



**PROCUREMENT DOCUMENT
CEYLON PETROLEUM CORPORATION
(CEYPETCO)**

BID FOR THE SUPPLY OF SINGLE CARGOES OF

1,500,000BBLS +/-5% OF GASOLINE (92 UNL)

REF: BK/TERM/GASOLINE (92 UNL)/DTB-MUTHU/2027-A

**FOR DUAL BERTH DELIVERY AT
DOLPHIN TANKER BERTH, COLOMBO AND
SPM MUTHURAJAWELA, COLOMBO**

CHAIRMAN,
STANDING HIGH LEVEL PROCUREMENT COMMITTEE (SHLPC)
C/O. DEPUTY GENERAL MANAGER (COMMERCIAL & SUPPLY CHAIN)
07TH FLOOR,
CEYLON PETROLEUM CORPORATION
No. 609, DR. DANISTER DE SILVA MAWATHA,
COLOMBO 09,
SRI LANKA.

25/09/2026



INVITATION FOR BIDS CEYLON PETROLEUM CORPORATION (CEYPETCO)

**BID FOR THE SUPPLY OF SINGLE CARGOES OF
GASOLINE (92 UNL) UNDER EX-STORAGE MODALITY AND / OR 30 DAYS LC ON
DELIVERED AT PLACE (DAP) (INCOTERMS 2010) FOR DUAL BERTH DELIVERY AT
DOLPHIN TANKER BERTH, COLOMBO AND SPM MUTHURAJAWELA, COLOMBO
FOR THE PERIOD OF SIX (06) MONTHS FROM 01/01/2027 - 30/06/2027
REF: BK/TERM/GASOLINE (92 UNL)/DTB-MUTHU/2027-A**

SECTION 1 – INSTRUCTIONS TO BIDDERS (ITB)

1.1. INTRODUCTION

THE CHAIRMAN, STANDING HIGH LEVEL PROCUREMENT COMMITTEE (SHLPC), ON BEHALF OF CEYLON PETROLEUM CORPORATION (HEREINAFTER REFERRED TO AS CEYPETCO) INVITES FIRM OFFERS FROM THE SUPPLIERS **REGISTERED WITH CEYPETCO** UNDER THE RELEVANT PRODUCT FOR THE SUPPLY OF SINGLE CARGOES OF GASOLINE (92 UNL) ON **DAP COLOMBO BASIS (INCOTERMS 2010)** FOR DISCHARGE OF FULL CARGO OF EACH SHIPMENT FOR DUAL BERTH DELIVERY AT DOLPHIN TANKER BERTH, COLOMBO AND SPM MUTHURAJAWELA, COLOMBO OR SINGLE BERTH DELIVERY AT DOLPHIN TANKER BERTH, COLOMBO OR SPM MUTHURAJAWELA, COLOMBO DURING THE PERIOD OF **SIX (06) MONTHS** COMMENCING FROM **01ST JANUARY 2027 TO 30TH JUNE 2027**.

INTERESTED SUPPLIERS MAY REQUEST FURTHER INFORMATION / CLARIFICATIONS FROM THE COMMERCIAL MANAGER OF CEYLON PETROLEUM CORPORATION [TEL: 0094-117296115; FAX: 0094-112106768; EMAIL: dgm.commercial@ceypetco.gov.lk, mgr.commercial@ceypetco.gov.lk]

1.2. ISSUE OF PROCUREMENT DOCUMENT

LOCAL AGENTS OF THE REGISTERED SUPPLIERS COULD OBTAIN THE PROCUREMENT DOCUMENT FROM THE COMMERCIAL MANAGER BETWEEN 0900 HRS. AND 1500 HRS. (SRI LANKA TIME) ON ANY WORKING DAY, COMMENCING FROM **25TH SEPTEMBER 2026 TO 26TH OCTOBER 2026**.

OR

REGISTERED SUPPLIERS COULD DOWNLOAD THE RELEVANT BID DOCUMENT FROM THE CEYPETCO WEB SITE www.ceypetco.gov.lk

1.3. ELIGIBILITY FOR BIDDING

ONLY THE SUPPLIERS WHO HAVE CURRENTLY BEEN REGISTERED WITH CEYPETCO UNDER THE RELEVANT PRODUCT ARE ELIGIBLE TO SUBMIT BIDS. **THOSE SUPPLIERS WHO ARE SUSPENDED BY CEYPETCO ARE NOT ELIGIBLE FOR BIDDING.**

1.4. SUBMISSION OF BIDS

PLEASE REFER CLAUSE 2.27.

1.5. LOCAL AGENT

PLEASE REFER CLAUSE 2.13.

