

General Terms and Conditions

General Terms and Conditions for the Reception of Ship Waste December 2008, filed at the Office of the Court in The Hague under no. 101/2008

ARTICLE 1- DEFINITIONS

- 1.1. Reception facility: the legal entity that, on the basis of a licence issued pursuant to the Dutch Environmental Management Act and/or the Dutch Prevention of Pollution from Ships Act, is authorised to receive ship waste or has equivalent authority on the basis of a government decision.
- 1.2. Supplier: the party disposing / wishing to dispose / having to dispose of ship waste by delivery to a reception facility or its representative.
- 1.3. Closer examination: an examination, such as a physical or chemical analysis, in order to verify whether the ship waste (to be) received contains substances above the permitted content described in article 3.
- 1.4. Ship: any vessel of any type, including hydrofoil boats, hovercrafts, submersibles and floating craft, as well as installations during the time that they are afloat.
- 1.5. Ship waste: waste originating from ships in so far as it has been generated in connection with the operation of these ships.
- 1.6. S-form: the form prescribed by the Dutch Environmental Management Act, drawn up between and signed by the reception facility and the supplier for the delivery of (hazardous) waste generated on board ships or some other (electronic) form stipulated by government authorities for the transfer of ship waste.
- 1.7. Batch: a quantity of ship waste originating from one disposer that is regarded as a single unit in terms of its (sub-)process of origin, nature, properties and composition as well as in terms of its manner of storage at the disposer.

ARTICLE 2- APPLICABILITY

- 2.1. These terms and conditions for the reception of ship waste shall apply to all offers made by the reception facility regarding the reception of ship waste and shall be applicable to all agreements between the reception facility and the supplier and/or all orders placed with the reception facility.
- 2.2. As a departure from the provisions of article 6:225 paragraph 3 of the Dutch Civil Code, the user of these terms and conditions shall not be bound by any deviations from the user's offer that appear in the acceptance by the other party.

ARTICLE 3- COMPOSITION OF SHIP WASTE

- 3.1. Ship waste must meet the following requirements: Waste from the engine room and/or fuel tanks containing crude oil and/or refined oil product as well as cargo waste containing crude oil and/or refined oil product: COD in water < 2000 mg O/litre Sediment < 1 % Chloride in water < 15000 mg CL/litre (North Sea water level) Extractable organic halogens in water (EOX) < 10 mg CL/litre Total organic halogens in water (EOX+VOX) < 50 mg X/litre Total organic halogens in oil (TOX) < 1000 mg X/kg Sulphur in oil (S) < 1.6 % SG < 1 Flash point of oil fraction > 55 °C Water fraction biodegradable No heavy metals No pesticides or PCBs No added chemicals Must not give off an excessive stench. Liquid ship-generated cargo waste from cargo areas and/or tanks not containing crude oil and/or refined oil product: Must not have been mixed with other (waste) substances COD in water < 2000 mg O/litre Sediment < 1 % Chloride in water < 15000 mg CL/litre (North Sea water level) Extractable organic halogens in water (EOX) < 10 mg CL/litre Total

