



Marine Petrobulk Ltd.
10 Pemberton Ave.
North Vancouver, BC V7P 2R1

STANDARD TERMS AND CONDITIONS

1. Application

These terms and conditions shall constitute the standard terms and conditions under which Marine Petrobulk supplies marine fuels and shall be incorporated in full into every Marine Petrobulk Confirmation. These terms and conditions apply to the sale of marine fuels to the named vessel (the "Vessel") and to the company or person described as the "Buyer" in a Marine Petrobulk Confirmation. If there is any conflict between these terms and conditions and the terms and conditions of a Marine Petrobulk Confirmation, the terms and conditions of such Marine Petrobulk Confirmation shall prevail.

2. Entire Agreement and Validity

These terms and conditions together with the Marine Petrobulk Confirmation constitute the entire agreement between the parties (the "Agreement") with respect to the subject matter herein and supercede any prior or contemporaneous understandings or agreements with respect to same. No derogation, addition or amendment to the Agreement shall have any force or effect unless confirmed in writing by Marine Petrobulk. If any provision of the Agreement shall to any extent be found invalid or unenforceable, the remainder of the Agreement shall not be affected thereby.

3. Buyer's Warranty of Authority

The Buyer, if not the owner of the Vessel, expressly warrants that he has the full authority of the owner of the Vessel to act on behalf of the owner and of the Vessel in entering into this Agreement, and in particular has the authority of the owner to contract on the owner's personal credit and on the credit of the Vessel. For the purposes of entering into this Agreement for bunkering the Vessel the Buyer is deemed to be in possession and control of the Vessel. The Buyer further warrants that he has given or will give notice of the provisions of this clause and Clause 10 herein to the owner.

4. Acceptance of Nomination

Marine Petrobulk shall be deemed to have accepted the nominated quote for the bunkering of the Vessel (the "Nomination") when it delivers its Confirmation to the Buyer in writing and the Confirmation shall not change thereafter unless such change is agreed to in writing by Marine Petrobulk. Cancellation of, or changes to the Nomination by the Buyer may be subject to additional charges or price adjustment.

5. Sales Price

(a) The sales price is valid only if the Vessel arrives at the delivery point within 72 hours of the anticipated delivery date.

(b) The Vessel shall provide a free side for delivery and will render all necessary assistance which may reasonably be required to moor or unmoor the required delivery vessel, or to connect or disconnect the delivery hoses. Any additional costs arising from delays caused by a lack of free side, failure of the Buyer to provide assistance, or a requirement to deliver outside normal harbor limits shall be paid by the Buyer.

(c) The sales price is exclusive of all other applicable charges in respect of marine fuels at the time of delivery, which shall be invoiced separately and paid by the Buyer. Such charges shall include, but shall not be limited to (i) barging, ports dues, wharfage, standby, shutdown, retain returns, demurrage and other costs related to the Buyer's delays, or (ii) taxes, duties and other governmental and regulatory levies directly applicable to the delivery of marine fuels to the Vessel.

6. Prior Notice

The Buyer shall provide Marine Petrobulk at least forty-eight (48) hours notice of the time and place at which delivery is required, together with a reconfirmation of the quantities of each grade of fuel nominated. The Buyer shall also provide 72 hour, 48 hour, and 24 hour notices of the Vessel's estimated time of arrival at the delivery point.

7. Delivery

(a) Delivery of marine fuels shall be made day or night, weekends and holidays included.

(b) Prior to commencement of delivery, the Buyer or Vessel shall inform Marine Petrobulk regarding the maximum pumping rate and pressure at which the Vessel can receive fuel.

(c) The Buyer shall be responsible for providing safe and uninterrupted reception for the full quantity of marine fuel(s) nominated, including compliance with all health and safety requirements.

(d) Marine Petrobulk undertakes to provide marine fuel delivery only within the limits of the delivery port.

(e) Marine Petrobulk shall make all reasonable efforts to fuel the Vessel as promptly after its arrival at the delivery point as circumstances permit. The Buyer's sole remedy in the event of delay in delivery or failure to supply shall be to cancel this Agreement.

(f) The Buyer shall be liable for any expenses, costs or charges incurred by Marine Petrobulk resulting from the Buyer failing to take delivery of, or rejecting, in part or in full, any quantity of marine fuels nominated.

8. Measurement

(a) The Buyer shall have the right to be represented at the time of measurement and sampling of marine fuels, and have the right to verify any of Marine Petrobulk's measurements, or sound the tanks of the delivery vessel.

