to by our negligence or failure or defect in our equipment.

Nothing in these conditions of sale shall affect the statutory rights of a consumer nor shall it exclude, restrict or limit our liability to you for i) breach of any term implied by section 12 of the Sale of Goods Act 1979; ii) death or personal injury resulting from negligence as defined in the Unfair Contract Terms Act 1977; or iii) fraud or any other matter if and to the extent that, under English law, such liability cannot be excluded, restricted, or limited as against you in the context of the contract.

14. Used oil analysis

If we have agreed to provide you with used oil analysis services, then you will supply us with representative samples of the lubricant along with all the relevant equipment details relating to those samples. To allow us to make a meaningful inspection of the results, you agree to:

- explain to us as fully as possible the type and nature of the mechanical equipment that you use;
- inform us as soon as possible of any changes in the operation or maintenance of the equipment that may impact upon our evaluation;
- only use the sampling materials and containers provided by us;
- be responsible for sampling in accordance with the procedure recommended by ourselves and so as to prevent contamination of the samples; and
- ensure that sample bottles are dispatched securely capped, correctly labelled and properly packaged in the sample cases or envelopes that we have provided with all the appropriate fees and stamps paid.

If any samples sent to us have not, in our opinion, been taken strictly in accordance with our recommendations, then we can reject such samples without incurring any liability to you. We will try to notify you if this happens. Similarly we shall not accept any liability to you if the samples that you provide to us have not been taken from their stated sampling point.

You will be responsible for:

- ensuring that you have adequate supplies of Castrol sampling materials and containers;
- sending to the relevant analysis centre (by air mail, courier or ensuring that the agent sends to us) the packaged samples; and
- taking the samples at the correct time. We shall not send you any reminders to do
 so

We shall notify you of the analysis centres' addresses and any changes to them.

You alone shall be responsible for carrying out any recommendations made by us to you and we shall accept no liability for any consequences of your decision whether or not to implement such recommendations. We promise to exercise reasonable skill and care in providing these services although we do not give any other warranties or make any representations (express or implied) to you in respect of them.

We shall not be under any obligation to continue to provide any used oil analysis services to you: (a) if we have given you at least thirty (30) days' written notice of our intention to stop providing the services; (b) on receipt of at least thirty (30) days' written notice from you to end the used oil analysis services; (c) if any of the events set out in paragraph 15 occur.

15. Termination of the contract

We may (without affecting any other rights or remedies that we may have), immediately end the contract without liability to you or suspend making deliveries under it, if (a) a liquidator (other than for the purposes of amalgamation or reconstruction), trustee in bankruptcy, receiver or receiver and manager or equivalent officer is appointed in respect of any assets or undertaking of yours or any of your associated companies, or you or any such associated company enter into an arrangement or composition with your creditors, or any similar appointment, arrangement or composition is made under any applicable law, or if we have reason to expect any such appointment, arrangement or composition; (b) you fail to make any payment to us within the applicable credit period as referred to above; or (c) you breach any of your obligations under paragraph 9 (Health, safety and the environment).

If the contract is ended, then paragraphs 1, 2, 3, 7, 8, 12, 13 and 17, and this paragraph 15, shall survive.

16. Unexpected events

If we breach a term of the contract as a result of circumstances reasonably beyond our control, then we will not be liable to you for that breach. You would then be free to buy lubricants from alternative sources until such time as we can continue to supply you. If we still cannot perform our obligations to you after a continuous period of ninety (90) days, then you may end the contract by giving us notice in writing.

If there is either (a) a reduction in or interference with the availability of crude petroleum and/or petroleum products and/or lubricant additives which could not have been reasonably avoided; or (b) our cost of performance is materially increased and we cannot recover such increase by an equivalent increase in the amount you pay to us, then we may withhold or reduce deliveries to you. In such circumstances we shall not be required to provide you with the shortfall from any alternative sources. If, in these circumstances, we decide not to withhold or reduce deliveries to you then we shall have the right to impose surcharges payable by you on any lubricants to be delivered.

17. General

All correspondence relating to the order or contract should be made either by email, fax or recorded delivery sent to our address. Correspondence shall be considered to have



been made when it has been received. You will notify us as soon as possible of any change in your contact details.

