

## TAUBER PETROCHEMICAL CO.

### GENERAL TERMS AND CONDITIONS

July 1, 2012

1. DEFINITIONS: Certain terms, hereinafter defined, shall have the following meaning:
  - a. AGREEMENT means the acceptance of the Contract (as hereinafter defined) to which these General Terms and Conditions apply.
  - b. BUYER means a party obligated to buy Product (as hereinafter defined) under this Agreement and as identified in the Contract (as hereinafter defined).
  - c. CARGO means any Product (as hereinafter defined).
  - d. CONTRACT means any form of agreement including, without limitation, a purchase, sale, exchange contract, letter, telex, facsimile, electronic mail, or acceptance of Product to which these General Terms and Conditions are to any extent incorporated by reference or which is made subject to these General Terms and Conditions.
  - e. ETA means Estimated Time of Arrival.
  - f. INCOTERMS means the trade terms as most recently published by the International Chamber Of Commerce.
  - g. OBQ means on board quantity of Cargo as measured on Vessel (as hereinafter defined) prior to loading.
  - h. PRODUCT means the commodity that is the subject matter of this Agreement. Product shall include, but not be limited to, crude oil, condensate, residual oil, natural gas liquids, refined products, petrochemical products, olefins, feedstock, intermediate products, and any other hydrocarbon based material purchased, sold, or exchanged.
  - i. ROB means remaining on board quantity of Cargo as measured on Vessel after completion of discharge of Cargo.
  - j. SELLER means a party obligated to sell Product under this Agreement and as identified in the Contract.
  - k. TERMINAL means the refinery or facility delivering or receiving the Cargo under this Agreement
  - l. TERMINAL PARTY means the party to the Agreement nominating a Terminal.
  - m. VESSEL means any inland barge, ocean-going barge, ocean tanker or tow, collectively, holding or transporting Cargo under this Agreement. The term "tow" refers to any combination of towboats and with the ability to function as a single unit.
  - n. VESSEL PARTY means the party to the Agreement nominating a Vessel.

2. WARRANTY:

EACH PARTY WARRANTS TITLE TO ALL PRODUCTS DELIVERED BY IT TO BE FREE AND CLEAR FROM ALL PREVIOUSLY INCURRED STATE AND FEDERAL TAXES, LIENS, CLAIMS OR OTHER CHARGES OF ALL PERSONS WHOMSOEVER, AND WARRANTS THAT THE PRODUCT CONFORMS TO THE SPECIFICATIONS AS SET FORTH IN THE CONTRACT. EXCEPT THOSE EXPRESSLY STATED IN THIS AGREEMENT, SELLER HEREBY EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS, GUARANTEES OR WARRANTIES, EXPRESSED OR IMPLIED, OF MERCHANTABILITY, FITNESS, OR SUITABILITY OF THE PRODUCT FOR A PARTICULAR PURPOSE NOTWITHSTANDING ANY COURSE OF PERFORMANCE, COURSE OF DEALING, OR USAGE OR TRADE THEREOF INCONSISTENT WITH THIS SECTION.

3. TITLE AND RISK OF LOSS:

Title to, and all risk of loss of or damage to or by, any Product delivered shall pass as follows: When, by or into any Vessel, at the flange between the Vessel's permanent hose connection and the shore line; when by or into any truck, tank car or pipeline, as the Product enters the receiving equipment, or if received by a common carrier, when accepted by the carrier for shipment; and when into or from storage (other than from a Vessel), as the Product enters into or leaves the storage tank.

4. QUANTITY DETERMINATION:

Quantities delivered: (a) into or from Vessels shall be measured by shore tank gauges or, if customary at that location, meters shall be used; in the event that shore tank(s) are determined to be active and it is mutually agreed that accurate shore tank(s) measurements are not available, then static shore tank measurements, at discharge or at loading, adjusted for OBQ/ROB shall be used; if both loading and discharging shore tanks are determined to be active then Vessel's measurements at loading, averaged with the Vessel's measurement at discharge, adjusted by valid Vessel's Experience Factor (VEF) shall be used; (b) into or from transport trucks shall be measured by calibration tables, calibrated meters, or scale weights; (c) into or from tank cars shall be measured by standard tank car calibration tables or calibrated meters, or scale weights and (d) into or from pipelines shall be measured by terminal tank gauges or calibrated meters. The latest ASTM published standards will apply and a temperature adjustment will be made to 60 degrees Fahrenheit.

5. QUALITY INSPECTION:

Product delivered under this Agreement shall be subject to the receiving party's inspection and approval prior to delivery. Payment may not be withheld pending inspection, but payment shall not constitute acceptance of Product or limit the receiving party's remedies. If any delivered Product fails to meet the minimum specifications stated in the Contract, the receiving party may reject same or, at its option and upon notice to the delivering party, may accept such Product, in which case a price adjustment shall be made as provided in the Contract, or lacking such provision, by mutual agreement.

