

GENERAL TERMS AND PURCHASING CONDITIONS

1. DEFINITIONS

Unless otherwise defined in the various documents, the following terms shall have the following meanings :

Purchaser : means MOTOR OIL (HELLAS) CORINTH REFINERIES SA as the entity issuing the purchase order.

Supplier : means the entity, which will supply the purchaser with the products and/or services specified in the purchase order.

Products : means all the materials which will be provided to purchaser under the purchase order.

Services : means all the services to be performed or provided by supplier.

Purchase order : means the official formal consignment by the purchaser, under which products or services are provided by the supplier.

Offer : means the formal proposal together with the technical specifications and any amendments or modifications thereto, which supplier issues after purchaser's request.

Inquiry : means the request issued by the purchaser asking for financial and technical proposals from suppliers.

2. PURCHASE ORDER

2.1 This document is attached to the purchase order awarded, subject to the following conditions. In the event of conflict between these conditions and those of the said purchase order, the latter shall prevail.

2.2 The Supplier must return to the Purchaser a copy of the purchase order as well as of this document within 20 days of receipt of the same, duly signed for acceptance and without qualification. In opposite case the Purchaser has the right to consider the purchase order null and void and incapable of subsequent acceptance. In such case the Purchaser must inform the Supplier accordingly.

2.3 The Supplier shall not transfer the purchase order, or the rights and obligations deriving therefrom and from these General Conditions, either wholly or partially to third parties without obtaining prior written authorization from the Purchaser. In particular, credit arising from the purchase order may not be transferred to third parties. Violation of this prohibition shall constitute a serious breach of contract consequently entitling Purchaser to suspend payment. Each suborder shall be authorized in advance by Purchaser. Authorization granted to the Supplier to place suborders for the fabrication of all or part of the material equipment shall not relieve the Supplier of his responsibilities toward the Purchaser.

2.4 The Purchaser may modify or cancel the purchase order. Within 10 days of receiving the instructions regarding modifications, the Supplier shall submit any request for modification of prices or delivery terms to the Purchaser for approval. The Purchaser may cancel the order at any time by giving written notice to the Supplier. In this case, the parties shall confer as soon as possible to agree on the amount of any compensation.

2.5 The Supplier shall implement any marginal modifications to improve supply performance requested in writing by the Purchaser, without any price variation.

2.6 The Supplier shall in all cases be held responsible for the technical solutions adopted in his own design. Doing so, the Supplier is bound to observe general precautions with regard to the safety and health of operators in places of work and the safeguarding of the environment.

2.7 Any terms and conditions in, or attached to, the Supplier's quotation are hereby expressly superseded by the purchase order unless therein specifically indicated. A mere reference to the Supplier's quotation in the purchase order or in any other document shall not be deemed to modify the above specified provision.

3. TERMS OF DELIVERY AND PENALTIES

3.1 Except as specified in paragraph 11, the delivery date, as agreed, is definitive and mandatory. In all cases of delay attributable to the Supplier, in which the Purchaser accepts delayed delivery, penalties shall be automatically charged to the Supplier, as per the clauses of the purchase order, without prejudice to the right to claim for damages. If delayed delivery is not accepted by the Purchaser, the Purchaser shall, without prejudice to any claim he may make on the Supplier, be entitled to cancel the purchase order by means of written notice to the Supplier, who shall not be entitled to any compensation.

3.2 Neither party shall be deemed to be default in the event of impediments arising due to a case of "force majeure". By "force majeure" are meant/understood any of the following events : declared or de facto state of

war, insurrection, civil commotion, earthquakes, floods, fire or other natural physical disaster, plague or other epidemic, national strikes called by Trade Unions.

