



These terms and conditions ("**General Conditions**") are applicable to Wholesale Refined Products rack sales and are designed for use in transactions where Huguenot Fuels Inc., ("**Seller**") has agreed to sell, or cause to be sold, "**Product(s)**" (as defined herein) to a party, ("**Buyer**"). Buyer has agreed to these General Conditions if Buyer begins performance of its obligations hereunder. Huguenot Fuels Inc. reserves the right to reissue these General Conditions at any time. Buyer and Seller may collectively be referred to herein as the "**Parties**", or individually as a "**Party**".

1. **Credit:** Prior to any liftings of Product by Buyer, Buyer will apply for and obtain (at Seller's sole discretion) credit from Seller. After satisfactory determination by Seller with respect to Buyer's credit, Buyer and Seller shall have entered into an agreement, (the "**Agreement**") which will be governed by these General Conditions.
2. **Product(s):** These General Conditions cover refined petroleum products, including, but not limited to, all gasoline, including gasoline blended with ethanol; distillates, including distillates blended with renewable diesel and biodiesel; and renewable fuels including ethanol, biodiesel, and renewable diesel (collectively, "Product(s)"). The availability of a particular Product will vary depending upon the terminal applicable to the transaction, and the inventory and allocation of Product at such terminal.
3. **Loading Privileges:** Loading privileges are granted by Seller to Buyer at requested terminals and confirmed through the issuance of loading numbers, but may be revoked by Seller at any time in its sole discretion. Any liftings by Buyer or their authorized agent, such as common carrier, (collectively "**Carriers**") using these loading numbers will constitute an "**Authorized Purchase**" by the Buyer. Any liftings on an account in which Buyer was not issued loading numbers by Seller, or where product was not quoted to Buyer in the daily pricing emails as available, or where Buyer used another customer's loading number to lift product will constitute an "**Unauthorized Purchase**". Any liftings by Buyer, whether an Authorized Purchase or an Unauthorized Purchase, shall constitute an agreement between Buyer and Seller, (the "**Agreement**"), which will be governed by these General Conditions.
4. **Pricing:**
 - a. Unless otherwise agreed to by the Parties in writing, Authorized Purchases of all Products shall be valued based on the last notified per gallon rack price for the Product at the loading terminal set by Seller and communicated in writing to Buyer (via email or other electronic means) by Seller. Such prices are established on an F.O.B. basis unless otherwise noted in writing and are terminal, Product, and Buyer specific. Prices are subject to change at any time.
 - b. Unauthorized Purchases shall be valued based on the **OPIS High Rack Gross** price of the Product lifted as posted in OPIS for the corresponding date in the nearest applicable market.
 - c. In the event that there is a price dispute over an Authorized Purchase, the Product will be valued based on the **OPIS High Rack Gross** price of the Product lifted as posted in OPIS for the corresponding date in the nearest applicable market.
 - d. All prices under this Section 4 are exclusive of all taxes and fees unless noted in writing, and are subject to the provisions of Section 14 hereof. Any applicable freight charges or costs in excess of those included in the price shall be at Buyer's expense.

5. **Sales Agreement:** In the event that Buyer and Seller enter into a written sales agreement (“**Sales Agreement**”), the Sales Agreement will be furnished in writing by fax, email or other means upon finalization of the Sales Agreement. The Sales Agreement will contain the terms and conditions, contract date, reference number (if applicable), Product(s), parties, term, location(s), and any other relevant information. Unless otherwise agreed in writing, the Sales Agreement, together with these General Conditions, and any electronic or other communications governing price, location, and quantity will constitute the entire Sales Agreement between the parties.

Where there is conflict between these General Conditions and the Sales Agreement, the Sales Agreement shall govern. In the event that the Buyer pulls more than the agreed volume then the pricing defaults to Section 4 above Pricing. Any liftings by Buyer or their authorized agent (such as common carrier), using these loading numbers will constitute an Authorized Purchase by the Buyer. Any liftings on an account in which Buyer was not issued loading numbers by Seller, or where product was not quoted to Buyer in the daily pricing emails as available, will constitute an Unauthorized Purchase. Neither Party shall assign the Sales Agreement without the written consent of the other Party, which consent shall not be unreasonably withheld.

