



FROM: HMS Trading FZE
TO: CVIT Global Shipment FZCO
Ref No.: Contract No.: HMS-C-LPG-1001
Date: June 26, 2022

Further to your request through the mutual discussions and agreements, we are pleased to express our thanks for your purchase and we, HMS Trading FZE as the Seller, hereby confirm the HMS's terms and conditions for the sale/purchase Contract of LPG as follows:

LPG SALES AND PURCHASE CONTRACT

This sales contract (hereinafter called “**contract**”) is made on June 26, 2022, by and between:

1. SELLER:

HMS Trading FZE – with the commercial license No.: (19632) issued by the Hamriyah Free Zone Authority – in the Emirate of Sharjah. Address: Emirate of Sharjah – U.A.E

2. BUYER:

CVIT Global Shipment FZCO – with the commercial license No.: (7291) issued by the Department of Economic Development in the Emirate of Dubai – represented by its Manager Mr. – Emirati National – Holder of Emirati passport number (XXXXXXX) – and holder of Emirati ID number (784-XXXXXXXXXX). Address: Emirate of Dubai – U.A.E. (PO Box: 191388) buyer and seller hereinafter are also referred to individually as **party** and collectively as **parties**.

3. PRODUCT:

- Buyer hereby commits to buy, and seller hereby commits to sell and deliver **Liquefied Petroleum Gas (LPG)** (fully refrigerated commercial propane (hereafter referred to as “propane”) and fully refrigerated commercial butane (hereafter referred to as “butane”) produced by **Kangan Petro Refining Co. (KPRC)** according to the terms and conditions determined in this contract.

4. ORIGIN OF PRODUCT AND DESTINATION MARKET:

- Origin: Iran
- Destination: International Marine

5. QUALITY:

- As per manufacturer's specifications for the products of KPRC. The specifications of products are indicated in annex a hereto attached and may be subject to revisions and update as per production plant. The seller provides no representations, guarantees or warranties expressed or implied with respect to merchantability, fitness, suitability of the product for any particular purpose or otherwise beyond the scope of the specifications contained in this Contract.
- The Quantity and Quality shall be determined on the basis of load port shore tank(s) or load port location figure and by taking delivery of product the buyer shall be deemed to have accepted the quality and quantity of the cargo and shall waive any claims in this respect.

6. QUANTITIES:

- The buyer shall take delivery of the total quantity of 44,000 mt (+/-10% as per seller's option) of fully refrigerated LPG with ratio of 50% Propane and 50% Butane on FOB basis at port of Tombak, Iran.

NO	Description	Packing	Quantity (MT) +/- 10%	Delivery
1	8921161301-PROPANE, C3H8	bulk	22,000	FOB Port of Tombak
2	8921161401-BUTANE, C4H10	bulk	22,000	FOB Port of Tombak

- In case the supply of quantity is affected by the production plant, The seller shall, within a reasonable time, inform the buyer and, will make up for the undelivered cargoes after resumption of production according to Article 10 of the Contract. In case the contractual quantity is not delivered due to buyer's fault or default, buyer shall not claim for any undelivered quantity.

5. SHIPMENT DATE:

- The Shipment date is 17 to 27 July 2022 which shall be narrowed down to 3 days spread by the buyer at least 10 days before commencement date (commencement date = 17 July 2022). In case the buyer fails to meet narrowed Laycan, the seller has full discretion to recover all its losses and receivables under this contract and to decide whether to make delivery of some or all undelivered quantities of the product within a period as determined by seller.

