

Terms and Conditions

The following general Terms and Conditions for the sale of marine fuels shall apply to those transactions in which Copec S.A. / Ades Ltda. – hereinafter referred to as “Seller” agrees to sell marine fuels to a third party - hereinafter referred to as “Buyer”, which accepts that said transaction shall be carried out by Ades Ltda., which shall act as the Agent in accordance with all applicable Chilean laws and regulations.

1. Price

a) Unless otherwise agreed, the price shall be offered by Seller and accepted by Buyer for each sale. In order to reach this agreement, a written copy of the requirements, offers and nominations is required. A written copy refers to faxes, letters, or e-mails. For such purpose the buyer will present a written document addressed to the seller specifying the requirements.

b) Spot prices shall be offered by Seller, which shall specify their validity and conditions clearly.

c) Buyer shall pay all duties, taxes, fees and costs including those imposed by local authorities as well as other charges associated with the delivery. Seller will make a reasonable attempt to identify such charges in advance.

d) Buyer shall pay any expenses incurred due to partial or complete cancellation of a delivery in progress, being carried out by Seller, in accordance with the notice requirements stated in the "Deliveries" section.

e) Buyer shall pay a lump sum fee of US\$ 3.000.- for barge deliveries between 300 and 450 metric tons (total), and a cancellation fee of US\$ 4.000 for any cancellation given with less than 3 days before delivery.

2. Deliveries

a) Deliveries shall be made in the ports or terminals agreed by both parties, or by barge where this service is available. Buyer or its agent shall notify the Seller of the final requirements at least five working days in advance, and provide a confirmation at least seventy-two (72) and forty-eight (48) hours (excluding days that are not working days) prior to the time of requested delivery. Such notice and confirmations shall specify the port, the name of the vessel, method of delivery, and the requested place and time of delivery, confirming the kind and quantity of marine fuels. Deliveries shall be made during regular business hours observed in the particular port unless required at other times permitted by local regulations, case in which the Buyer shall pay any extra expenses incurred. Vessels shall be bunkered in turns, and Seller or its provider shall not be liable for any losses or demurrage incurred by Buyer due to any delay in the Delivery of marine fuels due to any circumstances or prevailing conditions that are not within the control of Seller. When deliveries are made by barge, the Buyer shall, without charge, immediately furnish a clear and safe berth alongside vessel's receiving lines. Deliveries made in Terminals or by barge may not be done when a clear and safe berth is available in the Seller or its provider's opinion. Buyer shall make all connections and disconnections of the delivery hose to the vessel. If the vessel calls a port only to buy marine fuels, it shall maintain the Seller informed, every eight (8) hours of its ETA, in order to coordinate the service and avoid delays. Buyer shall inform the Seller of its intention to make a bunkers-only stop when Buyer asking for a quotation. If Buyer does not inform Seller of such intention, Buyer shall not hold Seller responsible for any delays or extra costs.

b) Deliveries shall be complete, and the title and the risk of loss shall pass and belong to the Buyer, as the marine fuel reaches the flange connecting Seller's delivery hose to the receiving vessel's manifold. Each delivery is deemed to represent a separate contract. If there is a delay caused by Buyer for any reason in a delivery or in the use of barge facilities or a vacant terminal, the Buyer will be required to reimburse the Seller for any expenses incurred by the Seller due to any such delay.

c) Buyer guarantees that each vessel will be properly crewed, equipped, maintained and operated in compliance with applicable regulations, so as to avoid leakage, spillage, overflow or water or land

pollution. Effective communication between the receiving vessel and the Seller's delivery personnel shall be constantly maintained during the entire bunkering operation. Buyer assumes full responsibility for the direction of pumping. Buyer shall indemnify and hold the Seller harmless against any losses, damages (including damage to the vessel and/or to the barge), costs and reasonable attorney's fees that the Seller or its providers may have incurred or for which they may become liable either: (i) as a result of any claim, action, suit, trial, fine, tax, or charge of a similar nature instituted by anyone, including public authorities and corporations, due to any leakage, spillage, overflow, or water or land pollution, except when such losses, damage, costs and expenses arise out of a wrongful or negligent act or omission of Seller or its providers; or (ii) arising out of the wrongful or negligent acts or omissions of Buyer or its vessel associated with any activities hereunder.

d) If an escape, leakage, discharge, spillage, overflow or water or land pollution by marine fuel (hereinafter referred to as "spill") occurs during delivery to the Buyer, Buyer will take such action as is reasonably necessary to immediately stop the spill and to remove the marine fuel and mitigate the effects of such spill. However, notwithstanding the cause of such spill, Seller is hereby authorized, at its option, upon notice to the Buyer or Buyer's agent for the receiving vessel, to incur in such expenses when considered as reasonably necessary, in the judgement of Seller or its providers, and or ordered by any authority in order to remove the marine fuel and mitigate the consequences of such spill. Buyer shall promptly reimburse Seller for any amounts paid by Seller on Buyer's behalf associated with a spill for which the Buyer is later proven to be responsible. Buyer agrees to cooperate fully with Seller in the prevention, recovery and investigation associated with a spill.