6. **Title and Risk of Loss:** Title and risk of loss, including without limitation, risk of damage, deterioration, and/or evaporation, shall pass from the Seller to the Buyer when the Product passes the flange or spout between Seller’s delivery line at the rack or terminal and Buyer’s receiving connection or equipment, whether truck or other receiving equipment. It is expressly understood that the passage of title and risk of loss as set forth above is not conditioned on the delivery or receipt of bills of lading or other equivalent documentation.

7. **Warranty and Limitation of Liability:**

Seller Warrants:

- a. that upon delivery from the terminal flange, the Product conforms to the specifications for such products established by the applicable Product terminal;
- b. that the Seller has free and clear title to the Product manufactured and delivered under the Agreement; and
- c. that the Product shall be delivered free from lawful security interests, liens, taxes, and encumbrances.

Except as set forth above, Seller makes no warranties, expressed or implied, with respect to the merchantability of product or otherwise. The warranty of fitness for a particular purpose is expressly disclaimed. In no event shall Seller or Seller’s supplier be liable for incidental, consequential or punitive damages, lost profits or other business interruption damages, whether by statute, in tort, contract or otherwise. Seller’s liability with respect to lost, damaged, or contaminated Product shall not exceed the price of the Product sold hereunder, or the price of that portion of such Product on which liability is asserted.

8. **Waiver of Future Supply Obligations:** The Parties specifically acknowledge and agree that these General Conditions are freely entered into and do not reflect or result from any legal obligation that either party may have to the other party to supply Products. Neither party expects or desires that these General Conditions, any invoice issued by Seller or any other written agreement between the parties relating to these General Conditions, will form the basis of any future obligation of either party to supply Products to the other party. To the extent that any present or future laws or regulations may require any such supply obligation, each party waives, in advance, any right it may now have or subsequently obtain to enforce any such obligation.

9. **Inspection and Measurement:** Measurement of quantity delivered into transport truck/tanks shall be based on the applicable bill of lading or terminal meter ticket at terminal. The measurement documents shall contain both net (adjusted to 60 degrees Fahrenheit) and gross volume. Quality shall be presumed to be the quality certified under bulk product from which truck delivery is drawn.
10. **Terminal Access and Insurance:** Each transport truck/tank carrier or agent appointed by Buyer (collectively, "Carrier(s)") shall first be approved by the applicable terminal(s), at their sole discretion, as a condition of terminal access. Such approval shall remain in effect until revoked by Seller or terminal at their discretion. Buyer and its designated Carriers shall comply with all applicable governmental and local authority regulations, the Seller's or the Seller's suppliers' regulations, all operating and safety procedures of Seller or the loading terminal, and any other requirements of whatever nature in force at the loading terminal. It shall be the absolute responsibility of the Buyer and each Carrier to acquaint itself, and comply with, the requirements of the loading terminal current at the relevant time. Notwithstanding anything to the contrary express or implied in the Agreement, if any Carrier nominated by the Buyer does not comply with the foregoing provisions or any of them, the Seller's supplier may refuse to connect or load the Carrier in question.

Buyer shall cause its Carriers who will be accessing the loading terminal in connection with this Agreement to carry and maintain, at its sole expense, with reliable insurance companies acceptable to the loading terminal and authorized to do business in the state or area in which the loading terminal is located, at least the minimum insurance coverage as required by the loading terminal.

11. **Payment:** Unless otherwise agreed to in writing, Seller shall draft Buyer's bank account via ACH Debit for all amounts as invoiced without discount, deduction, withholding, set-off, offsets or counterclaim of any kind in United States Dollars on the tenth calendar day following date of lifting. Seller will provide a 2 day minimum notice before this drafting occurs.
 - a. Seller shall have the right to assess finance charges against all past due amounts and all accrued but unpaid late payment charges, at one and one-half percent per month (1 ½%), but not to exceed the maximum charges permitted by law. Buyer shall pay all of the Seller's costs (including reasonable attorney's fees and court costs) of collecting past due payments.
 - b. When payment due date falls on a Saturday or on a weekday, other than Monday, which is not a Federal banking day, then any such payment shall be made on the nearest preceding Federal banking day. When the payment due date falls on a Sunday or a Monday which is not a Federal banking day, such payment shall be made on the next following banking day.
12. **Financial Responsibility:** Notwithstanding anything to the contrary in the Agreement, should Seller believe it necessary to assure payment, Seller may at any time require, by written notice to Buyer, either: (i) satisfactory security ("**Security**") in the form of an irrevocable letter or letters of credit at Buyer's expense in a form and from a bank acceptable to Seller to cover any or all obligations under the Agreement, or (ii) prepayment of the total estimated financial exposure under the Agreement. Any delay and any costs associated with such delay shall be

for the account of Buyer. Lack of these assurances shall be cause for revoking of Buyer's loading privileges, at Seller's discretion.