- 3.3 The party alleging "force majeure" shall immediately notify the other party in writing of the circumstances preventing him from carrying out his contractual obligation, indicating the delay expected. The party concerned shall also immediately notify the other of the termination of the state of "force majeure". The party failing to notify the other of the beginning or end of an event of "force majeure" shall be in default.
- 3.4 Should one of the parties notify the other of the existence of force majeure as defined above, the Purchaser shall be entitled to cancel the purchase order and to stop the supply of all goods still undelivered, giving written notice of the same to the Supplier. With the exception of payment of any goods already delivered, the Purchaser shall be free from all the other liabilities or obligations under the purchase order thus cancelled.

4. PRICES

4.1 The prices specified in the purchase order are inclusive of all costs, duties, taxes and insurance, unless otherwise stated in the purchase order.

5. PAYMENT & INVOICING

- 5.1 Payments to Supplier shall be made in accordance to payment terms stated in the purchase order. When it is stated that payment will be due in x days after invoice issue date it is clarified that it will be paid in x days after the end of the month in which the relevant invoices and required supporting documents are received by the Purchaser. Payments made shall not be deemed to constitute even partial acceptance of the goods as per the purchase order and shall not prejudice the Purchaser's right to reject the said goods and receive reimbursement of any amount paid to the Supplier for such goods.
- 5.2 The Purchaser reserves the right to suspend payments to the Supplier, until all the terms and conditions of the purchase order have been observed.
- 5.3 The Supplier shall not stop work for delay in or suspension of the said payments.
- 5.4 The minimum required documents for the payment of the Supplier are (details are given in the document "General instructions for shipping documents, invoices and delivery of goods") :
 - a) Original invoice where all data are clearly stated (name of supplier, VAT Nr of supplier, purchase order Nr, banking details etc)
 - b) Original bill of lading or CMR
 - c) Packing list
 - d) All the certificates, which were asked with the purchase order.

In case of service provision by the supplier an original "claim for the application of the double taxation convention between Greece and (country of supplier's residence)" must be properly filled and stamped by the tax authorities of the Supplier's country. This claim must be sent with the invoice. Neglect sending this form implies that the invoice can only be paid by holding a percentage of the invoice value according to Greek law.

- 5.5 If the above documents are not received on time, then there will be a corresponding delay in paying without the Purchaser been responsible for any additional cost (interest etc).

6. EXPEDITING

Supplier guarantees to the Purchaser and/or the latter's authorized representative, at any time compatible with the Supplier's working hours, free access to the Supplier's works and all information and/or assistance required by the purchaser for checking the regular execution of the supply. The granting of free access and provision of all necessary facilities and means of inspection shall also be ensured by sub suppliers through the Supplier who shall specify the Purchaser's requirements in the relevant suborders. The Supplier and through him, the sub-suppliers shall guarantee that safe and healthy conditions for human beings exist in places and plants, to which the Purchaser has access or personnel charged by the latter with performing checking/control operations.

7. INSPECTIONS

- 7.1 All materials shall be subject to inspection and testing by the Purchaser and/or by a nominated inspection agency both during fabrication and/or completion. The Supplier shall provide, at his own expense and shall assume responsibilities for, all the necessary labor, materials and services for this purpose and shall ensure the same from his own sub-suppliers.
- 7.2 The Supplier and through him the sub suppliers shall ascertain and guarantee that safe and healthy conditions exist in places where inspection and checking operations are performed by the Purchaser and/or by personnel charged by the latter, providing adequate information and instructions so that the operations are performed without hazard to the health and safety of the said personnel.
- 7.3 Supplier shall obtain at his own care and expense all the necessary authorizations from public authorities or other agencies for the sale and operation of the supplies both in their country of origin and/or destination.
- 7.4 On no account shall supplies be shipped until final tests have been carried out and the Purchaser has approved the same for shipment or until a written waiver of testing has been made.
- 7.5 The Purchaser may, at any point of fabrication, waive his right of inspection, without prejudice to his right to reject unsuitable goods on arrival at destination.
- 7.6 The Supplier shall give the Purchaser 30 days written advance notice of the test dates followed by fax confirmation 10 days before the test dates. In the event that witnessed tests cannot be carried out, due to

incompleteness of the supply or have to be repeated due to Supplier's faults, any relevant cost to Purchaser for man-hours wasted, board, lodging, travel etc will be charged to the Supplier.