3. Quantity and Quality Determination

a) Quantity shall be determined by the Seller or its providers from the gauge or meter on shore or from the ullage of the tanks of the barge or truck. This determination shall be conclusive, but Buyer shall have the right to be present or be represented by an independent petroleum surveyor at the time of the measurement. If agreed by the Seller and the Buyer in advance, the surveyor's measurement of the barge or pipeline's outturn shall be conclusive. Volume shall be adjusted to 60°F, or to 15°C, at Seller's option, according to existing ASTM-IP Petroleum Measurement tables currently called ASTM D-1250-80 (IP200/52) or the equivalent API standard currently called MPMS Chapter 11.1. Complaints about quantity shall be made to Seller's or its suppliers' representative at the time of the delivery and confirmed in writing within ten (10) days maximum, after delivery.

b) The quality of the marine fuel shall be within the minimum/maximum limits of Copec's current Marine Fuel Specifications, herein below, which form part of these Standard Terms by reference or as otherwise mutually agreed in writing between Buyer and Seller. THERE ARE NO GUARANTEES OR WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS OR SUITABILITY OF THE MARINE FUEL FOR ANY PARTICULAR PURPOSE OR OTHERWISE WHICH EXTEND BEYOND THE DESCRIPTION CONTAINED HEREIN. The standards that set the minimum and maximum limits for the marine fuel parameters will be the current ISO 8217 or Nch 2286/1 for distilled and ISO 8217 or Nch 2286/2 for residual.

c) Product sampling shall be carried out by means of continuous drip whenever possible. The Buyer's representative shall have the right to inspect the sampling equipment and will be provided with a representative sample of the delivery that is sealed, labelled and homogeneous. An identical sample will be retained by the Seller or its supplier for thirty (30) days after the delivery. These samples will be the only evidence acceptable for the parties concerning the quality of the marine fuel provided by the Seller to the Buyer. Complaints and/or claims for deficiency in quality must be based on tests made as soon as possible by a mutually acceptable independent laboratory using the abovementioned samples. Buyer shall inform Seller of such complaints or claims by means of a protest claim as soon as possible, but in no event later than fifteen (15) days from the date of delivery.

4. Marine Fuels for Export

a) Marine fuels intended for export use or imported under bond, and drawback marine fuel manufactured from imported crude, if available, may be delivered to Buyer without payment by the Buyer of the applicable sales (VAT) or use tax, customs duty, tariff, fee, or other tax or charge thereon; provided however, that Buyer shall reimburse the Seller for any such tax or charge assessed, including interest

and penalties thereon, if charged to the buyer, or for any drawback denied after delivery by reason of the failure of the Buyer or its vessel to qualify for those benefits, or to furnish the necessary evidence within the required period of time specified according to the local applicable taxing, customs or other regulations.

5. Payment

a) Unless otherwise agreed, payment for each delivery shall be made without discount or deduction in United States Dollars to Seller at its indicated address within thirty (30) days after each delivery. Payment shall not be conditioned upon Buyer's receipt of original delivery documents. In the event payment is not made at the time and in the manner prescribed above, Seller shall have the right to suspend further deliveries hereunder and/or to notify the Buyer that payment has not yet been made for any deliveries hereunder, which is immediately due and payable. Without prejudice to any other lawful rights of the Seller, Seller shall at its option will be entitled to apply, in satisfaction of any obligation owed hereunder by the Buyer, the amount of any monies which may then be or thereafter become owing from Seller to Buyer. Outstanding or pending payments shall bear interest at the rate of 2% (percent) per month or any part thereof.

b) Sales are made on the credit of the receiving vessels as well as on Buyer's promise to pay, and all the amounts owed shall be maritime liens against such vessels or its sisters vessels in favour of Seller and its supplier, regardless of any disclaimer placed upon the delivery documents by the receiving vessel or any third party.