- organic halogens in water (EOX+VOX) < 50 mg X/litre Total organic halogens in oil (TOX) < 1000 mg X/kg SG < 1 Water fraction biodegradable No heavy metals No pesticides or PCBs No added chemicals Must not give off an excessive stench. Solid ship-generated cargo waste from cargo areas and/or tanks Must be presented separately and must not have been mixed with other (waste) substances Must not give off an excessive stench and/or contain vermin Must not pose a risk of selfcombustion, explosion, infection or radiation. Sanitary waste Water fraction must be biodegradable Must not have been mixed with other (waste) substances No heavy metals No pesticides or PCBs No added chemicals. Refuse: Must not contain hazardous substances and/or hazardous waste Must not contain sharp objects Must not give off an excessive stench and/or contain vermin Must not pose a risk of selfcombustion, explosion, infection or radiation. Small hazardous waste: Must not contain any explosive, corrosive, self-combustible, flammable, smouldering and/or radioactive substances Must be presented separately and must not have been mixed with other (waste) substances Must not give off an excessive stench and/or contain vermin Must have been packaged properly.
- 3.2. Any waste that has not been generated in connection with normal operation on board the ship and/or the transportation of cargo must not be presented as ship waste.
 - 3.3. Prior to the reception, the supplier must provide the reception facility with a written declaration, signed by the supplier, that indicates that the ship waste for reception satisfies the terms and conditions described in articles 3.1 and 3.2. The supplier is also obliged to inform the reception facility of its own accord about all circumstances, including the use of chemicals and/or cleaning products, that may result in a change to the composition of the ship waste.
 - 3.4. If the supplier expressly indicates that there is a risk that the ship waste will not meet the requirements of article 3, the supplier shall have a choice between the following options:
 - a. the supplier shall commission the reception facility to conduct a closer examination first using the sample taken;
 - b. the supplier shall commission the reception facility to receive the batch separately and then to conduct a closer examination.
 - 3.5. If the supplier does not provide the declaration referred to in article 3.3 or if the reception facility possesses strong evidence that the batch for reception will not meet the requirements of articles 3.1 and 3.2, the reception facility shall not receive the batch until a closer examination has revealed that the batch does meet the requirements of articles 3.1 and 3.2. If it indeed transpires from the closer examination that the batch presented does not meet the requirements of articles 3.1 and 3.2, the reception facility shall make an offer to the supplier for separate reception and processing (in-house or by a third party) of the batch of substances. The costs of the closer examination and of the separate reception and processing (inhouse or by a third party) shall be borne by the supplier.
 - 3.6. If the reception facility suffers damage or loss as a result of the fact that the ship waste does not meet the requirements of articles 3.1 and 3.2, the supplier shall be liable for this.

ARTICLE 4- REALISATION OF THE ORDER

- 4.1. The supplier shall submit a request for the reception of ship waste in writing, by telephone, by fax or by electronic means.
- 4.2. If the reception facility's licence is sufficient for reception of the ship waste presented and the reception facility has suitable receptacles, the reception facility shall make an offer for reception of the ship waste presented. The reception facility can demand that the supplier provides a prior sample and/or analysis of the ship waste for reception.
- 4.3. The supplier shall accept the offer by placing the order for reception with the reception facility. This order shall contain at least the ship's details, the time, the location, the type and the quantity as well as the tariff for the ship waste for reception.

- 4.4. If the supplier places an order that is not consistent with the accepted offer as referred to in article 4.3 in writing, by telephone, by fax or by electronic means, the agreement shall only be realised through the reception facility's acceptance in writing or its commencement of the execution of the reception.
- 4.5. The reception facility shall ensure that suitable receptacles are present at the time and place referred to in 4.3.
- 4.6. The supplier must ensure that the reception facility can commence execution of the reception at the time and place referred to in 4.3. The supplier shall owe the reception facility the hourly rate recorded in the order from the time as referred to in the third paragraph even if it is yet impossible to commence execution of the reception.
- 4.7. In the event that the reception does not take place or cannot take place due to circumstances arising through no fault of the reception facility, the supplier shall be obliged to reimburse the costs incurred by the reception facility.
- 4.8. The reception facility is entitled at any moment to refuse or suspend execution of the reception if the statutory requirements, including the reception facility's licence, are not or cannot be satisfied or if the waste presented does not meet the requirements stemming from these and/or earlier agreements.

ARTICLE 5- SAMPLING

- 5.1. The supplier must ensure that samples can be taken easily in situ from the batch(es) for reception prior to the actual reception. It must be possible to take separate samples from every tank or barrel, etc.
- 5.2. The reception facility can decide to take a sample or arrange for a sample to be taken prior to the reception of any batch of ship waste for reception. The supplier is obliged to lend its assistance and, if asked, to furnish the sample with its signature.
- 5.3. The reception facility can take a flow sample from a pipe/hose while pumping liquids across. The reception facility shall offer the supplier, or any party authorised to represent the supplier legally, the opportunity to attend the sampling process. The samples shall be furnished with a number, a date and the signature of the reception facility. The reception facility shall offer a sub-sample to the supplier.
- 5.4. For liquid ship-generated waste, a flow sample taken from a pipe/hose while pumping liquids across shall have evidential value between the parties and that sample shall therefore serve as full proof between the parties.
- 5.5. The reception facility shall have the right to perform an indicative inspection on the sample free of charge, though it is not obliged to do so.