6. DELIVERY AND VESSEL NOMINATION:

- THE DELIVERY shall be base
- The delivered quantity and quality will be as per share figures on the port of loading and all permissions and licenses required for imports of cargos at destination shall be on buyer.
- The demurrage rate shall be as per rate of the loading terminal. Any demurrage claims to the seller must be submitted in writing within 60 days of the date of disconnection of the loading/discharge hoses and must include a statement of claim setting out the demurrage calculation and supporting documents. Demurrage claim must be settled within 15 working days after submission of claim from seller. Demurrage due to bad weather shall be equally divided between the Parties.
- The buyer shall nominate a tight, staunch, strong, in good order and condition, and in every way fit vessel in writing to the seller not later than 10 days before the first day of delivery date for the seller's approval. The nomination shall include a complete and updated Q88 or the information that would be required in a completed Q88, ETA of the vessel.
- Notwithstanding the seller's acceptance, buyer shall at all times procure that the vessel shall always comply with the requirements of the international ship and port facility security code and international maritime regulations for safe navigation and the maritime applicable laws and standards. The vessel, when required shall submit any necessary documents for its compliance with international rules and regulations. The vessel shall comply with the load port regulations and obtain the port authorities approval prior to arrival at the loading port, otherwise, seller has the right not to berth such nominated vessel with no liability, despite its prior acceptance.
- In case the vessel is rejected by the seller, the buyer shall nominate a substitute vessel together with the above-mentioned documents and qualifications, the consequences of such substitution shall be borne by the buyer and it will not alter the agreed laydays unless otherwise agreed specifically in writing.
- Seller's liability with respect to the vessel, if established on sufficient grounds shall be limited to demurrage payments in accordance with this contract.
- The buyer shall notify the seller and the loading terminal of the vessel's eta on the request of the seller, and otherwise in accordance with the standard reporting procedure applicable from time to time at the load port terminal. If the vessel fails to give at least 48 hours prior notice of arrival to the load port, the time allowed to the seller for loading shall be extended maximum 48 hours. Nor shall be tendered before expiry of the laydays, and laytime is 96+6 Hours starts at the load port SHINC as soon as the vessel tenders its NOR. If the vessel arrives out of laycan, laytime will commence from the vessel is all made fast. If the vessel is not ready for loading due to technical or port regulations, NOR shall be retendered and laytime will start from vessel readiness to load.
- Risk of loss or damage to the product shall pass from seller to as per incoterms 2020. Title to products shall pass to buyer after receipt of full payment of the price of the loaded products to seller's nominated account after commencement of loading.

7. PRICE FORMULA:

- The price formulas of the product for fob deliveries are as per following:
 - ARAMCO CP quotation of month of loading published at Platts Publication Minus (One Hundred and Eight Dollars per Metric Ton) 108 USD/MT. The date of vessel's NOR at load port shall be used to determine the month of loading.
 - The Provisional Price is 642 USD/MT
- If the Forth decimal point is four or any digit less than four then such forth and/or more decimal shall be ignored. If the Forth decimal point is five or any digit higher than five then one digit shall be added to the third decimal point and the rest will be ignored.

8. TERMS OF PAYMENT:

- Full price of the seller's Proforma Invoice (Provisional Price) shall be paid via telegraphic transfer (TT) without any deduction to account nominated by the seller in advance basis as per follow:
 - 10% on pi and within pi validity and 90% before Issuance of BL at load port
- The payment shall be made to the bank account nominated by the seller as per the details of payment. The buyer shall reconfirm the payment details with the seller via phone in order to avoid cybercrimes. The buyer

shall provide the seller with swift of payment and the cargo will be considered as paid when the seller is in receipt of the amount.

- Seller may suspend or refuse to make delivery; in case The buyer does not make the payment within the above-mentioned dates and all costs and losses including but not limited to vessel's demurrage and etc shall be on the buyer. The seller has right to hold the cargo/vessel and not releasing the vessel until receiving the full amount of cargo issued in proforma and the buyer shall implement a payment plan to avoid any delays in cargo operation. All lapse of time and costs during receipt of payment anticipation period shall be on buyer.
- The buyer shall be liable for delay penalty equal to annual 5% of the total unsettled amount after issuance the final invoice.
- Payment shall be made in EURO, offshore or AED exchange rate reference is USD 1= AED 3.6725
- For EURO payments, reference shall be made to the xe.com rate fixing
 - At one day before payment within PI validity for 10 % advance payment
 - At BL date for 90%
 - At one day before Due Date for balance payment (If any)
 - In case of non-publishing the rate, the first available day before above-mentioned date shall be applied.
- Final invoice, shall be prepared and submitted to the buyer based on final calculation accordingly and shall be settled by the buyer within 5 days.
- All banking fees and etc. shall be on buyer's account.
- In case any third party is selected by the buyer to make the payments to the seller, the buyer shall inform the seller in advance and shall obtain the prior written approval of seller in this respect. The buyer shall be jointly and severally liable to discharge the payments under the contract. The buyer shall keep the seller harmless and indemnified for any claims, costs, damages, losses, expenses and/or liabilities of whatsoever nature which the seller may suffer or incur arising out of or in connection with this third-party payment.
- In case the seller nominates a third party to receive the payment on behalf of the seller, it will inform the buyer accordingly. In this case, seller's nominee may issue a proforma invoice for receipt of payment. Parties, however, acknowledge that the said documents issued by the seller's nominee shall have no material effect in any way to alter, supersede or invalidate the agreements between the seller and buyer and the documents thereof, and the terms and conditions shall remain as per the contract.

