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2 **IETHA'S STANDARD CONTRACT FOR FOB SALE/PURCHASE**
3 **OF ANHYDROUS/HYDROUS ETHYL ALCOHOL (ETHANOL)**

4
5 Effective 01st October 2007.

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7 **This contract is made on FOB - Free On Board basis for export purpose between SELLER and BUYER as per below conditions:**

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9 **SELLER:**.....henceforth "**SELLER**";

10 **BUYER:**.....henceforth "**BUYER**";

11 **PRODUCT:**.....henceforth "**PRODUCT**";

12
13 **1. QUALITY.**

14 1.1. The **PRODUCT** shall meet the following specification: ***** TABLE ******

15 (or) 1.1. The **PRODUCT** shall meet the specification described in the Attachment number ____.

16 1.2. The **SELLER'S** obligations with regard to the quality of the **PRODUCT** are limited solely to supplying **PRODUCT** meeting the specifications
17 specified in Section 1.1 above.

18 1.3. All other conditions, warranties or other terms whether expressed, implied or which would otherwise be imposed by statute, with
19 respect to **QUALITY**, satisfactory **QUALITY**, suitability or fitness for any purpose whatsoever of the **PRODUCT** are hereby excluded.

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21 **2. QUANTITY**

22 2.1. **SELLER** hereby sells to **BUYER** kl (kiloliters) at 15 degrees Celsius (or as agreed by the parties), plus or minus% at
23 **BUYER'S** operational tolerance option, and in case of multiple shipments to be applied for each shipment. Balance volume to be shipped
24 calculated as original volume minus actual volume loaded.

25 2.1.1. **BUYER'S** option shall be declared in writing, latest by the time of vessel's nomination, provided vessel's capacity allows **SELLER** to
26 load the given quantity.

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28 **3. PRICE**

29 3.1. The price of the **PRODUCT** shall be US\$ per kiloliter at 15 degrees Celsius FOB at (local) port,..... (country).

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31 **4. PAYMENT**

32 4.1. All amounts due under this contract shall be paid in full without any deduction or withholding other than is required by law and **BUYER**
33 shall not be entitled to assert any credit setoff or counterclaim against **SELLER** in order to justify withholding payment of any such amount in
34 whole or in part.

35 4.1.1. All documents to be presented latest seven running days after B/L date or as agreed by the parties.

36 4.2. The full contract value to be paid in U.S. dollars

37 4.2.1. **(OPTION A)** Cash Against Documents - latest working days after presentation of original shipping documents at the counters
38 of **BUYER'S** nominated bank.

39 (or) 4.2.2. **(OPTION B)** As per irrevocable, first class bank Letter of Credit (L/C) to be opened at least days prior to

40 4.3. **BUYER** to give to **SELLER** complete final documentary instructions no later than five working days prior to vessel's arrival at loading
41 port. Original shipping documents to be supplied by **SELLER** to **BUYER**:

42 4.3.1. full set 3/3 clean on board bills of lading;

- 43 4.3.2. signed commercial invoice;
44 4.3.3. certificate of quantity issued by the independent inspection company;
45 4.3.4. certificate of quality issued by the independent inspection company;
46 4.3.5. certificate of origin.
47 4.4. Payment to be made from **BUYER'S** account to the **SELLER'S** designated account. If the **SELLER** nominates a third party to receive
48 payment, a description of their economic relation needs to be provided to the **BUYER** prior to payment, including originals and/or legalized copy
49 of certificate of incorporation of the third party and the extract from the shareholders register.
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51 **5. DELIVERY**

52 5.1. The delivery of the **PRODUCT**, shall be Free On Board (FOB) basis – as per INCOTERMS 2000, or latest version available – pumped
53 in, ship's manifold, at(local) Port,(country). **SELLER** shall provide a safe berth for the vessel, free of all wharfage, dockage
54 and quay dues, which such vessel, provided it meets terminal limitations, can proceed to, lie at, and depart from, always safely afloat.

55 5.2. Loading port and berth:

56 5.2.1. **(OPTION A)** Shipment to be executed in(indicate number) safe port,(indicate number) safe berth, at
57 **SELLER'S** option to be declared (as agreed by the Parties).

58 **(or)** 5.2.1. **(OPTION B)** Shipment to be executed in (indicate name) port, (indicate name) berth.
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60 **6. SHIPMENT PERIOD**

61 6.1. The shipping period shall be between MM DDth, 20YY and MM DDth, 20YY.

62 6.2. The **PRODUCT** shall be shipped in single/multiple vessel shipments for each of the schedule periods indicated below:

63 **6.3. TOLERANCE ON SHIPMENT PERIOD**

64 6.3.1. **BUYER** is entitled to request adays extension of the shipment period, provided such request is received by **SELLER**
65 minimumdays before the end of the shipment period.