1.6. ACCEPTANCE OF THE BID

PLEASE REFER CLAUSE 2.17.

1.7. PRICING METHODOLOGY / CURRENCY

ALL VALUES SHOULD BE INDICATED IN UNITED STATES DOLLARS (USD).

1.8. BID SECURITY

1.8.1. CASH DEPOSIT IN UNITED STATES DOLLARS

1.8.1.1 PRIOR TO THE BID OPENING, BIDDERS SHALL DEPOSIT THE UNITED STATES DOLLARS THREE HUNDRED THOUSAND (USD 300,000/=) AMOUNT TO THE ACCOUNT NO. 0001450821 OPERATING IN BANK OF CEYLON, SRI LANKA.

1.8.1.2 THE CASH DEPOSIT SHOULD BE DEPOSITED FOR A MINIMUM PERIOD OF EIGHTY EIGHT (88) DAYS FROM THE DATE OF CLOSING OF THE BID. **(I.E. 23RD JANUARY 2027).**

1.8.1.3 THE SLIP OF THE CASH DEPOSIT SHOULD BE SUBMITTED ALONG WITH THE BID FOR VERIFICATION BY CPC AND ONLY THE BIDS WITH FULLY VERIFIED PAYMENTS WILL BE CONSIDERED FOR EVALUATION.

OR

1.8.2. BID SECURITY GUARANTEE

1.8.2.1. PRIOR TO THE BID OPENING, BIDDERS SHALL ESTABLISH A BID SECURITY GUARANTEE FOR UNITED STATES DOLLARS THREE HUNDRED THOUSAND (USD 300,000/=) FOR THE PROCUREMENT DOCUMENT REFERENCE UNDERTAKING THAT THE BID WILL BE HELD VALID FOR THE SPECIFIED BID VALIDITY PERIOD AND THAT THE BID WILL NOT BE WITHDRAWN DURING THAT PERIOD. SUCH SECURITY SHALL BE IN THE FORM OF A BANK GUARANTEE ISSUED/CONFIRMED BY A LICENSED COMMERCIAL BANK IN SRI LANKA OR A BANK BASED IN ANOTHER COUNTRY BUT THE GUARANTEE CONFIRMED & ASSURED BY A LICENSED COMMERCIAL BANK IN SRI LANKA, IN FAVOR OF CEYLON PETROLEUM CORPORATION AND PAYABLE TO THE SAME ON DEMAND. THE ORIGINAL BID SECURITY GUARANTEE SHALL BE SUBMITTED ALONG WITH THE OFFER.

1.8.2.2. THE BID SECURITY GUARANTEE SHALL BE VALID FOR A MINIMUM EIGHTY EIGHT (88) DAYS FROM THE DATE OF CLOSING OF THE BID **(I.E. 23RD JANUARY 2027).** THE FORMAT OF BID SECURITY GUARANTEE IS ANNEXED HERETO AS ANNEX - 'A'.

- 1.8.3. PLEASE NOTE THAT ALL BIDDERS IRRESPECTIVE OF WHETHER THEY ARE RECOGNIZED GOVERNMENT OWNED INSTITUTIONS / SUBSIDIARIES AND/OR OIL MAJORS SHALL SUBMIT THE CASH DEPOSIT IN USD OR BID SECURITY GUARANTEE.
- 1.8.4. FAILURE TO SUBMIT THE BID SECURITY GUARANTEE OR CASH DEPOSIT, INCONFORMITY WITH THE BID REQUIREMENT ON OR BEFORE THE CLOSING TIME OF BID BY ANY BIDDER, WILL RESULT IN THE BID BEING REJECTED. CEYPETCO SHALL BE ENTITLED TO CALL ON THE BID SECURITY GUARANTEE OR CASH DEPOSIT IN THE EVENT THE SUCCESSFUL BIDDER FAILS TO SUBMIT A PERFORMANCE SECURITY GUARANTEE, WITHIN A PERIOD OF FOURTEEN (14) WORKING DAYS SUBSEQUENT TO WRITTEN INSTRUCTION FROM CEYPETCO TO ENTER INTO THE SAID CONTRACT.
- 1.8.5. THE BID SECURITY GUARANTEE OR CASH DEPOSIT OF THE SUCCESSFUL BIDDER WILL BE RETURNED ONLY AFTER THE SUBMISSION OF THE PERFORMANCE SECURITY GUARANTEE BY THE SUCCESSFUL BIDDER. CEYPETCO SHALL BE ENTITLED TO CALL ON THE BID SECURITY GUARANTEE UNLESS A PERFORMANCE SECURITY GUARANTEE IS PROVIDED BY THE SUCCESSFUL BIDDER, ON THE DATE SPECIFIED BY CEYPETCO.
- 1.8.6. THE BID SECURITY GUARANTEE OR CASH DEPOSIT FROM THE UNSUCCESSFUL BIDDERS WILL BE RETURNED TO THEM AFTER THE ACCEPTANCE OF THE BID IS MADE TO THE SUCCESSFUL BIDDER.