9. CANCELLATION FEE:

- In the event that The buyer cancels the delivery/PI/fails to meet the laycan and/or does not lift the cargo within agreed date , it will be charged by (Five) 5% of the total provisional value (issued at Proforma) which can be collected by The seller from the advance payment paid by The buyer or any other collateral provided by The buyer to The seller (at seller's option) and The buyer doesn't have right to claim any cargo furthermore unless otherwise achieve The seller's consent in that regard.
- In case of delay of the buyer in settlement of PI value before issuance the BL, the seller has right to hold the cargo and or not releasing the vessel from at port until receipt the outstanding amount and all costs and consequences of such holding shall be at the buyer's account which include but not limited to port charges, vessel's demurrage and etc.

10. FORCE MAJEURE:

- Neither buyer nor seller will be liable for damages or otherwise for any failure or delay in performance of any obligation hereunder other than any obligation to make payment, where such failure or delay is caused by Force Majeure, being any event or occurrence or circumstance reasonably beyond the control of that party, including but without prejudice to the generality of the foregoing, failure or delay caused by or resulting from acts of god, disruption, breakdown or shut down of production facilities, equipment, closing of harbors and pipelines, inability to obtain fuel, power, raw material and labour, breakdown of loading and receiving facilities or plants, feedstock and technical problems, strikes, labour or trade dispute or other industrial action, fires, floods, drought, wars (whether declared or undeclared), civil commotion, armed conflict, terrorist attack, epidemics (including without limitation any associated quarantine or other containment measures), riots, perils of the sea, embargoes, accidents, acts, orders or restrictions imposed by any government authority or person purporting to act therefore (including allocations, priorities, requisitions, prohibitions, quotas and price controls or failing to grant necessary consents or licenses).
- In case the delivery of cargo is affected by production capabilities or any Force Majeure events, The seller will be exempted to deliver the cargo during such Force Majeure period and shall be entitled to suspend or reduce delivery until the end of Force Majeure period. In case the seller resumes its ability to deliver the cargo, the pricing and other applicable terms and conditions shall be as per the actual month of delivery.
- The party whose performance is so affected shall notify the other party hereto as soon as reasonably practicable indicating the nature of such Force Majeure event and, to the extent possible, inform the other party of the expected duration of the Force Majeure event.
- Events of Force Majeure shall not exempt buyer from its obligation for timely payment of delivered products price under any circumstances.

11. GOVERNING LAW AND SETTLEMENT OF DISPUTES:

- Governing law: this contract and any dispute or claim arising out of or in connection with it or its subject matter or formation shall be construed, governed and interpreted in accordance with the Swiss Law.
- Arbitration: any dispute in respect of validity, interpretation, application and execution of this contract if not settled by amicable negotiations, shall be referred to and finally resolved by reference to the rules of UNCITRAL rules of arbitration, which rules are deemed to be incorporated by reference into this contract. The place of arbitration shall be in Geneva, Switzerland, and the language of arbitration will be in English. The arbitral award shall be final and binding upon the parties.

12. CONFIDENTIALITY:

- The terms and conditions of this contract, information regarding pricing of the products, the business, affairs, customers, clients or suppliers of the parties, and the manner in which business is conducted between the parties hereto are confidential and shall at all times be kept confidential by the parties. No party shall use any other party's confidential information for any purpose other than to perform its obligations under this contract and shall not disclose it to the other party without written permission of the other party.

13. REPRESENTATIONS AND WARRANTIES:

- Parties hereby represent and warrant to each other that they are duly organized and validly existing under the laws of their countries and have all requisite corporate power to execute and deliver this agreement and to perform their obligations hereunder and are fully aware about the Iranian nexus of the contract.

14. Assignment:

- This contract or any right and obligations under this contract may not be assigned, transferred, mortgaged or charged by either party to any third party without prior written consent of the other party.

15. Anti-corruption:

- The parties agree and undertake that in connection with this agreement, they will each respectively comply with and act in a manner consistent with all applicable laws, rules, regulations in relation to prohibition of bribery and corruption.

This contract is signed on the above-mentioned date by and between the authorized representative of the parties.

SELLER
HMS Trading FZE

BUYER
CVIT Global Shipment FZCO