- 7.7 Inspections or tests performed shall in no way relieve the Supplier of his obligations concerning the purchase order nor shall they prejudice the purchaser's right to reject the goods on arrival at destination.
- 7.8 The Supplier shall be responsible for the calibration of the instruments and tools he uses.

8. FABRICATIONS

- 8.1 All goods shall be in conformity with all applicable standards both in the country of origin and at destination.
- 8.2 The Purchaser reserves the right to request certificates of origin for the materials, as well as test certificates at any stage of fabrication. The said certificates shall indicate the purchase order number and item number. The number of copies of final certificates required by the Purchaser shall be detailed in the purchase order.

9. SUBORDERS

The terms stated in this article (9) will be followed only in the case they are stated in the purchase order.

- 9.1 In due time from the purchase order date, the Supplier shall provide the Purchaser with the main data concerning any suborders to be placed as well as the complete procurement schedule. The Supplier shall also issue an execution progress report for suborders, to be continually updated and submitted monthly or at agreed schedule to the Purchaser or his authorized representative at the Supplier's shop, as per article 6.
- 9.2 All suborders shall bear the Purchaser's complete purchase order number and references, as well as the following : "the goods supplied under this order are subject to inspection by the Purchaser and/or his authorized representative and/or a nominated inspection agency"
- 9.3 Immediately after suborders have been issued for raw materials and/or other subcontracted items, the Supplier shall transmit the required number of unpriced copies of the same to the Purchaser.
- 9.4 The source of supply shall be clearly indicated on all suborders placed with agents.
- 9.5 On delivery of suborders, the supplier shall obtain all documents and certificates concerning the testing, analysis and origin of the materials and send the same immediately to the Purchaser together with the notice of reception at shop for the materials themselves.

10. SUPPLIER'S DOCUMENTS

- 10.1 The Supplier shall, at his own expense, prepare the drawings, documents and data and submit the same for Purchaser's approval as required by the material requisition.
- 10.2 Drawings or documents approved by the purchaser may not be modified or cancelled without the Purchaser's prior written authorization.
- 10.3 Purchaser's approval shall not release the Supplier from any of his obligations and responsibilities under the purchase order.
- 10.4 All documents, including preliminary issues, shall be duly signed by the Supplier's authorized representative, as a guarantee of the Supplier's engagement.
- 10.5 In accordance with the purchase order, the supply shall include not only all the technical documents relevant to engineering, construction and material and/or equipment erection, but also all documents required for the shipment and/or export of the same.

11. DELIVERY

- 11.1 The Supplier may deliver the goods to the place specified in the purchase order only after receiving the Purchaser's written authorization. Costs due to different delivery shall be at Supplier's charge.
- 11.2 The Purchaser shall in no event be liable for damages due to any errors of the forwarding agent nominated by himself.
- 11.3 The materials remain the property of the Supplier and at his own risk until delivered as per the terms of the purchase order. Delivery shall be considered effective as of the date of the consignment note duly signed by the Purchaser's authorized representative.
- 11.4 The Purchaser has at his own expense opened and manages an insurance policy covering loss of, or damage to materials and equipment in transit up to the delivery point indicated in the purchase order. Supplier has no obligation to have any additional insurance, unless it is specified in the purchase order or indicated by the delivery terms.
- 11.5 The goods must be accompanied by the following documents :
 - Bill of lading or CMR
 - Certificate of analysis and any other certificate stated in the order.
 - Copy of the invoice (not the original) and packing list. Original invoice, as stated in article 5.4 must be sent by courier not later than two (2) days after goods shipment to MOTOR OIL refinery attention Refinery General Secretariat.

12. CONFIDENTIAL INFORMATION

All drawings, diagrams, specifications and other information given to the Supplier in connection with the purchase order shall be regarded as absolutely confidential by the Supplier and not utilized by him or his employees for any purpose other than the execution of the purchase order. The Supplier undertakes to keep confidential the subject of the purchase order and the terms thereof.

