

GENERAL TERMS AND CONDITIONS OF SALE

Terms and Conditions of Sale applicable to all sales and deliveries of Petroleum Products of National Fuel Solutions Ltd. Part of the Nolan Group. ("the Supplier") throughout the United Kingdom.

1. DEFINITIONS

(a) The term "Petroleum Products" shall include all products marketed from time to time by the Supplier howsoever defined in any form of Agreement to which these Terms and Conditions relate.

(b) The term "Supplier" shall be deemed to include any Associated Company Subsidiary or appointed distributor of the Supplier, and these Terms and Conditions shall be construed accordingly.

(c) The term "Associated Company" has the meaning ascribed to it by Section 302 of the Income and Corporation Taxes Act 1970.

(d) The term "Subsidiary" has the meaning ascribed to it by Section 154 of the Companies Act 1948.

2. SCOPE OF CONDITIONS

An order from the Buyer on the Supplier for Products shall be deemed to be an unqualified acceptance of the Buyer of these Terms and Conditions (and such variation or replacement thereof as shall for the time being be in force). No other condition term or warranty of whatsoever nature (collateral or otherwise) shall be added hereto unless expressed in writing and signed by a duly authorised officer of the Supplier on behalf of the Supplier and no oral stipulation or representation made by any servant of agent of the Supplier shall be held to vary or contradict any of these terms and conditions.

The Supplier shall be entitled at any time and from time to time to vary or replace the terms and conditions herein contained without notice.

3. DELIVERY

(a) The Buyer shall provide:

(i) Safe and convenient access to and egress from the delivery point for the vehicles of the Supplier or its agents and all persons driving or accompanying such vehicles from and to the public highway and the Buyer shall not allow any smoking or naked lights nor permit any stove fire or radiator to function in the vicinity of the delivery point.

(ii) Safe suitable and clearly marked storage ("Storage") for the Petroleum Products which shall comply in all respects with the full relevant requirements of or regulations

made by H.M. Government or any governmental body or agency or other competent authority whether local or otherwise.

(b) The Suppliers shall not be bound to delivery Petroleum Products over roads or other surfaces affording access to the Buyer's premises which in the Supplier's reasonable opinion are unsafe for delivery vehicles and personnel.

(c) The Buyer shall indemnify the Supplier in respect of the cost to the Supplier of making any attempted delivery of Petroleum Products which due to the default of the Buyer of his/its servants or agents for whatsoever reason is not or is only partly carried out.

(d) Petroleum Products shall be offered for delivery in reasonable quantities which in the event of dispute shall be determined in its discretion by the Supplier.

4. STORAGE

The Buyer shall ensure that the storage into which delivery of the Petroleum Products is made: -

(a) Is properly indicated to the Supplier's employee or agent and the Supplier shall not be liable in any way whatsoever for damage arising out of the carrying out by the Supplier's employee or agent of any instructions given by the Buyer or his/its employee or other person purporting to give instructions on the Buyer's behalf in respect of such delivery.

(b) Will at the commencement of any arrangement for the supply of Petroleum Products by the Supplier to the Buyer be properly cleared of all other brands and grades of Petroleum Products.

(c) Will accommodate the full quantity of the Petroleum Products ordered by the Buyer and in the case of motor spirit will procure certification to this effect.

Such certification shall have regard to the regulations from time to time in force in respect of the storage and use of the petroleum spirit.

(d) Has proper connections at the filling points. A copy of the key or keys to each filling point shall be given to the Supplier upon respect and in default the Supplier shall be entitled to change the locks of any such filling point and charge the Buyer with the cost thereof.

5. The Buyer shall give to the Supplier at least two clear working days' notice of the Buyer's requirements for Petroleum Products provided that the Supplier shall not be liable for any delay in delivery.

6. It is a condition of every bulk sale through hose that the quantity shown by the Supplier's road or rail tank wagon meter dip rod or other measuring device

(as may be determined by the Supplier in its discretion) employed by the Supplier shall be accepted by the Buyer as the true quantity delivered; the Buyer may be represented at the taking of such measurements. In all other cases the quantity shown on the delivery note of invoice shall be conclusive evidence of the amount delivered. The Supplier shall not be responsible for discrepancies in the Buyer's tanks meters dip rods or other measuring devices.