6. INDEPENDENT INSPECTION:

The quantity and quality of the Cargo delivered shall be determined by a mutually agreed upon independent, licensed petroleum inspector. The cost of the inspection service shall be shared equally between both parties, unless otherwise agreed to in writing by the parties hereto. All measurement practices must meet the guidelines set out in the current API Manual of Petroleum Measurement Standards and all applicable API Bulletins and API Standards publications. The inspector's determination as to quantity and quality shall be conclusive and binding upon both parties for invoice purposes, but without prejudice to the right of either party to pursue a claim.

Unless mutually agreed otherwise, all quality inspections for certifying deliveries into Vessels shall be based on a shore tank sample prior to loading, and all quality inspections for certifying deliveries from Vessels shall be based on a composite Vessel sample prior to discharge.

Vessel Party is responsible for compartment cleanliness, and Vessel compartments are subject to inspection prior to loading, including Vessels equipped with inert gas systems, where non-visual methods may be utilized. Delays associated with cleaning the Vessel shall not count as used laytime or as time on demurrage.

7. LOSS CONTROL REPRESENTATIVE:

Loss control representative(s) may be nominated by the Terminal Party and/or the Vessel Party to witness the quantity and/or quality inspection; however, the party must provide advance written notice to the Terminal and the other party hereto prior to the Vessel's arrival stating the representative's name, company affiliation, the party it is representing and telephone contact. If the Terminal allows entry, loss control representative(s) must adhere to any and all safety procedures as may be required. Any and all costs associated with the loss control representative(s) attendance shall be for the sole account of the nominating party.

8. CREDIT:

Tauber Petrochemical Co., in its sole discretion, may grant from time to time unsecured trade credit to the other party to this Agreement, or any Contract hereunder, for the purchase or exchange of Product. Any such unsecured trade credit line may be reduced or terminated at any time without notice to the other party. Tauber Petrochemical Co. reserves the right to require the other party to immediately provide current financial information of the type reasonably required by those offering credit to customers in similar transactions. Tauber Petrochemical Co. reserves the right to require the other party to (i) post an irrevocable letter of credit from a bank and in a form acceptable to Tauber Petrochemical Co. at least three (3)

business days prior to making any delivery under this Agreement, or any Contract hereunder, (ii) prepay in immediately available U.S. funds at least one (1) business day prior to making any delivery under this Agreement, or any Contract hereunder or (iii) provide other security prior to making any delivery under this Agreement, or under any Contract hereunder.

Failure of the other party to immediately provide the financial information requested, an irrevocable letter of credit, prepayment or other security, as requested by Tauber Petrochemical Co. shall, at the sole discretion of Tauber Petrochemical Co., be deemed a material breach of the Agreement and subject to, among other provisions, the provisions of Section 25 hereof.

9. PAYMENT AND INTEREST:

Payment shall be made as specified in the Contract. Invoices issued by Tauber Petrochemical Co. are to be paid in full by Wire Transfer/EFT, in immediately available funds, before 2:00 P.M. Central Time (CT). Payments are to be made by Wire Transfer /EFT ten (10) days after receipt of invoice for invoices of \$10,000.00 or more. Invoices that are less than \$10,000.00 may be paid by check within thirty (30) days after receipt of invoice.

An invoice issued to Tauber Petrochemical Co., and its supporting documentation, must be received before 12:01 p.m. CT to be deemed received that day. Invoices received after 12:01 p.m. CT are deemed received the next business day. The receipt date equals day zero when calculating the payment due date.

Payments due on a Saturday or a Friday bank holiday shall be deemed due the preceding business day. Payments due on a Sunday or a Monday bank holiday shall be deemed due the following business day. Payments due on a Tuesday, Wednesday or a Thursday bank holiday shall be deemed due the following business day.

If payment is not received as specified by the Contract, interest may be charged on the unpaid balance at a rate equal to the lesser of eighteen percent (18%) per annum or the maximum non-usurious rate. The parties agree that the laws of the State of Texas shall apply with respect to interest charges for late payment.

10. TAXES, FEES AND OTHER CHARGES:

Receiving party shall furnish delivering party proper evidence of tax exemption acceptable to delivering party to establish exemptions from taxes, fees and other charges now in effect or hereafter imposed on or with respect to the delivery of the Product by delivering party.

Unless otherwise provided herein or by law, receiving party shall report and pay all applicable taxes, fees and charges that may be imposed on or with respect to delivery of the Product by delivering party.

In those cases where the law or ordinance imposes upon delivering party the obligation to report and pay such taxes, fees and other charges, receiving party shall promptly reimburse delivering party, upon receipt of its invoice, for the amount of such taxes, fees and other charges with respect to delivery of the Product by delivering party. Should the receiving party fail to reimburse the delivering party, the delivering party shall be entitled to collect such reimbursement, in addition to damages incurred as a result of non-payment, interest, and reasonable attorney's fees and costs incurred in collection thereof from the receiving party. The Agreement excludes reimbursement of the federal, state, and local income taxes and state franchise, license, and similar taxes required for the maintenance of corporate existence or any taxes, fees, or levies imposed on the parties prior to or after the delivery of the Product under this Agreement, which shall be borne by the party on which imposed.

