

National Stock Coverage Agreement (Ticket)

Date of agreement: [day month year]

1. Parties:

Seller:

Danske Olieberedskabslagre (FDO)
Bredgade 30

DK-1260 Copenhagen

Contact: Martin Jensen, Tel: +45 33456540

Email: fdo@fdo.dk

Buyer:

[Address]

[Contact name, Phone number and email]

2. Purpose

2.1 This national stock coverage agreement (this "Agreement") is made between a compulsory stock obligated company (Buyer) and the FDO (Seller) in order for the Buyer to fulfil its obligation to sustain emergency stocks under the Danish act on emergency oil supplies and associated legislation and guidelines.

3. Stock reservation

3.1 Product or group of products: [Product category]

3.2 Reserved Quantity (metric tonnes / m3 per calendar month):

Category 1 (Gasoline): [Nil] m3

Category 2A (Jet fuel): [Nil] m3

Category 2B (Diesel/Gasoil): [Nil] m3

Category 3 (Fuel oil): [Nil] tonnes

Crude Oil: [Nil] tonnes

3.3 Location:

Terminal name: [...]

Owner: [...]
Address: [...]

Seller may upon notice to Buyer substitute with an alternative, suitable location.

3.4 Reservation Period: 1 [month] [year] - 30/31 [Month] [Year]

3.5 Reservation Fee (DKK per [metric tonne/m3] per month): []

4. Holding of Reserved Quantity

4.1 During the Reservation Period, Seller agrees to reserve within Seller's storage at the Location in favour of Buyer the Reserved Quantity for the sole purpose of assisting Buyer in meeting its obligations to hold compulsory oil stocks under applicable law. Buyer confirms that the stock coverage received under this agreement will not be sub-delegated.

4.2 Full legal title and insurable risk remains with Seller during the Reservation Period, unless and until such time that the Reserved Quantity is delivered, in whole or in part, according to Clause 6-7 of this Agreement.

4.3 In the event that the total Reserved Quantity is physically delivered to Buyer, Seller's obligations to Buyer under this agreement cease automatically. In the event of a partial physical delivery to Buyer of the Reserved Quantity, Seller's obligations to Buyer under this agreement, during the remaining Reservation Period will be limited to the balance of the Reserved Quantity not yet physically delivered.

5. Payment of Reservation Fee

5.1 Buyer shall pay the Reservation Fee to Seller in full without discount, withholding, offset or counterclaim or deduction whatsoever not later than the 15th (fifteenth) day of each calendar month of the Reservation Period, upon presentation of Seller's invoice. Invoices shall be presented in a timely fashion to allow for a reasonable processing time prior to the due date.

5.2 The Reservation Fee is payable on the basis of the total stock reserved on the first calendar day of each calendar month of the Reservation Period, provided that in the event of any partial reduction in the stock cover in accordance with this Agreement, the Fee shall be pro rata for the month in which the lifting occurred. If partial delivery has occurred any invoiced fee that was related to the partial delivery will be credited from seller to buyer in the following month.

6.

6.1 All fees are quoted in DKK and are exclusive of Value Added Tax (VAT), which will be charged concurrently with the fee.

7. Physical delivery of oil stocks

- 7.1 In case of a request from the Danish Energy Agency to release emergency stocks during the Reservation Period, Buyer may exercise its option to buy and call for the physical delivery of a quantity of reserved oil stocks up to the Reserved Quantity.
- 7.2 Buyer exercises its option by sending a notice (the “Delivery Notice”) to Seller with a copy of the request from the Danish Energy Agency, The Delivery Notice shall include (but is not limited to) the following information:
- (i) Quantity of oil stocks requested
 - (ii) Proposed lifting schedule
 - (iii) Lifting method (Barge/Vessel, etc.)
- 7.3 Delivery may commence 10 calendar days or later following Sellers receipt of the Delivery Notice.
- 7.4 Delivery will take place Ex Works at the Location. Lifting shall take place in accordance with the applicable regulations, access and safety rules of the terminal.
- 7.5 Title and risk for any oil stocks physically delivered under this agreement shall pass from Seller to Buyer as the oil stock passes the flange connection between the delivery hose and the barge/vessel’s intake manifold at the loadport.
- 7.6 Barges/Vessels nominated must be ISPS compliant and be acceptable to the Seller and loadport terminal. Upon receipt of the Delivery Notice, Seller will either accept or reject the nomination within ten (10) working hours. A nomination shall, however, not be unreasonably rejected.
- 7.7 Barges/Vessels will be handled by the loadport terminal on a first come, first served basis.
- 7.8 Demurrage rate as per charter party rate, terms and conditions. In the event of the Barge/Vessel being under a time charter then the daily hire rate is to apply.
- 7.9 Laytime at loadport to be 24 hours SHINC plus 6 hours NOR unless sooner berthed (basis 15kt vessel). For vessels of all other sizes, Laytime to be pro-rated accordingly up or down to a minimum Laytime of 12 hours SHINC plus 6 hours NOR and a maximum Laytime of 36 hours SHINC plus 6 hours NOR.