7. The Buyer shall strictly observe all conditions of his/its Petroleum Storage Licence or any other relevant requirements of or regulations made by H.M. Government of any governmental body or agency of any competent authority whether local

or otherwise, and without prejudice to the generality of the foregoing shall comply with all requirements or regulations in respect of avoidance of smoking or permitting or suffering naked lights electric or gas stoves or radiators to function in proximity to a tank or inlet pipe into which a delivery of the Petroleum Products is being made or a dip pipe connected to such a tank. The Buyer shall fully indemnify and keep indemnified the Supplier against any damages claims expenses liabilities or costs which may arise as a result as a result of the Buyer's failure to comply with such requirements or regulations.

8. RESALE AND ADVERTISING

The Buyer shall not advertise or sell or permit to be advertised or sold any of the Supplier's Petroleum Products under the Supplier's name or trademarks or trade description except with the express prior consent of the Supplier in writing.

9. The Buyer shall not advertise or sell or permit to be advertised or sold under the Supplier's name brand or trademarks or trade description any Petroleum Products not supplied by the Supplier and shall indemnify the Supplier in respect of any breach of the provisions of this Clause.

10. Where the Buyer is treated by the Supplier as a consumer the Buyer shall not resell transfer or otherwise dispose of at any time to any other person firm or company any of the Supplier's Petroleum Products sold to the Buyer except for direct use by the Buyer in his/its business.

11. PRICE

(a) All Petroleum Products are chargeable at the ruling price contained in the Supplier's

Wholesale Price Lists in force at the date and place of delivery after taking into account any rebate discount allowance premium or surcharge resulting from the volume purchased credit terms delivery point location or load size which are subject to individual negotiation at the time of contracting. The Supplier reserves the right to vary such rebate discount allowance premium or surcharge at any time.

(b) All prices are subject to all Government or other taxes duties levies charges surcharges or impositions where applicable at the appropriate rate and any variations of the same at any time shall be for the Buyer's account.

(c) Where the Supplier's Petroleum Products are delivered in returnable packages the Buyer shall pay the appropriate deposit charged by the Supplier thereon.

12. PAYMENT AND TITLE

(a) The Buyer shall pay for the Petroleum Products by banker's draft or in cash on or before the delivery of the Petroleum Products (the method of payment being as required by the Supplier at its absolute discretion from time to time) and in the event that payment is not so made or not made in accordance with any other terms agreed in writing by the parties, the Buyer shall pay to the Supplier interest on any outstanding sums at the rate per annum of two per centum above the base lending rate of the Bank of England in force at the date of delivery calculated monthly in arrears until payment is made.

(i) Where the buyer is Commercial and in the event the payment is not so made or not made in accordance with any other terms agreed in writing by the parties the terms of the LATE PAYMENT OF COMMERCIAL DEBTS (INTEREST) ACT 1998 will be applied.

(b) Until full payment and all interest thereon has been received by the Supplier in accordance with 12(a) hereof for all Petroleum Products whatsoever supplied by the Supplier to the Buyer.

(i) Property in the Petroleum Products shall remain in the Supplier and should the Petroleum Products (or any of them) for whatever reason be converted into or mixed with any other product whatsoever, the conversion or mixture shall be effected by the Buyer solely as agent for the Supplier but without incurring any liability on behalf of the Supplier and the Supplier shall have the full legal and beneficial ownership of the product resultant upon such conversion or mixture;

(ii) Notwithstanding anything herein before contained, the Buyer shall store the Petroleum Products in such a way that they can be readily identified as being the property of the Supplier;

(iii) Subject to (iv) and (v) below, the Buyer shall be at liberty to sell the Petroleum Products in the ordinary course of business (but not to an Associated Company) on the bases that the proceeds of sale shall belong to the Supplier and shall be kept in a separate account, and the Buyer shall account therefore to the Supplier on demand, provided that the Supplier shall have no authority to enter into any contract of sale on behalf of the Supplier and any contract of sale shall accordingly be concluded in the name of the Buyer;

(iv) The Supplier may at any time revoke the Buyer's power of sale by notice to the Buyer if the Buyer is in default for longer than forty-eight hours in the payment of any sum whatsoever due to the Supplier or if any bill of exchange, cheque or other negotiable instrument drawn or accepted by the Buyer in favour of the Supplier is dishonoured on presentation for payment or if the Supplier has bona fide doubts as to the solvency of the Buyer.