66 6.3.2. In case of an extension of up to days, **SELLER** is entitled to carrying charges in a fixed amount of US\$ per Kiloliter / day
67 or fraction of day to be counted from 24:00h of the last day of the original Shipment Period up to the termination of the loading operations,
68 covering port storage and additional port taxes and expenses in consequence of such default due to the delay of the shipment.
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70 **7. LOADING CONDITIONS – LAYTIME - DEMURRAGE**

71 7.1. **N.O.R. TENDERING:** N.O.R. to be tendered at customary anchorage area.

72 7.2 **LAYTIME COUNTING:**

73 7.2.1. **(OPTION A)** Time to count when vessel all-fast (berthed) and all set of tanks appointed for **SELLER'S** cargo already clean and
74 approved by the inspector.

75 **(or)** 7.2.2. **(OPTION B)** Laytime allowed shall be 36 hours for the loading Sundays and Holidays included (SHINC).

76 Laytime shall commence 6 hours after the vessel tenders NOR at loading port. However, if the vessel arrives before the first day of the agreed
77 arrival date range, laytime shall not commence until 06:00 am on the first day of the agreed arrival date range or the time loading commences
78 whichever earlier. If the vessel arrives after the last day of the agreed arrival date range laytime shall commence at time loading commences.

79 **(or)** 7.2.3. **(OPTION C)** Laytime shall commence 6 hours after the vessel tenders NOR at loading port. However, if the vessel arrives before the
80 first day of the agreed arrival date range, laytime shall not commence until 06:00 am on the first day of the agreed arrival date range or the time
81 loading commences whichever earlier. If the vessel arrives after the last day of the agreed arrival date range laytime shall commence at time
82 loading commences.

83 7.3. **LOADING RATE:** The loading facilities shall be capable of handling, and **SELLER** to guarantee, a minimum loading rate of metric
84 tons per hour **SHINC** (Sundays and Holidays Included), provided receiving capacity of Vessel proves to be consecutively as such.

85 7.4. **DEMURRAGE:** Demurrage if any, to be calculated as per Charter Party.

86 7.5. **BUYER** shall forward vessel's statement of facts and demurrage calculation worksheet to **SELLER** for purpose of demurrage calculation.
87 Any demurrage claims shall be submitted within 90 (ninety) days of completion of delivery or shall be deemed as time barred. Demurrage, if any,
88 to be paid maximum 30 (thirty) days after presentation of the calculation accepted by the parties.

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90 **8. VESSEL NOMINATION**

91 8.1. Vessel should be suitable for berthing and loading at the nominated loading terminal(s) at the designated port of loading and for
92 carrying ethanol in bulk.

93 8.2. Vessel shall be nominated by **BUYER** to load in the contractual shipment period at least 15 (fifteen) calendar days prior to vessel's
94 estimated time of arrival at the loading port, unless otherwise mutually agreed.

95 8.3. Vessel's Nomination to be tendered within normal working hours at loadport. If nomination is sent to **SELLER** after 05:00 PM, loadport
96 time, 15 (fifteen) calendar days of pre advice will start to count at 08:00 AM on the next working day. Nomination to include the following
97 information:

98 8.2.1. Vessel's name, flag/nationality, IMO (International Maritime Organization), Owner name;

99 8.2.2. Country of destination;

100 8.2.3. Total volume/quantity to be loaded;

101 8.2.4. BUILT – DWT – LOA – BEAM – LAYCAN- DRAFT – ETA at the loading port;

102 8.2.5. Demurrage rate;

103 8.2.6. Copy of the ISPS Certificate, if available;

104 8.2.7. Last three cargoes;

105 8.2.8. Other's approval, if any,

106 8.2.9. And any other information included in Q88 form.

107 8.3. In the absence of any of the aforementioned items **SELLER** shall be entitled to delay acceptance of the nomination until the information
108 has been supplied;

109 8.4. **SELLER** to accept the vessel latest within 1 (one) working day after receiving **BUYER'S** nomination, provided **SELLER** already received
110 full above-mentioned information.

111 8.4.1. Once nomination is accepted, **BUYER** shall nominate vessel's agent at the loading port maximum 7(seven) working days after.

112 8.5. **BUYER** to keep **SELLER** advised of any changes in the ETA, and to inform **SELLER** 72, 48 and 24 running hours in advance of actual
113 arrival.

114 8.6. **BUYER** may, substitute any vessel nominated by another vessel, provided **BUYER** gives written notice thereof to **SELLER** not less than
115 5 (five) days prior to the scheduled arrival date of the vessel originally nominated and provided further that the substitute vessel be of similar size
116 to the one previously nominated and meets all requirements for vessel nomination set forth above. **SELLER** shall provide notice of its acceptance
117 of any substitute vessel, or the basis for any rejection, within one working day after receipt of **BUYER'S** substitute nomination. **BUYER** may also,
118 with **SELLER'S** prior agreement and by giving **SELLER** reasonable notice, amend in other respects any vessel nomination or series of vessel
119 nominations. If such amendment is rejected by **SELLER**, the parties shall negotiate a mutually acceptable alternative vessel nomination. **BUYER**
120 shall not, unless otherwise agreed, be relieved of its responsibility to perform the agreed loading.