ARTICLE 6- THE RECEPTION

- 6.1. The reception facility can demand that a safety checklist be completed prior to the reception. The supplier shall be obliged to complete this truthfully and in full and to sign it.
- 6.2. The reception facility shall receive the ship waste using suitable receptacles, whereby the supplier shall be obliged to give the reception facility the opportunity to do so and to follow the reception facility's instructions.
- 6.3. The reception shall take place using a receptacle whereby the batch is added to other comparable batches of ship waste. Several batches received in this way shall be stored together in the receptacle in accordance with the provisions of the reception facility's licence pursuant to the Dutch Environmental Management Act prior to the closer examination.
- 6.4. Reception shall constitute delivery of the ship waste. From the moment of reception, the ship waste shall be the property of the reception facility and shall be at the latter's risk.

- 6.5. If it transpires during the reception, or if there are strong indications, that the batch for reception will not meet the requirements of article 3, the reception facility shall have the right to suspend reception immediately and conduct a closer examination. The supplier shall be obliged to follow the reception facility's instructions to that end without delay. The agreement shall remain effective for the waste already received, whereby articles 8 and 10 shall apply mutatis mutandis. The supplier shall have a choice between the following options for the waste that has yet to be received: a. the supplier shall terminate the order for reception, b. the supplier shall commission the reception facility to conduct a closer examination first using the sample taken.
- 6.6. In the scenarios referred to in articles 3.4, 3.5 and 6.5, the reception facility shall specify the costs of the closer examination beforehand. The costs of the closer examination and of the separate reception shall be borne by the supplier.
- 6.7. The reception facility shall determine the volume and/or weight of the ship waste with the help of tools that are calibrated and/or compliant with statutory regulations. The volume and/or weight of the ship waste determined in this way by the reception facility shall be binding between the parties.
- 6.8. The supplier is obliged to indicate its acceptance by signing the S-form with the description of the nature, properties, composition and quantity of the ship waste transferred to the reception facility.
- 6.9. Without prejudice to the provisions of article 3.3, the supplier is obliged at all times to provide the reception facility with further information concerning the nature, properties, composition and/or origin of the ship waste, whether or not it has been asked to do so.

ARTICLE 7- CLOSER EXAMINATION

The reception facility has the right to conduct a closer examination of every batch of ship waste received or to be received.

ARTICLE 8- SUPPLIER'S LIABILITY

- 8.1. If, as a consequence of a declaration, as referred to in article 3.3, that does not match the reality, or as a consequence of an inaccurate, unclear, incomplete and/or inadequate description, the reception facility suffers damage or loss, and/or fines, claims, penalties and other measures are imposed by government authorities, the supplier shall be liable for this.
- 8.2. If a closer examination of a batch received reveals that the batch of ship waste presented by the supplier does not meet the requirements of article 3, the supplier of this deviant batch shall owe the current tariff for the reception of ship waste that differs from that referred to in article 3 for the batch received and for all received ship waste that has been contaminated as a result of the reception. The supplier shall also be obliged to compensate the reception facility for the work it has already performed, the costs it has incurred and the damage/loss it has suffered.
- 8.3. In the scenario referred to in the second paragraph, the reception facility shall provide the supplier with a written breakdown of, in any case, the quantity concerned, the processing tariff per unit of waste for processing and the other costs, together with details of the competent licence-holder to whom the contaminated batch has been or will be transported.
- 8.4. If the reception facility is held liable for damage or loss as referred to in the first paragraph of this article by third parties, including the party to whom the ship waste is sent by the reception facility for (further) storage, treatment, processing or destruction, the supplier shall be obliged to indemnify the reception facility in this regard.

ARTICLE 9- RECEPTION FACILITY'S LIABILITY

- 9.1. The reception facility shall only be liable for damage or loss that can be attributed to intent or gross negligence on its part.
- 9.2. The reception facility shall never be obliged to provide compensation for damage/loss other than to people or property.
- 9.3. The reception facility shall only be obliged to pay compensation up to the amount for which it is insured under its business liability insurance policy.

ARTICLE 10- RECEPTION OF DEVIANT BATCHES

- 10.1. If it indeed transpires from the closer examination of the batch referred to in articles 3.4, 3.5 and 6.5 that this does not meet the requirements of article 3, the reception facility can make an offer to the supplier for separate reception and processing (in-house or by a third party) of these substances, but it is not obliged to do so. This offer must at least indicate the quantity concerned and the costs involved, and provide details of the competent licence-holder to whom the contaminated batch will be transported. The order shall be effected once the supplier has accepted the offer.
- 10.2. In the event that the batch has already been received (separately), article 8 shall apply mutatis mutandis.