1.9. PRE-BID MEETING

THE PROSPECTIVE BIDDERS WILL BE INVITED TO ATTEND THE PRE-BID MEETING WHICH HAS BEEN SCHEDULED TO BE HELD ABOUT ON **06TH OCTOBER 2026**. ALL QUARRIES WILL HAVE TO BE SUBMITTED IN WRITING TO THE CHAIRMAN, SHLPC FIVE (05) DAYS BEFORE THE PRE BID MEETING. ATTENDING OF THIS MEETING IS HIGHLY RECOMMENDED FOR ALL BIDDERS.

1.10. CORRECTION OF ERRORS

WHERE THERE IS A DISCREPANCY BETWEEN THE AMOUNT IN FIGURES AND IN WORDS, THE AMOUNT IN WORDS WILL GOVERN.

SECTION 2 - TERMS & CONDITIONS OF THE BID

2.1. BUYER

CEYLON PETROLEUM CORPORATION (CEYPETCO),
NO. 609,
DR. DANISTER DE SILVA MAWATHA,
COLOMBO 09,
SRI LANKA.

2.2. CONTRACTUAL CARGO QUANTITIES

- 2.2.1. TOTAL QUANTITY OF THE PRODUCT REQUIRED UNDER THIS CONTRACT FOR THE SIX (06) MONTHS PERIOD COMMENCING **01ST JANUARY 2027 TO 30TH JUNE 2027** IS AS FOLLOWS.

PRODUCT	QUANTITIES TO BE DELIVERED / PURCHASED		NO. OF SHIPMENTS
	TOTAL CONTRACTUAL QUANTITIES	PER SHIPMENT QUANTITIES	
GASOLINE (92 UNL)	1,500,000BBLs +/-5%	300,000 BBLs +/-5%	05

- 2.2.2. EACH SHIPMENT SHALL BE AS PER THE QUANTITY STIPULATED IN **ANNEX - 'B'** WHERE TOTAL CARGO SIZE IS 300,000 BARRELS PLUS/MINUS FIVE PERCENT (+/- 5%)
- 2.2.3. THE QUANTITY OF THE PRODUCT SHALL BE LOADED WITHIN THE PLUS/MINUS FIVE PERCENT (+/-5%) TOLERANCE.
- 2.2.4. ANY DEVIATION TO THE PLUS/MINUS FIVE PERCENT (+/-5%) TOLERANCE WILL ONLY BE CONSIDERED UNDER SPECIAL CIRCUMSTANCES, ON MUTUAL AGREEMENT BETWEEN CEYPETCO AND THE SUCCESSFUL SUPPLIER/ BIDDER.

2.3. DELIVERY

THE TWO DAY DELIVERY LAYCAN SHALL BE COMMENCED FROM 0001 HRS OF THE FIRST DAY OF THE DELIVERY LAYCAN UP TO THE 2400 HRS OF THE SECOND DAY OF THE DELIVERY LAYCAN.

- 2.3.1. THE SUCCESSFUL SUPPLIER/ BIDDER SHALL BE GIVEN QUANTITIES OF CARGOES AS SPECIFIED IN **ANNEX - 'B'** WHICH WILL BE INFORMED BY CEYPETCO TO THE SUCCESSFUL SUPPLIER/BIDDER THIRTY (30) DAYS PRIOR TO THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN.
- 2.3.2. THE SUCCESSFUL SUPPLIER/BIDDER SHALL BE GIVEN A TWO DAY DELIVERY LAYCAN WHICH WILL BE INFORMED BY CEYPETCO TO THE SUCCESSFUL SUPPLIER/BIDDER, THIRTY (30) DAYS PRIOR TO THE FIRST DAY OF THE SAID DELIVERY LAYCAN. HOWEVER, UNDER SPECIAL CIRCUMSTANCES THE SUCCESSFUL SUPPLIER/BIDDER SHALL TAKE EVERY ENDEAVOR TO DELIVER A CARGO EVEN NOTICE OF LESS THAN THIRTY (30) DAYS PRIOR TO THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN. THE SUCCESSFUL SUPPLIER/BIDDER TO MUTUALLY DISCUSS AND AGREE WITH THE DELIVERY DATES IF NOTICE IS LESS THAN THIRTY (30) DAYS.
- 2.3.3. THE SUCCESSFUL SUPPLIER/ BIDDER SHALL DISCHARGE THE FULL CARGO AS GIVEN IN **ANNEX - 'B'** EITHER DUAL BERTH AT BOTH DOLPHIN TANKER BERTH, COLOMBO AND SPM MUTHURAJAWELA, COLOMBO OR SINGLE BERTH AT DOLPHIN TANKER BERTH, COLOMBO OR SPM MUTHURAJAWELA, COLOMBO.