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122 **9. INSPECTIONS ON QUANTITY AND QUALITY**

123 9.1. **QUALITY** and **QUANTITY** of the **PRODUCT** to be determined at the time of shipment, at static shore tanks at the port of loading. **SELLER**
124 and **BUYER** will have the option of appointing their own first-class independent inspection company, at their own cost. In case an agreement is
125 reached to use the same inspection company, costs to be equally shared.

126 9.1.1. In case **SELLER** and **BUYER** have appointed separate inspection companies, sampling and measurement procedures shall always be
127 made jointly by representatives of both companies. In case both analysis results fulfil the contractual specification, then **SELLER'S** independent
128 inspection company results will be considered final and binding.

129 9.1.2. In case one of the measurements does not fulfil the contractual specifications on at least one specification item, the retained
130 samples shall be tested by another first-class independent supervision company accepted by both **SELLER** and **BUYER**, with costs equally shared
131 between **SELLER** and **BUYER** shall analyze the samples sealed by the supervision companies of **SELLER** and **BUYER**, to evaluate the specification
132 item(s) subject of discrepancy(ies), whose results will be used to validate the analysis results obtained from **SELLER'S** or **BUYER'S** supervision
133 company.

134 9.2. **QUANTITY** to be measured based upon the difference of levels of the static shore tanks before and after loading.

135 9.3. **QUALITY** analysis to be based on samples of shore tanks and **SELLER** guarantees quality until **PRODUCT** passes shore loading lines
136 before vessel's manifold.

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138 **10. ISPS COMPLIANCE CLAUSE**

139 10.1. **BUYER** shall procure that the vessel shall comply with the requirements of the International Code for the Security of Ships and of Port
140 Facilities and the relevant amendments to Chapter XI of Solas (ISPS Code) and where the loading port is within the USA and US territories or
141 waters, with the US Maritime Transportation Security Act 2002 (MTSA).

142 10.2. The vessel shall when required submit a Declaration of Security (DOS) to the appropriate authorities prior to arrival at the loading
143 port.

144 10.3. Notwithstanding any prior acceptance of vessel by **SELLER**, if at any time prior to the passing of risk and title the vessel ceases to
145 comply with the requirements of the ISPS Code or MTSA:

146 a) **SELLER** shall have the right not to berth such nominated vessel and any demurrage resulting shall not be for the account of the **SELLER**.

147 b) **BUYER** shall be obliged to substitute such nominated vessel with a vessel complying with the requirements of the ISPS Code and
148 MTSA.

149 10.4. **SELLER** shall procure that the loading port/terminal/installation shall comply with the requirements of the International Code for the
150 Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of Solas (ISPS Code) and if located within the USA and US
151 territories, with the US Maritime Transportation Security Act 2002 (MTSA). Any costs or expenses in respect of the vessel including demurrage
152 or any additional charge, fee or duty levied on the vessel at the loading port and actually incurred by **BUYER** resulting directly from the failure of
153 the loading port/terminal/installation to comply with the ISPS Code and if located within the USA and US territories, with the MTSA, shall be for
154 the account of the **SELLER**, including but not limited to the time required or costs incurred by the vessel in taking any action or any special or
155 additional security measures required by the ISPS Code or MTSA.

156 10.5. Save where the vessel has failed to comply with the requirements of the International Code for the Security of Ships and of Port
157 Facilities and the relevant amendments to Chapter XI of Solas (ISPS code) and within the USA and US territories or waters, with the US
158 Maritime Transportation Security Act 2002 (MTSA), the **SELLER** shall be responsible for any demurrage actually incurred by the **BUYER** arising
159 from delay to the vessel at the loading port resulting directly from the vessel being required by the port facility or any relevant authority to take
160 any action or any special or additional security measures or undergo additional inspections by virtue of the vessel's previous ports of call.

161 10.6. The **SELLER'S** liability to the **BUYER** under this agreement for any costs, losses or expenses incurred by the vessel, the charterers or
162 the vessel owners resulting from the failure of the loading port/terminal/installation to comply with the ISPS Code or MTSA shall be limited to the
163 payment of demurrage and costs actually incurred by the **BUYER** in accordance with the provisions of this clause.

164 10.7. A copy of the ISPS certificate of the vessel to be presented by **BUYER** to **SELLER** at the moment of the nomination.