(v) The Buyer's power of sale will automatically cease if a Receiver is appointed over any of the assets or the undertaking of the Buyer or a winding up order is made against the Buyer or the Buyer goes into voluntary liquidation (otherwise than for the purpose of reconstruction or amalgamation previously approved in writing by the Supplier) or calls a meeting of or makes any arrangements or compositions with creditors or commits any act of bankruptcy;

(vi) Upon determination of the Buyer's power of sale under (iv) or (v) above the Buyer shall place the Petroleum Products at the disposal of the Supplier who shall (without prejudice to any other right or remedy of the Supplier) be entitled to, at the expense of the Buyer and without the Supplier being liable for any loss or damage, enter upon any premises of the Buyer for the purpose of removing such Petroleum Products and to remove such Petroleum Products from the premises (including severance from the realty where necessary) and for the purpose of locking and sealing the tanks or apparatus or the storage where the Petroleum Products are sold or stored, until such time as the Supplier wishes to dispose of such products and for the purpose of disposing of the Petroleum Products from any premises of the Buyer.

Notwithstanding the provisions of this Clause the Supplier shall have the right (without prejudice to any other right or remedy available to it) to institute proceedings to recover the full price of the Petroleum Products (or any part thereof remaining unpaid) together with interest thereon as if the same were a liquidated sum recoverable as a debt.

(c) The cylinders remain the property of National Fuel Solutions Ltd.

(d) Lost cylinders will be charged at £50.00 + VAT per cylinder.

13. The deposits charged and paid in returnable packages will be credited in full on the return of such packages in good condition to the nearest depot of the Supplier. If packages returned by the Buyer are, in the Supplier's opinion, unfit for immediate use the Supplier shall be entitled to retain the deposit paid thereon.

14. RISK

Notwithstanding the provision of Clause 12 hereof the risk in the Petroleum Products shall pass to the Buyer on delivery of the Petroleum Products to the Buyer or his/its agents and the Supplier shall not after the risk has passed to the Buyer be liable for any loss or damage by or arising out of or in connection with the storage use or handling of

the Petroleum Products or otherwise and the Buyer shall fully indemnify and keep indemnified the Supplier against all damages claims expenses liabilities or costs incurred by the Supplier in connection therewith. Where Petroleum Products are delivered in bulk (whether or not through hose) delivery thereof shall be deemed to take place when the Petroleum Products pass through the outlet valve of the loading rack road or tail tank wagon barge tankship or other delivery point (or hosepipe connection where applicable).

15. INDEMNITY

The Buyer shall fully indemnify and keep the Supplier indemnified against all liability including employer's liability in respect of any damage to the property (moveable or immovable) of the Supplier or its employees or agents or of the death or personal injury of the said employees or agents whilst upon the Buyer's premises not being damage death or personal injury caused by the negligence of the Supplier or its said employees or agents.

16. LIMITATION

Any difference or dispute relating to the quantity or quality of the Petroleum Products shall be notified to the Supplier within 48 hours of delivery and (relating to price) within 48 hours of first receipt of the invoice or statement to which the difference or dispute relates failing which the Buyer shall be deemed to have waived all recourse in respect thereof.

17. (a) Except as herein specified all conditions warranties and guarantees statutory or otherwise whether express or implied oral or written and all collateral agreements statement descriptions stipulations or representations (whether oral or written) made by the Supplier whether expressly or impliedly relating to the Petroleum Products their state quality or fitness or their container are hereby excluded so far as the law allows.

(b) Any neglect forbearance or indulgence on the part of either party hereto relating to their rights hereunder shall in no way be deemed a waiver implied or otherwise of such rights.

(c) Any statutory common law or other warranties conditions descriptions express or implied as to the state quality or fitness of the Petroleum Products or their containers are hereby excluded so far as the law allows.

18. SPECIAL PROVISIONS

Lubricating oil and grease quantities delivered against the Supplier's delivery note or invoice are approximately litres of 0.9 kilograms weight.

19. Duty Rebated Oils supplied against the Supplier's delivery note or invoice must be used by the Buyer in strict accordance with the current Customs.