ARTICLE 11- COUNTERCHECK

- 11.1. In the scenario referred to in article 8.2, the supplier shall be entitled to arrange and pay for a countercheck on the sample referred to in article 5.3 to be performed by a Sterlab-approved laboratory.
- 11.2. If the countercheck referred to in paragraph 1 refutes the findings of the closer examination and written proof thereof is submitted, if the reception facility does not require a third examination and if there are no other facts or circumstances that lead to a different conclusion, only the normal tariff shall be charged to the supplier for the reception and the costs of the countercheck shall be borne by the reception facility.

ARTICLE 12- ACCESSIBILITY

- 12.1. It must be possible to arrange the reception equipment such that no more than 20 metres of hose are required for the reception of liquid, unpackaged ship waste.
- 12.2. It must be possible to arrange the reception equipment for ship waste that cannot be pumped across in such a way that the mechanical collection equipment can be used. In other cases, the supplier must ensure that the ship waste is brought to the receptacle in packaging weighing no more than 23 kg that is easily manageable, leak-proof and free of residue on the outside.
- 12.3. The batch of ship waste for reception must be arranged such that it is freely accessible and there are provisions in place for any possible leaks.

ARTICLE 13- PACKAGING

- 13.1. The ship waste for reception that cannot be pumped across must be packaged in packaging that meets the relevant requirements imposed by the authorities (incl. ADN/ADR).
- 13.2. For the ship waste for reception that can be pumped across, there must be a connection present in compliance with MARPOL, and the connection including the corresponding pipes must be suitable for suction with a minimum suction capacity of 4,000 litres/hour.

ARTICLE 14 PAYMENT

- 14.1. Payment for the invoice to be sent by the reception facility to the supplier as provided for, for example but not exclusively, in the agreement and under 3.5, 4.6, 4.7, 6 and 8 must be issued without the supplier being entitled to any discount or setoff within 21 days of the invoice date, - by presenting a legal means of payment at the reception facility's offices. - by transferring the amount owed to the reception facility's bank account.
- 14.2. If the 21 days after the invoice date pass, the supplier shall be in default, without any notice of default being required; from this moment on, the supplier shall owe interest on the amount due that is equal to the statutory commercial interest. This payment deadline also applies if the supplier is a representative but has agreed with the reception facility that it will issue the payment instead of the principal. Payment cannot be suspended on account of the fact that the representative has not yet received payment from its principal.
- 14.3. In the event of the supplier going into liquidation, being declared bankrupt or having its payments suspended, the supplier's obligations must be met immediately.
- 14.4. Payments made by the supplier shall always serve first to settle all interest and costs owed, and secondly to settle invoices that are due and payable and have been outstanding for the longest length of time, even if the supplier states that payment relates to a more recent invoice.

ARTICLE 15 SECURITY

- 15.1. In the scenarios referred to in articles 3.4, 3.5, 6.5 and 8.2, or if there is good reason to fear that the supplier will not perform its obligations on time, the supplier shall be obliged to provide sufficient security immediately at the reception facility's first request and in the form desired by the reception facility, and to supplement this if necessary for the performance of all its obligations. Until the supplier has satisfied this demand, the reception facility shall be entitled to suspend performance of all its own obligations.
- 15.2. If the supplier has not followed up a request as referred to in the first paragraph within 14 days of a corresponding written reminder, all its obligations must be met immediately.

ARTICLE 16- PARTIAL INVALIDITY

If any provision of these general terms and conditions is invalid or otherwise inoperative, this shall not affect the validity of the other provisions. The parties undertake now for then to come up with (a) stipulation(s) that come(s) as close as possible to the purpose of the inoperative provision(s).

ARTICLE 17- APPLICABLE LAW

All agreements between the reception facility and the supplier, as well as all agreements that may be based thereon, shall be governed by Dutch law.

ARTICLE 18- JURISDICTION

Contrary to the statutory regulations for the competence of the civil court, any dispute between the supplier and the reception facility shall be settled exclusively by the court in Rotterdam, provided that this court has jurisdiction.

ARTICLE 19- OFFICIAL TITLE



These General Terms and Conditions may be cited as follows: General Terms and Conditions for the Reception of Ship Waste.