13. **Default and Termination:**

- a. A "Default" shall occur if Buyer: (i) fails to pay any obligation of indebtedness to Seller or otherwise fails to comply with any credit terms imposed by Seller or fails to provide or maintain the Security required in Section 12; (ii) fails to perform any other obligation to Seller and such failure remains uncured after fifteen (15) days following written notice thereof; or (iii) becomes the subject of any bankruptcy or insolvency proceedings.
- b. In the Event of a Default by Buyer, the Seller, without limiting any other rights that may be available (whether under this Agreement, as a matter of law or otherwise), shall have the right, exercisable in its sole discretion and at any time or times, to liquidate all Sales Agreements and other transactions then outstanding by closing out each such transaction being liquidated (whereupon they shall automatically be terminated, except for the payment obligation referred to below), calculating the Loss (defined below), if any, for each such transaction, and aggregating or netting such amounts and (at Seller's election) any or all other amounts owing under this Agreement to a single liquidated settlement payment that will be due and payable within one (1) business day after the liquidation is completed. "Loss" with respect to each transaction shall be the loss to Seller as a result of the liquidation of that transaction including, without limitation, the cost of entering into a replacement transaction and of maintaining, terminating and/or reestablishing any hedge or related trading positions (and discounting to present value at Prime or bearing interest, as appropriate), in each case as determined by Seller in any commercially reasonable manner.
- c. In addition, after an Event of Default, Seller at its election: (i) shall have a general right of setoff with respect to all amounts owing between the Parties (whether under this Agreement or otherwise and whether or not then due), provided that any amounts not then due shall be discounted to present value at Prime, and (ii) may withhold or suspend its obligations under these General Conditions. After an Event of Default, Buyer is also responsible for any other costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by Seller in connection with such Event of Default.
- d. The Parties agree that each transaction entered into under the Agreement shall constitute a "forward contract" and that the Parties are "forward contract merchants" within the meaning defined in Title 11 of the United States Code, (the "Bankruptcy Code").

14. **Taxes:** Buyer agrees that any and all taxes, duties, fees, surcharges, and/or other similar charges, now or hereafter imposed by any federal, state or local governmental unit upon, measured by, or incident to, the sale and/or transfer of the Product that is sold by Seller to Buyer hereunder ("Taxes"), shall be the sole liability and responsibility of the Buyer, and in the event that Seller is ever obligated to pay any such Taxes, Buyer shall promptly reimburse Seller for all such Taxes paid by the Seller. From time to time, Buyer may elect to defer taxes, with proof of eligibility and Seller's consent, as defined in applicable state and federal regulations.

15. **Force Majeure:** In the event either Party is rendered unable, wholly or in part, to perform its obligations under the Agreement (other than to make payments due hereunder) due to acts of God, floods, fires, explosions,

extreme heat or cold, earthquake or storm, transportation difficulties, strikes, lockouts or other industrial disturbances, wars, acts of terrorism or sabotage, accident or breakage of equipment or machinery, failure of transporters to furnish transportation, failure of terminal operators to deliver product, failure of suppliers to furnish supply, or any law, order or action of any court or instrumentality of the federal or any state government, or for any other cause or causes beyond its reasonable control, ("**Force Majeure**") it is agreed that on such Party's giving notice and full particulars of such Force Majeure to the other Party, the obligations of the Party giving such notice shall be suspended from the date of receipt of such notice and for the continuance of any inability so caused, but for no longer period, and such cause shall, so far as possible, be remedied with all reasonable dispatch. The term Force Majeure shall not apply to those events merely making it more difficult or costly for Seller or Buyer to perform their obligations hereunder. It is further agreed that at the conclusion of any Force Majeure event, neither Party shall have any obligation to the other with respect to any quantities of Product not delivered as a consequence of such Force Majeure event. No condition of Force Majeure shall operate to extend the terms of Agreement.