11. INSURANCE:

Unless otherwise specified in the Contract, each party shall be liable for insurance on the Product in accordance with their own insurable interest.

12. DRAWBACK:

The delivering party of the Product reserves the right to claim, receive and retain drawback on imported duty-paid merchandise or feedstock used in the manufacture of product that it delivers hereunder. The receiving party of the Product shall, on request, execute proof of exportation, drawback claim forms, and assignments in favor of the delivering party of the Product to enable it to establish its drawback rights under applicable Customs Regulations.

13. SPECIAL MARINE CLAUSES:

In the event that Product is delivered to or from Vessels under this Agreement, the provisions of this section, in addition to the other provisions of this Agreement not inconsistent herewith, shall apply. Unless otherwise specified in the Contract, the most recently published INCOTERMS shall govern.

Safe Berth Availability – Terminal Party shall provide a safe berth(s) at which the Vessel may proceed to and depart from and always lie safely afloat. Vessel Party shall be responsible for obtaining port/berth restrictions on vessel draft, length over all (LOA), beam, and other clearance criteria applicable to the particular port/berth. Vessel Party shall bear all liability in the event the Vessel does not comply with port/berth restrictions. All duties and other charges on the Vessel, including, without limitation, those incurred for tugs, pilots, mooring masters, other port costs (excluding barge fleeting) , including wharfage, dockage, and tax on services for cargo transfer, shall be borne by the Vessel or Vessel Party. The Terminal Party shall be responsible for barge fleeting costs. The Terminal Party shall not be deemed to warrant the safety of any channel, fairway, anchorage, or other waterway used in approaching the designated berth.

Vessel Nominations – The party responsible for the Vessel nomination agrees to tender Notice of Readiness (NOR) within the delivery period specified in the Contract. Unless specified in the Contract, Vessel nominations shall be developed within Contract dates through mutual agreement.

Public Terminal/Third Party Berth – Unless otherwise specified in the Contract or in the Terminal Party's nomination acceptance, Vessels loading/discharging at a public terminal are loaded and/or discharged on a first come, first serve basis only; therefore, laytime shall not commence until the Vessel is all fast at the nominated berth.

Laytime:

A. Vessels 16,000 DWT (Total Deadweight) and Over

- (1) If the Vessel tenders NOR prior to the commencement of the agreed laydays, used laytime shall commence at 0600 hours local time at the customary NOR location on the date of commencement of the agreed laydays, unless the Vessel is berthed prior to this time with the Terminal's consent, in which event used laytime commences when the Vessel is all fast to the dock.

If NOR is tendered within the laydays, used laytime shall commence six (6) hours after receipt of the Vessel's NOR or upon its being all fast to the dock, whichever occurs first.

For Vessel's arriving after the end of the laydays, used laytime shall commence when the Vessel is all fast to the dock.

- (2) Unless otherwise specified in the Contract or in the Terminal Party's nomination acceptance, laytime in which to complete the load or discharge shall be thirty-six (36) hours or pro rata thereof based on the percentage of the Vessel's capacity utilized subject to a minimum of twelve (12) hours in all cases.
- (3) Used laytime shall cease upon disconnection of hoses.

B. Vessels under 16,000 DWT

- (1) If the Vessel tenders NOR prior to the commencement of the laydays, used laytime shall commence at 0001 hours local time on the date of commencement of the agreed laydays, unless the Vessel is berthed prior to this time with the Terminal's consent, in which event used laytime commences when the Vessel is all fast at the dock.
- (2) Unless otherwise mutually agreed, allowed laytime for loading or discharging shall be based on charter party terms when one exists. If Vessel is owned or time chartered, allowed laytime shall be calculated as follows: 3 hours plus an additional hour for every 3,000 barrels loaded and 3 hours plus an additional hour for every 2,500 barrels discharged, subject to a minimum of ten (10) hours in all cases.
- (3) Used laytime shall cease upon disconnection of hoses and release of the Vessel after all cargo has been discharged or received.

C. All Vessels

The Vessel Party certifies that the Vessel is capable of discharging the entire cargo at a single terminal within twenty-four (24) hours, or maintaining 100 psi at the Vessel's rail as measured hourly (except during use of shoreside assisted pumps or during stripping-only operations for which a maximum allowance of two (2) hours is made) provided shore facilities permit. In the event the Vessel fails to meet the aforementioned criteria, any time consumed in pumping cargo in excess of twenty-four (24) hours shall not count as used laytime or as time on demurrage.