(b) The quantity of each delivery shall be determined by Marine Petrobulk in accordance with the onboard petroleum measurement tables on board the delivery vessel. The quantity as documented on the Marine Bunker Receipt shall be considered conclusive between the parties, unless the Buyer witnessed the measurements referred to in Clause 8(a) herein and at the time of delivery questioned their accuracy in writing to Marine Petrobulk. The Buyer's sole remedy for shortage shall be deduction from the invoice (if unpaid) or refund by Marine Petrobulk (if invoice paid) of an amount equal to the quantity for which the Buyer was invoiced but did not receive.

(c) At the time of delivery, Marine Petrobulk shall take two representative numerically sealed samples of the marine fuel(s) delivered, such sampling to be in accordance with the continuous manual line drip sampling procedures established by Veritas Petroleum Services. The Buyer waives any objection to such sampling unless the Buyer witnessed such sampling and at the time of delivery made its objection in writing to Marine Petrobulk. One set of sealed samples of each marine fuel delivered shall be given to a representative of the Vessel receiving the marine fuel(s); the other sample shall be retained by Marine Petrobulk for a period of seven (7) days from the date of delivery for verification, if required, of the quality delivered. The Buyer shall advise Marine Petrobulk within seven (7) days of receipt of such sample by the Vessel of any defect in quality. If the Buyer has made a complaint for claim within such seven (7) days, Marine Petrobulk's retained sample shall be submitted for analysis to an independent laboratory, whose analysis shall be final and binding, and whose expenses shall be borne equally by the parties. The Buyer's sole remedy for any defect in quality is limited to the costs incurred to remove deficient marine fuels and replace such fuels.

9. Title and Risk

All title and risk of loss for the marine fuels supplied by Marine Petrobulk shall pass to the Buyer as the fuel passes the end of Marine Petrobulk's delivery vessel's hose.

10. Liens

Marine Petrobulk, in agreeing to deliver marine fuels to the Vessel, does so relying upon the faith and credit of the Vessel and the personal credit of the owner of the Vessel, both of which are pledged by the Buyer in accordance with the authority given the Buyer and referred to in Clause 3 herein. It is agreed and acknowledged that Marine Petrobulk has and can assert a maritime lien on the Vessel, its appurtenances and accessories, for all sums owed to Marine Petrobulk by the Buyer. Marine Petrobulk shall not be bound by any attempt by any person to restrict, limit or prohibit its lien attaching to the Vessel and, in particular, no wording placed on the bunker delivery receipt or any similar document by anyone shall negate the lien hereby granted.

11. Payment Terms

(a) Payment for marine fuels, transportation and other applicable charges shall be made in full (without deduction, setoff, counterclaim, discount or bank fee) in immediately available US funds by electronic transfer, quoting Marine Petrobulk's invoice number and the Buyer's name, via:

Final Beneficiary: Marine Petrobulk Ltd.
HSBC Bank Canada
Suite 200, 885 West Georgia Street
Vancouver, BC Canada
USD Account No 500-373388-059
Swift No: HKBC-CATT

Routing Bank: HSBC Bank USA
New York, New York
Account of HSBC Bank Canada
ABA No. 021-001088

(b) If at any time before delivery, the Buyer's credit or that of the Vessel or her owner is deemed by Marine Petrobulk to be impaired, Marine Petrobulk may require the Buyer to (i) pay cash before delivery, (ii) provide satisfactory security, and/or (iii) effect immediate payment of all outstanding accounts for previous deliveries of marine fuels by Marine Petrobulk. The Buyer's failure to comply with these requirements provides Marine Petrobulk the right to cancel delivery and this Agreement without penalty.

(c) The Buyer shall pay interest at a rate of 1.5 % per month (18% per annum) in respect of any payment not made by the due date (30 days following date of delivery).

(d) Notwithstanding any other terms of this Agreement and without in any way diminishing Marine Petrobulk's reliance on the credit of the Vessel and the credit of her owner, if the Buyer is acting on behalf of a principal or principals, disclosed or undisclosed, or on behalf of an agent on behalf of another principal or principals, disclosed or undisclosed, the Buyer shall in any event be jointly and severally liable for the due and proper performance of this Agreement.