We may subcontract or assign all or part of our rights and/or obligations under these Conditions of Sale to any of our affiliates.

No failure by us to enforce any right under the contract between us shall be considered to be a waiver of any form. A waiver of a breach of any of the terms of the contract or of a default under the terms of the contract between us will only be effective if in writing and will not constitute a waiver of any other breach or default, nor shall it affect the other terms of the contract. A waiver of a breach of any of the terms of the contract or of a default under the contract between us will not prevent either party from later requiring compliance with the waived obligation. The rights and remedies provided by the contract are cumulative and (subject to the other provisions of the contract) are not exclusive of any rights or remedies provided by law. The contract is personal to you and cannot be ssigned or subcontracted by you in whole or in part.

With the exception of the ability of other members of the BP group of companies to be able to enforce any of our (the Seller's) rights under the contract, it is not intended that any term shall be enforceable by anybody that is not a party to the contract.

You agree that you have not relied upon any pre-contractual statement made by us in entering this contract. In this context, pre-contractual statement means any undertaking, promise, assurance, statement, representation, warranty or understanding (whether in writing or not) of any person relating to sale and delivery of lubricants or the provision of additional services other than as set out in the contract.

English law shall govern the contract and any non-contractual obligations arising out of or in connection with it. If the contract is translated into any other language, the English version shall be the authoritative version. We have tried to make these conditions of sale general and easy to understand. The terms should be read as a statement of what we have intended and read to the full extent that the law allows. If a term of the contract is not valid in a certain context, for whatever reason, then it should be read to the full extent that it is valid, or applied in a more limited context where it is valid. The other terms of the contract shall continue in force unaffected. Any dispute arising out of or in connection with the contract (apart from a claim brought by us regarding non-payment by you) shall be referred to and resolved finally by arbitration in London under the Rules of the London Court of International Arbitration. The tribunal shall consist of three arbitrators. You agree that we may bring a claim regarding non-payment by you either under the arbitration provisions above or in any court of competent jurisdiction.

Part B - supplementary terms regarding resale

If you resell any of the lubricant that we supply to you, then Part B shall apply in addition to Part

Trade sanctions compliance

You agree that you will not resell any lubricant to:

- a Restricted Party or to/for a facility owned, controlled or used by or for the benefit of a Restricted Party; or
- someone who you know or suspect will resell directly or indirectly to a Restricted Party or to/for a facility owned, controlled or used by or for the benefit of a Restricted Party

For the purposes of this clause, a "Restricted Party" is any person, entity or country with whom trade (or supply for end use by) is prohibited under any sanctions or restricted party regime imposed by the United Nations, the EU, the United Kingdom, the United States or under other applicable law.

Anti-Corruption, Anti-Money Laundering and Ethical Compliance

The Buyer agrees and undertakes that, in connection with this contract and any transactions under it, it will comply with all applicable anti-money laundering and anticorruption laws, rules and regulations, decrees and/or official government orders of the United Kingdom, the United States of America, and of any country where goods will be transported or distributed to or from in connection with this contract.

The Buyer warrants and undertakes that, in connection with this contract and any transactions under it, neither it nor or any of its owners, directors, officers, employees, nor any other person acting on its behalf, has made, offered, promised to make or authorized, or will make, offer, promise to make or authorize, any payment or other transfer of anything of value, directly or indirectly to:

- any government official;
- any director, officer, or employee of the Seller or any of its affiliates; any political party, official of a political party, or candidate for public office;
- (iii)
- an agent or intermediary for payment to any of the foregoing; or
- any other person or entity

for the purpose of obtaining or influencing official actions or decisions or securing any improper advantage in order to obtain or retain business, if such payment or transfer would violate or be inconsistent with the principles of any applicable anti-corruption legislation, including but not limited to the anti-corruption laws of the United Kingdom, the United States of America or of any country where goods will be transported or distributed to or from in connection with this contract.