D. Terminal Provisions

To the extent the preceding laytime provisions are different from provisions of a nominated and accepted loading or discharging Terminal, the provisions applicable to said loading or discharging Terminal shall govern.

E. Laytime Exclusions – The following is a partial list of situations where time consumed berthing/loading and/or discharging shall not count as used laytime nor as time on demurrage for all Vessels:

- (1) passage time of the delivery Vessel, including lightering Vessels, from the customary anchorages or other place of waiting, to the berth;
- (2) any delay due to inability of the Vessel's facilities to safely discharge or receive cargo within the time allowed;
- (3) any time consumed in interruption of transfer operations due to the Vessel's requiring separate and/or additional shore tank gauges for any reason. This would include interruption of transfer operations as a result of the Vessel Party requests for line fill checks by comparing intermediate Vessel and shore gauges;
- (4) delay due to prohibition of Cargo transfer at any time by the Vessel, Vessel Party, or the owner/operator of the Vessel, or by governmental authorities, unless such prohibition is caused by Terminal's failure to comply with applicable laws and regulations;
- (5) delay associated with barges shifting in and out of berth when loading or discharging multiple barges;
- (6) any delay caused by strike, lockout, stoppage or restraint of labor of the Master, officers and crew of the Vessel or pilots or other subcontractors under the Vessel Party's control;
- (7) failure of Vessel Party to have the required certificate of financial responsibility, or failure of Vessel to be in compliance with United States Coast Guard Regulations (or hold the necessary waiver if not in compliance), or failure to have other legally required documentation, including existing or renewal of Tank Vessel Exam;
- (8) delay awaiting applicable U.S. Customs and Immigration clearance;
- (9) any delay incurred for the Vessel's account including, but not limited to, bunkering a Vessel, taking on or discharging ballast water, discharging slops or Vessel-generated wastes or cleaning Vessel compartments;
- (10) after the Terminal notifies the Vessel to proceed in, or after disconnection of hoses or Vessel release, any delay in reaching or clearing the berth caused by conditions not reasonably within the Terminal's control, including, but not limited to, weather delays (including but not limited to lightning, storm, wind, waves, swells and fog), channel blockage, or awaiting daylight, pilots, tugs and tide;
- (11) any delay caused by the Vessel Party's failure to comply with all financial and/or credit responsibilities of this Agreement.
- (12) any delay caused by the Vessel or Vessel Party's failure to comply with the general vessel requirements of the Terminal which shall receive or deliver the Cargo, including published and posted Terminal requirements;
- (13) any delay caused by the failure or non-operation of any Vessel fitted with an inert gas system;

- (14) any delay caused by the Vessel or Vessel Party's failure to comply with all applicable federal, state and local laws and regulations.

Demurrage – Demurrage shall be payable for each running hour and pro rata for each of an hour that used laytime exceeds the allowed laytime:

A. Rate Determination

- (1) For spot chartered equipment, the rate shall be based on the rate specified in the Vessel's transportation contract. For demurrage purposes, all barges or tows operating as a unit shall be considered one barge or tow.
- (2) For owned or time chartered Vessels, the rate shall be equal to the daily hire rate plus import fuel costs.
- (3) Demurrage incurred in the port at the Terminal by reasons of fire, explosion, adverse weather or by strike, lockout, stoppage or restraint of labor or breakdown of machinery, including vapor recovery systems, in or about the Terminal shall be paid for at one-half (1/2) the rate otherwise provided for demurrage.

B. Documentation and Filing of Demurrage Claims – Demurrage claims must be submitted in writing, together with the supporting documentation, within ninety (90) calendar days from the date of completion of loading or discharging, defined as the disconnection of hoses. IF THE SUPPORTING DOCUMENTATION IS NOT PROVIDED WITHIN THE SPECIFIED TIME, THE CLAIM WILL BE DEEMED TO BE WAIVED.

Demurrage claims shall be accompanied by supporting documentation, including an invoice, copy of the Vessel's port and pumping logs, a copy of the charter party and/or third party invoice, NOR document and used laytime statement, as well as such other supporting data as may be reasonably requested. The Terminal Party shall not be obligated to pay demurrage in excess of the dollar amount actually incurred by the Vessel Party. NO CLAIMS FOR SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES OF ANY NATURE SHALL BE MADE BY EITHER PARTY RELATING TO DEMURRAGE.

Other Items:

A. Vessels 16,000 DWT and Over – The provisions of industry Standard Tanker Voyage Charter Party form, code word "ASBATANKVOY," as amended hereinafter is adopted and incorporated herein and shall apply when not in conflict with any of the above written Special Marine Clauses provisions.

Notwithstanding the provisions of Part II, Clause (20) (B) (III) of "ASBATANKVOY," the York/Antwerp Rules 2004 shall apply to this Agreement.

The place of general arbitration set out in Part I Clause K "Arbitration," ASBATANKVOY, shall be Houston, Texas, U.S.A.