13. QUALITY AND GUARANTEES

- 13.1 The Supplier guarantees that his and his sub-suppliers' supplies shall be in accordance with the purchase order, that the construction shall be carried out with proper workmanship, using materials as per the specifications given, and in all cases suitable for the specific purpose of the construction itself, free from defects in materials, design and construction, and shall comply with the essential requirement for the safety and health of operators in places of work and the safeguarding of the environment. All components of the supply shall be new.
- 13.2 The said guarantee shall expire X months after start-up, but not later than Y months after delivery. The Supplier shall clearly specify storage and conservation requirements and conditions for his supplied goods at job site prior to installation. X and Y time as specified in purchase order.
- 13.3 Pursuant to the said guarantee, the Supplier guarantees the Purchaser that he shall promptly, upon and according to the Purchaser's request, either repair or replace any part of the supply judged defective, including any necessary dismantling and reinstallation work. Such repairs and replacements shall be performed up to fulfillment of the Purchaser's purchase order and shall be executed by Supplier at the latter's charge, including the costs of site technical supervision by Supplier's specialists and transportation costs for the goods from and to site, notwithstanding the delivery terms specified in the purchase order. Should the Supplier fail to take suitable measures to satisfy the Purchaser's request within 10 days of receiving the said request, the Purchaser may, without further formalities, proceed with any operations deemed expedient to make good the supply as per the guarantee and shall charge the same to the Supplier.
- 13.4 If, according to the Purchaser's unquestionable judgement, the matter is particularly urgent, the Purchaser may immediately take such measures as he may deem expedient, as already stated above, at Suppliers charge, giving the latter notice in writing of the same.
- 13.5 If, pursuant to the said guarantee, the Supplier or Purchaser should repair or replace any materials or equipment, performing the necessary works, the terms of the guarantees as per this article shall apply to the said equipment, materials and works for a period of 12 months from the date of completion of the same.

14. PATENTS

The Supplier shall protect, indemnify and exonerate the Purchaser from any claim for infringement of patent rights, registered trade marks or designs, or copyright, or contractual protection of know-how or trade secrets deriving from the use or sale of the materials as per the purchase order, as well as from all costs, charges and expenses arising therefrom.

15. LAW

Unless otherwise specified in writing by both Purchaser and Supplier, the purchase order shall in all respects be governed by and construed in accordance with Greek law and judged by the Greek Courts at Corinth.

16. SUPPLIER'S PERSONNEL AT JOBSITE

The Supplier undertakes to ensure the technical supervision by his own specialists for erection, pre-commissioning, commissioning, start-up and performance tests, as per Purchaser's requirements. Without prejudice to he said undertaking, Supplier and Purchaser shall decide upon the costs and procedures for such services.

The Supplier is responsible for the proper execution of all field activities carried out under his supervision, including erection, pre-commissioning, commissioning, start-up and undertakes to co-operate with the purchaser or with the personnel charged by the latter, as well as with third parties interacting or in any case operating simultaneously on the site, in adopting the measures of prevention and protection from work risks arising during working activities and in all cases for the regular performance of operations.

In particular, during erection, Supplier shall verify that materials, equipment and accessories are suitable for operation, being free from defects due to bad storage or handling (such as presence of rust, sand dirt, foreign matter inside the equipment and accessories or evident external/internal damages due to shocks or falls).

The Purchaser reserves the right to reject and to request the replacement by letter sent to the supplier, of any of the later personnel employed at the job site who, for reasons given by the Purchaser are considered incompetent or negligent, or whose behavior or status are not suited to local or job site regulations.

Supplier shall replace the said personnel as soon as possible.

The Supplier is responsible for the charges of his personnel such as but not limited to, salaries, contributions to insurance organizations etc and declares that all these costs are included in the agreed price of the purchase order. Also Supplier is responsible for the restoration of any damage that might be caused to Purchaser's premises or to a third party during the execution of the purchase order.