For the purposes of this clause, the term "government official" shall include any minister, deputy minister, manager, civil servant, director, officer, or employee of any government or any department, agency or instrumentality of any government, and/or of any public sector company or an enterprise in which a government owns a majority or controlling interest, and/or of any public international organization. This term also includes any police or military personnel and any person acting in any official, administrative or judicial capacity for or on behalf of any such government or such department, agency, instrumentality, company or public international organization.

The Buyer agrees and undertakes that, in connection with this contract and any transactions under it, it has and will maintain proper and accurate books, records and accounts which, in reasonable detail, accurately and fairly reflect any and all payments made, expenses incurred and assets disposed of; and has and will maintain an internal accounting controls system that is sufficient to ensure the proper authorization, recording and reporting of all transactions and to provide reasonable assurances that violations of the anti-corruption laws of the United Kingdom, the United States of America or of any country where goods will be transported or distributed to or from in connection with this contract will be prevented, detected and deterred. The Buyer further agrees that it will allow the Seller and/or its duly authorized representative(s) and/or its nominated auditor(s) at any time during the term of this contract and within a reasonable time after its termination to review and/or audit all such books, records, accounts and internal accounting control system that may be relevant to an audit of the Buyer's compliance with this clause and undertakes that it will cooperate fully with any such review and/or audit (to include, without limitation, allowing access to its premises and answering any reasonable questions that may arise).

The Buyer represents and warrants that it does not know or have any reason to suspect that the proceeds, funds or property that are or will be the subject of any transactions under this contract (1) are or will be derived from, or related to, any illegal activities under any applicable laws; or (2) are intended to commit, further, or sponsor a violation of applicable law, including but not limited to violations of any tax, customs or revenue

The Buyer confirms that it has carefully reviewed the BP Code of Conduct (a copy of which is available at www.bp.com) and agrees and undertakes that, in connection with this contract and any transactions under it, it will act consistently with the applicable principles of the BP Code of Conduct in all material respects Further, the Buyer will ensure that its personnel are made aware of the BP Code of Conduct.

20. Termination

In addition to any other right that we may have, we may terminate this contract forthwith

- you commit a material or persistent breach of any of the provisions of this contract and, in the case of a breach capable of being remedied, fail to remedy that breach to our satisfaction within 14 days of receiving written notice specifying that breach and requiring the same to be remedied, or
- continued performance of this contract would cause us to contravene any local, state, national or international regulation or law.

In event of termination of this contract for whatever reason, the parties hereby expressly agree that, subject to the rights of each party under this contract, such termination shall be effective regardless of any provision available under any law preventing termination.

We shall not be liable by reason of termination, expiration or non-renewal of this contract to you for compensation, reimbursement or damage on account of the loss of prospective profits on anticipated sales or on account of expenditures, investments, leases or other commitments (of a similar nature or otherwise) in connection with the business or goodwill of us, you or otherwise. You hereby waive and renounce any claims for compensation, indemnity or payment to which you might be entitled under any applicable laws in the event of or because of the termination of this contract for any reason whatsoever except where the termination by us is in breach of the express terms of this contract.

Without prejudice to any other rights or remedies which either party may have, upon the termination of this contract, howsoever this occurs, each party shall immediately pay to the other party all sums which at the date of termination are due and payable to the other party under it.

21. Repackaging

You agree that you will not repackage, blend, adulterate or reformulate any of the lubricant and will only sell lubricant in its original, unopened packaging and/or containers and will not alter, obscure, remove, conceal, deface or otherwise interfere with the decoration or visible design of such packages and/or containers. You further agree that you will allow us and/or our duly authorized representative(s) and/or nominated auditor(s) at any time during the term of this contract and within a reasonable time after its termination to review and/or audit all such books, records, accounts and internal accounting control system that may be relevant to an audit of your compliance with this clause and undertake that you will cooperate fully with any such review and/or audit (to include, without limitation, allowing access to your premises and answering any reasonable questions that may arise).

22. General

Nothing in this contract is intended to, or shall be deemed to:

- make the Buyer a distributor or agent of the Seller or any of its affiliates, establish any partnership or joint venture between any of the parties,
- authorise the Buyer to make or enter into any commitments for or on behalf of the Seller or any of its affiliates, or
- grant any right or licence to the Buyer in respect of any trade marks or intellectual property of the Seller or its affiliates