B. American Tanker Rate Schedule/Worldscale Reference – All terms, conditions, and differentials as set forth in current revised American Tanker Rate/Worldscale Reference on the date of Vessel loading or discharging, as applicable, and amendments thereto, shall apply insofar as they are not in conflict with any of the above written Special Marine Clauses provisions.

14. RAIL DEMURRAGE:

Buyer is allowed "freetime" of ten (10) consecutive calendar days after arrival of railcar at destination or after the railroad has classified the railcar as being at destination or after the railroad has classified the railcar as being on constructive placement.

Freetime shall commence at 12:01 AM local time on the day following the day railcar arrives at destination. Buyer shall pay Seller, upon receipt of Seller's invoice, a rental fee of \$50 per day per railcar for each day or partial day in excess of freetime until Buyer returns the railcar to the railroad. Buyer shall also pay Seller upon receipt of Seller's invoice, for any demurrage or storage charges levied by any third party transportation company as a result of Buyer not returning railcars to railroad within said freetime.

15 POLLUTION PREVENTION AND RESPONSIBILITY:

In the event that any Product is spilled, released, discharged or otherwise escapes to land, surface or ground waters, navigable or non-navigable (otherwise known as an "Occurrence") during the loading or discharging of any Vessel, or during the course of transporting the Product in the performance of the Agreement, the parties shall each take such reasonable measures as are necessary to protect against or mitigate any resulting environmental damage or as required by any governmental authorities.

All Vessels shall comply with and meet any financial responsibility requirements under oil pollution and spill prevention laws or regulations as may be applicable to the transaction as described in the Agreement, or any Contract hereunder.

All Vessels shall carry on board a current U.S. Coast Guard Certificate of Financial Responsibility.

16 EXCHANGES:

If for any reason, including Force Majeure, or new or changed laws or regulations, events should intervene to obstruct return delivery on the agreed date, the parties will agree upon the type, grade, and place of such a substitute delivery, and price differentials, if any, to be made at the earliest reasonable date. When the Contract is an exchange and unless the parties agree otherwise, if it becomes necessary upon its termination to bring the exchange into balance because of under-delivery or over-delivery of Product by one party to the other party, the Contract shall be brought into balance during the month following termination by the under-delivering party delivering an amount necessary to balance the exchange.

Unless otherwise specified in the Contract, each party shall render to the other, at the end of each calendar month, an exchange volume confirmation, as well as an invoice for any differentials and taxes payable or reimbursable to it.

Unless otherwise specified, payment of the invoice for liquidation and/or differential shall be made ten (10) days after receipt of invoice.

17 FORCE MAJEURE:

If either party is rendered unable, in whole or in part, by force majeure or any other cause of any kind not reasonably within its control to perform or comply with any obligation or condition of the Agreement, upon giving notice and reasonably full particulars to the other party, such obligation or condition shall be suspended during the continuance of the inability so caused and such party shall be relieved of liability and shall suffer no prejudice for failure to perform the same during such period, provided however, obligations to make payments then due for Products delivered hereunder shall not be suspended and the cause of suspension (other than strikes and lockouts) shall be remedied as far as possible with reasonable dispatch. Settlement of strikes and lockouts shall be wholly within the discretion of the party having difficulty. The term "force majeure" shall include, without limitation by the following enumeration, acts of God and the public enemy, storm, fire, explosion, accidents, breakdowns, strikes and any other industrial, civil, or public disturbance, acts of terrorism, inability to obtain materials, supplies, permits or transportation facilities, periodic shutdown or turnaround of plants, terminals or equipment for general inspection, repair and maintenance beyond the reasonable control of either party or delay, breakdown or destruction of plants, terminals or equipment, including plants, terminals or equipment of suppliers of Product affected by force majeure events beyond the reasonable control of either party, any act or omission by parties not controlled by the party having difficulty, or any other cause beyond the reasonable control of either party and any laws, orders, rules, regulations, acts of restraint of any government or governmental body or authority, civil or military. Seller shall not be obligated to remedy any cause; make up deliveries omitted by reason thereof; acquire additional Product from any source; supply any additional Product; or deliver Product from a terminal other than the designated terminal or terminal customarily used, and this Agreement shall not be extended thereby, but the quantities adjusted accordingly. The term "force majeure" shall not include, without limitation by the following enumeration, periodic shutdown or turnaround of plants, terminals or equipment for general inspection, repair and maintenance within the reasonable control of either party or delay, breakdown or destruction of plants, terminals or equipment, including plants, terminals or equipment of suppliers of Product affected by force majeure events, within the reasonable control of either party.