7.10 Determination of quality/quantity of oil loaded to be ascertained at loading installation, based on shore tank samples or ships composite sample (in sellers option) prior to loading and confirmed by mutually agreeable independent inspectors with costs to be equally shared between Seller and Buyer. Inspection findings to be final and binding for both parties except in the case of manifest error or fraud.

8. Payment of delivery price

8.1 In the event of a physical delivery, the price of the oil delivered will be based on [the Platt's European Marketscan High Cargoes C.I.F. North West Europe (N.W.E) quote] for the appropriate grade, plus a premium of USD [7] per metric tonne. If applicable, any taxes, customs and other duties levied on the products will be recharged to the Buyer.

8.2 The quotations in Platt's European Marketscan for which prices are effective shall commence two quotation days before Bill of Lading (B/L) date and continuing until two quotation days after B/L date (both dates inclusive) a total of 5 quotation days. In case the B/L date falls on a Saturday, for pricing purpose only, the B/L date shall be deemed to be the previous Friday, and in case the B/L date falls on a Sunday or Danish public holiday, then for pricing purpose only, the B/L date shall be deemed to be the next available working day.

8.3 In the event that the grade delivered is not quoted on the Platt's European Marketscan, the parties will mutually agree upon a prevailing market related price prior to delivery.

8.4 Price is based on a density at 15 deg c of 0.7550 for Gasoline, 0.8000 for Jet/Kerosene and 0.8450 for Gasoil or Diesel Oil and will escalate/deescalate arithmetically according to actual density at 15 deg c at loadport. Density to be consistent with bill of lading measurements (air/air-vac/vac).

8.5 In the event of delivery of crude oil, the price base will be the calculated average of three (3) high & low quotations after the Bill of Lading date for Dated Brent as published by Platt's Crude Oil Marketwire. Depending on the type of crude oil supplied, the parties to agree a differential to Dated Brent in advance of an agreed loading range.

8.6 In the event that Platt's publications cease, Seller and Buyer shall agree to an alternative formula prior to delivery.

8.7 All taxes, customs and other duties which are levied on the products prior to delivery will be paid by Buyer.

8.8 Payment is to be made in DKK so that the monies are available to Seller within three Banking Days after Buyer is in receipt of (i) Seller's commercial invoice in original or a copy thereof by fax, (ii) a full set of clean original bills of lading endorsed to the Buyer and, if applicable, (iii) other

shipping documents. If any or all of the required documents are not available at the time payment is due, Buyer shall pay against Seller's commercial invoice and Letter of Indemnity in Seller's format in lieu of the missing documents (telex/fax/email copy acceptable). By "Banking Days" is meant days when banks are open for business in Copenhagen, Denmark.

- 8.9 The exchange rate from USD to DKK is based on the official exchange rates provided by the Danish National Bank. The exchange rate is determined on the basis of the average exchange rate of two quotation days before Bill of Lading (B/L) date and continuing until two quotation days after B/L date (both dates inclusive) a total of 5 quotations.

9. Termination of Agreement

- 9.1 A party may terminate this agreement with immediate effect during the Reservation Period if the other party is in material breach of its obligations under this Agreement, including but not limited to failure to pay outstanding fees, and such breach has not been cured within 10 calendar days from written notice from the non-breaching party regarding the breach.

- 9.2 For the avoidance of doubt, termination of this Agreement terminates Sellers obligations to reserve, hold and deliver oil stocks on behalf of or to Buyer.

10. Force Majeure

- 10.1 No party shall be responsible for any failure to fulfill obligations under this Agreement if the fulfillment has been delayed or prevented by any event or events not within the reasonable control of the party in question ("Force Majeure"). For the avoidance of doubt, an IEA, EU or national instigated and coordinated drawdown of strategic oil stocks should not be considered as a Force Majeure event.

- 10.2 A party shall inform the other party of the occurrence of Force Majeure as soon as is reasonably possible giving details of the event in question and, to the extent possible, an estimate of the scope and duration of the event.

- 10.3 The occurrence of Force Majeure shall not operate to extend the Reservation Period. Should Force Majeure continue in excess of thirty (30) days, any party shall have the right to terminate this contract by written notice to the other party, in which case no party shall be responsible for further performance of its obligations under this Agreement nor be liable in any way to the other parties.

11. Limitation of liability

- 11.1 No party shall be liable to the other party under or in connection with this Agreement for the other party's indirect, special or consequential cost, including loss of actual or anticipated profit, losses caused by business interruption or loss of goodwill or reputation.

12. Law and jurisdiction

12.1 This agreement shall be governed by and construed in accordance with Danish Law. Any dispute, controversy or claim arising out of or in connection with this Agreement, or the breach, termination or invalidity thereof, shall be settled by the courts of Denmark with the City Court of Copenhagen as the court of the first instance.

Date: _____

Date: _____

For Buyer:

For Seller

[Name]

[Name]