6.- Contingencies

a) Seller shall not be liable for any loss, damage or demurrage resulting from any breach, delay, or non-performance to the extent such is caused by: (i) any governmental act or compliance by that party with any order, request, or control of any governmental authority or person purporting to act thereof whether or not such order or request is later determined to be invalid (including compliance with or implementation of any order, request, plan or program of any authority created by governments); or (ii) the interruption, unavailability, or inadequacy of marine fuels, or any constituent thereof, or any facility of production, manufacture, storage, transportation, distribution or delivery, because of wars, hostilities, public disorders, acts of enemies, sabotage, strikes, lockouts, labor or employment difficulties, fires, acts of God, accidents, breakdowns, weather conditions, or any other cause whatsoever that is not within the control of Seller including, but not limited to, the failure, cessation, termination or curtailment in whole or in part of any of the existing or contemplated sources of supply of Seller of marine fuels or the crude oil or petroleum products from which such marine fuels are derived. Seller and its suppliers shall not be required to remove any such cause or replace the affected source of supply or facility if it will involve additional expense or a departure from its normal practices. If the seller is responsible of any damage or demurrage to the vessel, the maximum amount that could be pay (for all costs or extra costs) is US\$50.000., amount to which any arising liability of the Seller will be limited to.

b) In the event of an actual or anticipated shortage of supply that directly or indirectly prevents Seller from fulfilling its own requirements as well as those of its customers including its affiliated companies and Buyer, Seller may allocate available quantities of marine fuels to it and its customers in its discretion but in a fair and reasonable manner. In the event that any governmental authority imposes any form of price control, rationing, allocation, or other emergency measures on Seller's sales of marine fuels at the port where Buyer desires to purchase marine fuels, then Seller has the right to: (i) suspend or cancel deliveries of any marine fuels contracted for in accordance herewith for such period or periods as Seller may determine required to resolve uncertainties raised by such governmental actions; or (ii) allocate such quantities of marine fuels to the Buyer as Seller may determine to be appropriate; or (iii) cancel any further commitments to make deliveries under these terms.

c) Seller or its supplier shall not be required to make up deliveries omitted due to any of causes specified herein.

d) Buyer shall not be liable for any loss, damage or demurrage resulting from any breach, delay or non-performance to the extent such is the result of any cause that is not within the control of Buyer and the vessel taking delivery hereunder; provided, however, that nothing contained herein shall: (i) relieve

Buyer of its obligations to pay for marine fuels delivered by Seller or its supplier and to make such payments in the manner specified elsewhere in these terms and conditions; or (ii) affect the obligations of Buyer to reimburse Seller to the extent Seller incurs any expense due to any delay by Buyer in the use of delivery or barging facilities or in vacating the terminal as elsewhere provided in these terms.

7.- Miscellaneous

a) Notice to either party shall be mailed, faxed, or emailed to it at its indicated address, and shall be deemed given at the expiration of normal delivery or transmission time.

b) Copec S.A. and Ades Ltda. are deemed to be considered as the same companies for the purpose of the sales and delivery of marine fuels. The name of Copec S.A. is used for national sales and Ades Ltda. for marine fuels intended for export use as per clause number 4, hereinabove.

c) The address of Copec S.A. and Ades Ltda. for the purpose of receiving notice is Av. Jorge Montt 2300, Viña del Mar, Chile; telefax 56-32-699651; email: bunkers@copec.cl. Seller, owner, or operator shall use above-mentioned address in all communications, via mail, fax or email, with Buyer hereunder.

c) These terms contain the entire understanding between the parties covering the subject matter except as otherwise agreed in the Special Terms.

d) The right of either party to require strict performance shall not be affected by any prior waiver or course of dealing. All rights and remedies are cumulative and election of one remedy shall not exclude another.

e) In no event shall either party be liable in connection herewith respect to operations related hereto, whether in tort, contract or otherwise, for prospective profits or special, indirect, or consequential damages.

f) If the order for marine fuels is placed by Buyer acting as agent on behalf of a disclosed or undisclosed principal. Buyer shall be joint and several liable with the principal for performance of all obligations of the principal, including payment.

g) Seller may assign some or all of its rights and obligations hereunder to another supplier, in which event any such assignee shall enjoy and be entitled to exercise against Buyer any and all rights herein conferred upon Seller. Seller reserves the right to reclaim any marine fuels delivered hereunder by notice to Buyer if Buyer has received such marine fuels from Seller or its supplier while insolvent.

h) The agreement made in accordance herewith, its performance and enforcement (including maritime liens arising hereunder) shall be governed by the law of the Republic of Chile, however, the Seller reserves the right to initiate legal procedures against Buyer in the courts belonging to Buyers' jurisdiction, where Buyer operates or in the jurisdiction of the courts where any marine seizure or arrest of Buyer's vessel is made.

i) Should any provision hereof be finally determined to be inconsistent with or contrary to applicable law, such provision shall be deemed amended or omitted to conform therewith without affecting any other provision hereof or the validity of these Terms and Conditions.

j) MARPOL samples shall be used exclusively for MARPOL purposes, and not for commercial purposes. The commercial and MARPOL sample will be taken at the bunker barge manifold.

END OF STANDARD TERMS AND CONDITIONS FOR COPEC MARINE FUEL SALES.
Effective January 1st of 2008