16. **Claims:** Any controversy or claim regarding the quality or quantity of Product shall be made in writing to Seller immediately after such apparent defect is discovered. Claims shall be time barred unless Buyer submits written notice within ten (10) days of delivery of Product. If no formal written claim is received within ten (10) days after lifting of the Product by the Buyer, the claim shall be deemed to have been waived. TIME IS OF THE ESSENCE. Further, any actions to enforce any rights or obligations under the Agreement must be filed in court against the other party no later than one (1) year after the date on which the alleged breach of the Agreement occurred.
17. **No Waiver/Amendments:** No waiver by either Party of any breach of any covenants or conditions under the Agreement shall be construed as a waiver of any succeeding breach of the same or any other covenant or condition. This instrument cannot be modified in any way except by agreement of both Parties in writing. Such written agreement may be in the form of an exchange of telexes, faxes, IM, email, or similar electronic or printed transmissions.
18. **Compliance with Laws:** During the performance of the Agreement, each Party agrees to comply with all laws, rules, regulations, ordinances and requirements of Federal, State, and Local governmental or regulatory bodies (collectively "**Laws**") which are applicable to the Agreement, including, without limitation, all licensing requirements in the State where title transfers (if such licensing is required by the State) and all Federal, State, and Local regulations for all Product(s).
19. **Governing Law:** This Agreement, its performance and enforcement shall be governed and determined by the laws of the State of South Carolina. All unresolved disputes and claims arising in connection with the sale of product to which these Terms and Conditions apply shall be referred to arbitration conducted in the City of Charleston, SC in accordance with the Commercial Rules of the American Arbitration Association. Decision shall be delivered no later than one hundred twenty (120) days after referral to arbitration or as soon thereafter as possible. Prior to arbitration, should the parties fail to agree on an arbitrator within sixty (60) days of referral to arbitration, either party may request selection of an arbitrator by the American Arbitration Association, which selection shall be accepted by the parties. The prevailing party in any such suit, action or proceeding, including any arbitration proceeding, shall be entitled to recover its costs of suit and reasonable attorney's fees.

20. **Indemnity:**

- a. Each Party shall indemnify, defend and hold the other, its agents and employees, harmless from claims, penalties, demands, and causes of action or other loss or liability (including reasonable attorneys' fees and legal expenses) asserted against the other (collectively, "**Claims**") by any other person (including, without limitation, employees of either Party) for personal injury, for loss of or damage to property, or for violations of law resulting from acts or omissions of the indemnifying Party in connection with this Agreement. Buyer shall defend, indemnify, and hold Seller, its agents and employees, harmless against all Claims arising out of or related to any environmental matters including but not limited to, storage tank leaks or spills, waste disposal or air emissions caused by or arising in connection with Buyer's acts or omissions under this Agreement, including but not limited to, Buyer's loading, transportation, unloading, storage, handling, sale, or use of products sold hereunder, whether or not Buyer was negligent or otherwise at fault.
- b. Where personal injury, death, or loss of or damage to property is the result of the joint negligence or misconduct of the Parties hereto, the Parties expressly agree to indemnify each other in proportion to their respective shares of such joint negligence or misconduct. Provided, however, that in the case of indemnity by Seller shall not apply to Claims caused by: (A) Buyer's negligence or willful misconduct, or (B) defects in Product sold by Seller hereunder (other than defects attributable to any act or omission of Seller or Seller's employees or agents).
- c. In the event Buyer has access to a third party facility (including, without limitation, the loading terminal) in connection with this Agreement, Buyer's access may be exercised by Buyer's contractors or Carriers in which case Buyer shall be responsible for the acts or omissions of its contractors and Carriers. Buyer shall indemnify, protect and hold harmless Seller from Claims asserted against Seller due to the (A) acts or omissions, (B) failure to comply with the laws or governmental regulations, or (C) failure to comply with the requirements and procedures of the loading terminal, by Buyer's contractors or Carriers.
- d. Buyer's agreement to indemnify Seller shall not be negated or reduced by virtue of the denial of insurance coverage by Buyer's or Carrier's insurers of the occurrence or event which is the subject matter of the claims, and/or refusal to defend the insured or Seller. Seller shall have the right, but not the duty, to participate in the defense of any claim or litigation with attorneys of Seller's selection. Buyer's and Seller's obligations hereunder shall survive any termination of this Agreement.

21. **Entire Agreement:** No statement or agreement, oral or written, made prior to or at the signing of the Agreement, shall verify or modify the written terms hereof unless such modification is mutually agreed to in writing by an authorized officer or attorney-in-fact of both parties.