18. CLAIMS:

Claims as to shortage in quantity or defects in quality shall be made in writing to the other party within thirty (30) days after the completion of Cargo voyage and shall include full documentation in the case of all claims. Any other claims, including, but not limited to, demurrage, taxes, fees, charges, customs duty or duty drawbacks, shall be made in writing to the other party within ninety (90) days after the date of delivery and shall include full documentation in the case of all claims. Otherwise any such claim shall be deemed to have been waived. The party receiving the claim shall respond to the claim within ninety (90) days of receipt of the claim and supporting documentation. Each party waives and neither

party shall make any claims whatsoever arising under the Agreement for prospective or speculative profits or other special, indirect, incidental, consequential, punitive or exemplary damages. Each party shall be entitled to offset any claim for demurrage due from the other party from any amounts due the other party, or the affiliates of such party which shall be a party to this Agreement, or any Contract hereunder, arising from the Agreement, or any Contract hereunder.

19. DUTY TO WARN OF PRODUCT HAZARDS AND INDEMNIFICATION:

Product may become hazardous. Buyer acknowledges that it is familiar with, and shall take all steps necessary to inform, warn, familiarize its employees, agents, customers, and contractors who may handle the Product, of all hazards pertaining to and proper procedures for safe use of the Product and of the containers in which Product may be handled, shipped, or stored. Buyer also undertakes to label, as appropriate, any materials that it makes or resells that include Product.

BUYER SHALL INDEMNIFY, DEFEND, AND HOLD SELLER HARMLESS FROM AND AGAINST ANY CLAIM, LIABILITY, OR EXPENSE, INCLUDING BUT NOT LIMITED TO, INJURY OR DEATH OR LOSS OR DAMAGE TO PROPERTY OF BUYER'S EMPLOYEES, AGENTS, INVITEES, CUSTOMERS, AND CONTRACTORS, AND THEIR EMPLOYEES, AGENTS AND INVITEES, EXCEPT TO THE EXTENT THAT THE CLAIM, LIABILITY, OR EXPENSE IS CAUSED BY THE FAILURE OF THE PRODUCT TO MEET THE SPECIFICATIONS AS SET FORTH IN THE CONTRACT WHEN DELIVERED TO BUYER; THESE UNDERTAKINGS APPLY IN FULL MEASURE WHETHER OR NOT IT IS ALLEGED OR PROVED THAT SELLER WAS ACTIVELY OR PASSIVELY NEGLIGENT, OR AT FAULT, OR LIABILITY WITHOUT FAULT IS SOUGHT TO BE IMPOSED ON SELLER. EXPENSE AS USED HEREIN SHALL INCLUDE REASONABLE COSTS AND ATTORNEY'S FEES.

20. INDEMNITY:

EACH PARTY AGREES TO INDEMNIFY, DEFEND, AND HOLD THE OTHER HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LIABILITIES, LOSSES, COSTS, AND EXPENSES INCLUDING REASONABLE COSTS AND ATTORNEY'S FEES, AND CAUSES OF ACTION ASSERTED AGAINST THE INDEMNITEE BY ANY PERSON (INCLUDING, WITHOUT LIMITATION, THE PARTIES HERETO AND THEIR EMPLOYEES, AGENTS, CONTRACTORS, SUPPLIERS, CUSTOMERS, AND EMPLOYEES OF SUCH AGENTS, CONTRACTORS, SUPPLIERS, AND CUSTOMERS) FOR PERSONAL INJURY OR DEATH, LOSS OR DAMAGE TO PROPERTY, OR FINES OR PENALTIES, TO THE EXTENT OF THE INDEMNITOR'S OWN NEGLIGENCE OR MISCONDUCT, OR THE HANDLING OR USE OF THE PRODUCT DELIVERED HEREUNDER, OR THAT OF INDEMNITOR'S EMPLOYEES, AGENTS, OR CONTRACTORS, OR IN ANY WAY ARISING OUT OF VIOLATIONS OF ANY GENERAL, STATE OR LOCAL REGULATIONS BY THE INDEMNITOR, ITS EMPLOYEES, AGENTS, OR CONTRACTORS. WHERE PERSONAL INJURY, DEATH OR LOSS OF OR DAMAGE TO PROPERTY IS THE RESULT OF THE JOINT NEGLIGENCE OR WILLFUL MISCONDUCT OF BOTH PARTIES HERETO, THE INDEMNITOR'S DUTY OF INDEMNIFICATION SHALL BE IN PROPORTION TO ITS ALLOCABLE SHARE OF JOINT NEGLIGENCE OR WILLFUL MISCONDUCT. THE INDEMNIFICATION PROVISIONS SHALL SURVIVE ANY TERMINATION OF THE AGREEMENT.

21. LIMITATION OF LIABILITY:

EXCEPT AS PROVIDED IN SECTION 27 HEREUNDER AND AS OTHERWISE PROVIDED IN THE AGREEMENT, NEITHER PARTY SHALL BE LIABLE, REGARDLESS OF ITS OWN NEGLIGENCE, FOR ANY PROSPECTIVE OR SPECULATIVE PROFITS OR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES. THE LIABILITY OF EITHER PARTY WITH RESPECT TO THE AGREEMENT OR ANY ACTION IN CONNECTION HERewith WHETHER IN CONTRACT, BREACH OF WARRANTY, TORT, OR OTHERWISE SHALL NOT EXCEED THE PRICE OF THE PRODUCT SOLD HEREUNDER OR THE PRICE OF THAT PORTION OF SUCH PRODUCT ON WHICH LIABILITY IS ASSERTED.