12. Warranties, Liabilities and Indemnities

(a) Marine Petrobulk warrants that the marine fuels supplied hereunder are of merchantable quality and are within the industry standard for the grade of fuel nominated by the Buyer. All other warranties and all conditions relating to the quality, fitness for purpose, description or otherwise, whether express or implied, by common law, statute or otherwise, are excluded. The Buyer shall be solely responsible for nominating to Marine Petrobulk the grade of marine fuels for each delivery from among the range of fuels offered for sale by Marine Petrobulk. The Buyer has not relied upon any representations made by or on behalf of Marine Petrobulk, but has relied exclusively on its own knowledge and judgment as to the fitness for purpose of the marine fuels nominated.

(b) The Buyer warrants that the Vessel is in possession of all certificates required to comply with all regulations applicable to receipt of marine fuels at the delivery point.

(c) Marine Petrobulk's liability pursuant to this Agreement shall be limited to the contracted value of the marine fuel(s) supplied, except as outlined in Clause 8(c) herein. No other liabilities are accepted or assumed hereunder by Marine Petrobulk or by its owners, agents, and employees.

(d) Neither party shall be liable for any loss of profit or anticipated profit, loss of time or hire, overhead expenses, demurrage or loss of schedule, cost of substitute vessel(s), loss of operational use of Vessel, physical loss or damage (in whole or in part) of or to Vessel or cargo, or for any loss of contract(s) of affreightment, to the extent that the foregoing or any of them are consequential, indirect, incidental, or special losses or special damages, and without prejudice to the foregoing, for any other consequential, incidental, indirect or special losses or special damages, arising out of or in any way connected with this Agreement.

(e) The Buyer shall indemnify Marine Petrobulk against any liability incurred by Marine Petrobulk in respect of the Buyer's failure to comply with applicable laws or regulations, or in respect of any loss of marine fuels or damage to any person or property, caused by the Buyer's negligence or willful misconduct.

13. Termination

Notwithstanding any other term of this Agreement, Marine Petrobulk may at its sole discretion immediately terminate this Agreement in the event that a liquidator, trustee in bankruptcy, receiver or similar person is appointed in respect of any assets or undertaking of the Buyer or the owner of the Vessel or any of their associated companies, or the Buyer or owner or any of their associated companies enter into a plan of arrangement or similar agreement with their creditors.

14. Environmental Protection

(a) If a spill occurs while marine fuels are being delivered, regardless of fault, the Buyer and Marine Petrobulk shall promptly and collectively take such action as is reasonably necessary to contain and remove the spilled marine fuels and mitigate the effects of such spills. Marine Petrobulk is hereby authorized, at its option, and at the expense of the Buyer if the spill was

caused by the Buyer, to take such measures and incur such expenses on behalf of the Buyer as are reasonably necessary in the judgment of Marine Petrobulk to remove the spilled marine fuels and mitigate the effects of such spills.

(b) The Buyer and the Vessel warrant to Marine Petrobulk, and Marine Petrobulk warrants to the Buyer that each will at all times be in compliance with, and shall comply with, applicable environmental laws and regulations.

15. Assignment and Waiver

The Buyer shall not assign this Agreement or any of its rights and obligations hereunder. No waiver by either party of any provision of this Agreement shall be binding unless expressly confirmed in writing.

16. Law and Arbitration

The construction, validity and enforcement of the terms and conditions of this Agreement shall be governed by the laws of Canada. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. Any dispute arising from or in connection with this Agreement shall be submitted to arbitration in Vancouver, British Columbia in accordance with the International Commercial Arbitration Act of British Columbia, or any statutory modification thereof. Nothing in this Clause shall, however, preclude Marine Petrobulk, in the event of a breach of this Agreement, from taking such action or seeking such remedies in any court or tribunal in any state or country as it shall in its absolute discretion consider necessary to enforce, safeguard or secure its rights under this Agreement.

17. Force Majeure

Neither party shall be liable for damages or any failure to fulfill any term or condition of this Agreement (except the obligation to pay for marine fuel and related charges hereunder) if fulfillment has been delayed, hindered, prevented or made substantially more expensive by any circumstances which are not within the immediate control of the party, including acts of God, strikes, differences with workers, lockouts, fires, explosion, floods, perils of the sea, acts or compliance with requests or orders of any governmental authority, war, riot, insurrection, terrorism, accidents, delays in transportation, and interruption of contemplated sources of supply of fuel or means of supply.

18. Contacts

Enquiries regarding this Agreement should be directed to Tony Brewster at 604-990-1892, or Nathan Briscoe at 604-990-1891.