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11. TITLE AND RISK

11.1. Title and risk on the **PRODUCT** shall pass from **SELLER** to **BUYER** at the moment it passes the carrying vessel's manifold at the loading port, and **BUYER** may contract marine insurance at its own account and risk.

12. DUTIES AND PORT DUES

12.1. All costs, duties, and/or taxes related to the cargo at the loading port at time of shipment, shall be for **SELLER'S** account, except for those which are due by the loading vessel, which shall be covered by **BUYER**.

13. LICENSES

13.1. Export license if any required, to be obtained by **SELLER**.

14. MATERIAL SAFETY DATA SHEET (MSDS)

14.1 In order to comply with regulations regarding the provision of health, safety and environmental information about the **PRODUCT** delivered hereunder to **BUYER** when requested, **SELLER'S** current Material Safety Data Sheet for Products shall be provided to **BUYER** by **SELLER**.

15. FORCE MAJEURE

15.1 If either party is prevented or delayed in the performance of any of their obligations under this contract by force majeure and if the party so prevented or delayed gives written notice within 72 hours thereof to the other specifying the matters constituting force majeure, together with such evidence as it reasonably can give, and specifying the period for which it is estimated that such prevention or delay will continue, then the party so prevented or delayed shall be excused the performance or the punctual performance as the case may be as from the date of such notice for so long as such cause of prevention or delay shall continue.

15.2. In the event of notification being made by either of the parties pursuant to the above of a force majeure event both parties shall use all reasonable endeavours to mitigate the effects of an event of force majeure and the parties shall consult together with a view to agreeing what action should in the circumstances be taken.

15.3. If a continuous period of 45 days shall elapse from the date of notification as above and at the end of that period the force majeure event shall be in existence and shall materially affect the operation and/or substance of this contract, then either party shall have the right to terminate this contract by serving written notice on the other, and each of the parties shall be released from all of their obligations under this contract forthwith other than the obligation to make any payments which shall have accrued due pursuant here to including (but not limited to) the obligation to repay in full any monies held by way of deposit for deliveries that have not yet been effected and other than those obligations in the arbitration provisions and subject to such continuous obligations this contract shall be terminated forthwith.

15.4. For the purposes of this contract the term "force majeure" shall be deemed to include any event affecting the performance of this contract arising from or attributable to acts, events, non-happenings, omissions or accidents beyond the reasonable control of the parties and shall include the following: act of God, war, civil commotion, hostilities, earthquake, strike, fire, flood and governmental actions such as the necessity for compliance with any court order, law, statute, ordinance, regulation or policy having the effect of law promulgated by a governmental authority having jurisdiction.

15.5. The **SELLER'S** failure to obtain an export license shall not be considered as reason to declare "force majeure", except if law, rule or act of government prohibits exports of ethanol.

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16. APPLICABLE LAW

16.1. This contract shall be governed by and construed in accordance with the laws of England.

17. LIABILITIES

17.1. Neither **SELLER** nor **BUYER** shall be held liable for indirect or consequential losses or damages.

18. ASSIGNMENT

18.1. This agreement may not be assigned by a party without the prior written consent of the other party.

19. DISPUTES – BINDING ARBITRATION

19.1. Any dispute arisen out of this contract which cannot be amicably resolved by negotiation nor by a mediation is to be submitted to the LCIA – London Court of International Arbitration and the Rules of such institution to apply to the arbitration.

19.1.1. If any or both of the parties do not agree to the mediation, it or they can proceed directly to the court of arbitration.

19.2. The number of arbitrators shall be three. The place of arbitration shall be London, England and the language of the arbitration shall be English. Any award of the arbitrators shall be final and binding on the Parties and may be enforced in any competent jurisdiction.

19.3. Submission of any dispute to arbitration shall not prejudice the right of either Party to request, until final arbitration decision is reached, any judicial or other authority in any country to order any provisional or conservatory measures or relief for the preservation of its rights hereunder.

20. OTHER TERMS

20.1. The FOB - Free On Board INCOTERMS 2000 provisions are herein fully incorporated whenever not inconsistent with these clauses, when the latter are to prevail.

20.2. The United Nations Convention on Contracts for the International Sale of Goods of Vienna 1980 shall not apply to this contract.

21. NON-WAIVER

21.1. Failure by either party to take action against the other in case of the other party's non-compliance with obligations or conditions set forth in this contract shall not be deemed to be a waiver to take action for a subsequent non-compliance of the same or other obligations or conditions.

22. ENTIRE AGREEMENT

22.1. This contract contains the entire agreement between the parties and supersedes all previous negotiations, representations, agreements or commitments with regard to its subject matter.

22.2. Each party acknowledges that in entering into this contract it has not relied on any representations, warranties, statements or undertakings except those, which are expressly set out herein.

This contract shall be conclusively presumed to have been entered on.....

SELLER:.....

BUYER:.....