22. WAIVER:

The failure of either party to insist in any one or more instances upon the performance of any one of the terms and conditions of the agreement, or to exercise any right afforded to such party herein, shall not be construed as a waiver or relinquishment of the future performance of any such term or condition by the other party hereto, or the future exercise of such right, and the respective obligations of the parties as to their future performances shall continue in full force and effect.

23. CONSTRUCTION AND JURISDICTION:

The Agreement shall be construed, interpreted and the rights of the parties determined in accordance with the general maritime law of the United States, to the extent applicable, and otherwise determined in accordance with the laws of the



State of Texas without regard to any choice of law rules. The parties to this Agreement hereby submit to a court of competent jurisdiction in the State of Texas. Venue of any suit, right or cause of action arising under or in connection with this Agreement shall lie exclusively in Harris County, Houston, Texas.

24. ASSIGNMENTS:

Neither party shall have the right to assign the Agreement, in whole or in part, or any rights hereunder without the prior written consent of the other party, provided however, that this Agreement shall inure to the benefit of and be binding upon the parties successors and assignees.

25. REMEDIES:

If any party breaches any provisions hereof or if any insolvency, bankruptcy, receivership, or similar proceeding is initiated by or against either party,

- (a) The other party may immediately terminate this Agreement, or any contract hereunder, without prejudice to any other rights or remedies it may have hereunder or by law, by giving written notice to the defaulting party; and
- (b) The other party shall have the right to withhold any money ever payable by it hereunder and apply or offset the same to payment of any indebtedness or claim of the defaulting party, or the affiliates of such party which shall be a party to this Agreement, or any Contract hereunder, arising from the Agreement, or any Contract hereunder. A party's right to strict performance of the defaulting party's obligations shall not be affected by any previous waiver, forbearance, or course of dealing.
- (c) Notwithstanding anything contained herein to the contrary, should Buyer or Seller fail to perform any material term or condition of this Agreement, or any Contract hereunder, which failure is not otherwise excused hereunder, the other party shall have the right to withhold deliveries due hereunder until such failure is corrected, or at any time after such failure, terminate this Agreement, or any Contract hereunder, by giving notice in writing to the defaulting party and offset the deliveries due hereunder against any payment or delivery due the defaulting party, or the affiliates of such party which shall be a party to this Agreement, or any Contract hereunder, under this Agreement, or any Contract hereunder. Any such termination and offset shall be without prejudice to any other right or remedy Buyer or Seller may have, whether legal or equitable. No waiver by Buyer or Seller of any default of the other party shall operate as a waiver of any future default, whether of a like or similar character.

26. NON-PERFORMANCE:

Whereas the parties hereto are forward contract merchants as defined in Section 556 of the U.S. Bankruptcy Code (11 USC 101 et. seq.), notwithstanding any other provision of this Agreement and without limiting any other rights that may be available to the Liquidating Party (as hereinafter defined) they agree that in the event that a party hereto (the "Defaulting Party") is the subject of a bankruptcy, insolvency or other similar proceeding, fails to pay its debt generally as they become due, or otherwise materially fail to perform its obligations hereunder, the other party (the "Liquidating Party") shall have the right, exercisable in its sole discretion and at any time, or from time to time, to liquidate this and any or all other forward contracts as defined in the bankruptcy code then outstanding between the parties (whether the Liquidating Party is the Seller or Buyer thereunder) by closing out any or all such contracts at then current market prices so that each contract being liquidated is terminated except for the settlement payment referred to below. The Liquidating Party shall calculate the difference, if any, between the price specified in each contract so liquidated, and the market price for the relevant commodity as of the date of liquidation (as determined by the Liquidating Party in any commercially reasonable manner), and aggregating or netting such settlement payments as appropriate, to a single liquidated amount.

Payment of said settlement payment will be due and payable within one (1) business day after liquidation. The Liquidating Party's rights under this paragraph shall be in addition to, and not in limitation or exclusion of any other rights which the Liquidating Party may have (whether by agreement, operation of law or otherwise), including any rights and remedies under the Uniform Commercial Code. The Defaulting Party shall indemnify and hold the Liquidating Party harmless from all costs and expenses of litigation, including reasonable attorneys fees, incurred in the exercise of any remedies hereunder.

27. PRODUCT COMPLIANCE AND DOCUMENTATION:

Seller and Buyer shall comply, as applicable, with all Regulations for (i) gasoline and alcohol blends (including but not limited to 16 CFR Part 306 and 40 CFR 80.27 and 80.28), (ii) low sulfur diesel (including but not limited to 40 CFR 80.29 and 80.30), (iii) reformulated gasoline (including but not limited to 40 CFR, Part 80, Subpart G). Seller hereby warrants

and represents that any Product delivered by it pursuant to the Agreement has been produced, stored, handled, sold, transferred, and delivered in full compliance with all applicable Regulations and is in compliance with the applicable Regulations (including but not limited to the Clean Air Act and the regulations promulgated thereunder) and specifications when delivered. For gasoline and alcohol blends, Seller agrees to provide to Buyer for each rack, pipeline, or marine delivery either a certificate of analysis, a bill of lading, a delivery ticket, or a loading ticket that represents the Product to be in compliance at the time of delivery and correctly stating the maximum Reid Vapor Pressure at the time of delivery. Buyer agrees to use, sell, offer for sale, dispense, supply, offer for supply, and transport the Product in compliance with all applicable Regulations including but not limited to volatility and octane regulations.

The Seller and Buyer shall maintain records that demonstrate compliance with the applicable regulations and standards. The Seller and Buyer shall have the right to inspect and copy any and all such records of the other party at any reasonable time or times during normal business hours. This provision shall survive termination of the Agreement for a period of five (5) years.

EACH PARTY ("INDEMNITOR") SHALL BE RESPONSIBLE AND LIABLE FOR AND SHALL PROTECT, DEFEND, INDEMNIFY AND HOLD THE OTHER PARTY ("INDEMNITEE") HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, SUITS, LOSSES (INCLUDING WITHOUT LIMITATION COST OF DEFENSE, ATTORNEY'S FEES, PENALTIES, AND INTEREST), DAMAGES, CAUSES OF ACTION, AND LIABILITIES (JOINT AND SEVERAL), OF EVERY TYPE AND CHARACTER WITHOUT REGARD TO AMOUNT, CAUSED BY, ARISING OUT OF, OR RESULTING FROM THE INDEMNITOR'S FAILURE TO COMPLY, OR INDEMNITOR'S PRODUCT FAILURE TO COMPLY, WITH ALL APPLICABLE REGULATIONS INCLUDING BUT NOT LIMITED TO, THOSE GOVERNING REID VAPOR PRESSURE, LOW SULFUR DIESEL, REFORMULATED GASOLINE, AND ADDITIVES.

28. NEW OR CHANGED LAWS AND REGULATIONS:

If, at any time after this Agreement is entered into, new Laws and Regulations (as defined below) come into effect, or existing laws and regulations are amended, which individually or collectively have an adverse economic effect upon Seller or Seller's suppliers, then Seller shall be entitled to notify Buyer that it desires in good faith to renegotiate the price and/or other material terms or conditions of this Agreement, stating the new or changed laws and regulations upon which its renegotiation request is based and the terms upon which it is willing to continue to perform with respect to deliveries not yet made.

If the parties do not reach agreement within five (5) days after the receipt of Seller's renegotiation request, then Seller shall have the option of terminating this Agreement, by giving notice to Buyer in writing, provided however, that such termination shall not relieve either party of any liabilities or obligations that accrued prior thereto, including, without limitation, the obligation to pay any amounts due the other party.

For the purpose of this Agreement, the term "Laws and Regulations" shall mean the applicable treaties, statutes, rules, regulations, decrees, ordinances, licenses, permits, compliance requirements, decisions, orders, directives, and agreements of, and/or concessions and arrangements with any lawful Governmental Authority.

29. AMENDMENT:

These General Terms and Conditions may not be amended, changed, supplemented, modified in any way or terminated in whole or in part except by written agreement, signed by both parties.

These General Terms and Conditions are included in any offer by Tauber Petrochemical Co. to sell or purchase certain goods (Product). This offer may be revoked by Tauber Petrochemical Co. at any time prior to acceptance by the other party. These General Terms and Conditions shall prevail over any other terms and conditions set forth in the other party's acceptance or acknowledgment of an order. This offer expressly limits acceptance by the other party to the terms of this offer. Any additional or contrary terms proposed by the other party in any form are rejected and shall not form a part of the Contract.

30. NOTICE:

Any and all notices pertaining to these General Terms and Conditions shall be sent in writing, to the attention of the Contract Administrator at:

**TAUBER PETROCHEMICAL CO.  
PO BOX 4645  
HOUSTON, TEXAS 77210**

31. CONTRARY PROVISIONS:

To the extent that the General Terms and Conditions are contrary to the express provisions of the Contract, the latter shall govern.

32. ENTIRE AGREEMENT CLAUSE:

Any Contract (as defined in Section 1d. above) together with these General Terms and Conditions constitute the entire agreement between the parties. This Agreement and any Contracts hereunder supercede all prior agreements and contracts, both written and oral, between the parties with respect to the matters contemplated herein. These General Terms and Conditions shall apply to all Agreements entered into on or after July 1, 2012.