- 2.3.4. CEYPETCO SHALL NOTIFY THE SUCCESSFUL SUPPLIER/ BIDDER ABOUT THE PREFERRED DISCHARGING OPTION OF CARGO I.E. EITHER DUAL BERTH DISCHARGE AT BOTH DOLPHIN TANKER BERTH, COLOMBO AND SPM MUTHURAJAWELA, COLOMBO OR SINGLE BERTH DISCHARGE AT DOLPHIN TANKER BERTH, COLOMBO OR SPM MUTHURAJAWELA, COLOMBO UPON ARRIVAL OF THE VESSEL AT COLOMBO.
- 2.3.5. CEYPETCO RESERVES THE RIGHT TO ORDER EVEN TWO CARGOES PER MONTH. IF TWO CARGOES ARE REQUESTED IN A PARTICULAR MONTH, NOTICE SHALL BE GIVEN FORTY (40) DAYS PRIOR TO THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN OF THE SECOND CARGO ENABLING THE SUCCESSFUL SUPPLIER/BIDDER TO ARRANGE THE CARGO AND THE VESSEL FOR DELIVERY AT COLOMBO.

2.4. IMPORTANT

2.4.1. SUPPLY OF GASOLINE (92 UNL) UNDER PAYMENT IN THIRTY (30) DAYS AFTER THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN THROUGH LC AND / OR EX-STORAGE MODALITY.

- 2.4.1.1. IT IS IMPERATIVE THAT THE EACH CARGOES ARE DELIVERED FOR DUAL BERTH DISCHARGE AT DOLPHIN TANKER BERTH, COLOMBO AND SPM MUTHURAJAWELA COLOMBO IN ONE LOT DURING THE SCHEDULE TWO DAY CONTRACTUAL LAYCAN AND UNDER NO CIRCUMSTANCES THE CARGOES WILL BE ACCEPTED IN TWO SEPARATE TANKERS. SHOULD THE SUCCESSFUL SUPPLIER / BIDDER FAIL TO DELIVER THE EACH CARGOES FOR DUAL BERTH DISCHARGE AT DOLPHIN TANKER BERTH, COLOMBO AND SPM MUTHURAJAWELA COLOMBO IN ONE LOT DURING THE SCHEDULE TWO DAY CONTRACTUAL LAYCAN, THE SUCCESSFUL SUPPLIER / BIDDER WOULD BE HELD LIABLE FOR HEAVY PENALTIES AND ALL CONSEQUENTIAL LOSSES.

2.4.2. SUPPLY OF GASOLINE (92 UNL) UNDER EX-STORAGE MODALITY

- 2.4.2.1. THE QUANTITY OF THE PRODUCT DISCHARGED AT THE COLOMBO PORT SHALL BE CERTIFIED BY THE MUTUALLY APPOINTED INDEPENDENT INSPECTOR AND SHALL THEREUPON BE STORED AT THE STORAGE FACILITIES OWNED AND OPERATED BY THE CEYLON PETROLEUM STORAGE TERMINALS LIMITED (CPSTL) AT THE OIL TERMINALS LOCATED AT KOLONNAWA ("STORAGE FACILITY") AND WILL BE DISCHARGED ADOPTING THE USUAL DISTRIBUTION AND OPERATIONAL PROCEDURES OF CPSTL/CEYPETCO SUBJECT TO THE ADHERENCE OF USUAL QUANTITY MEASUREMENT AND OTHER REGULAR STANDARDS APPLICABLE DURING TERMINAL OPERATIONS USED IN THE CURRENT SUPPLY CHAIN. FOR THE AVOIDANCE OF DOUBT EACH WITHDRAWAL OF THE PRODUCT FROM THE STORAGE FACILITY SHALL BE SUBJECT TO CLAUSE 2.4.2. AND SHALL REQUIRE THE PRIOR WRITTEN APPROVAL OF THE MUTUALLY APPOINTED INDEPENDENT INSPECTOR.
- 2.4.2.2. PRIOR TO WITHDRAWING THE PRODUCT FROM THE STORAGE FACILITY, CEYPETCO SHALL INFORM THE SUCCESSFUL SUPPLIER/ BIDDER THE QUANTITY WHICH WOULD BE WITHDRAWN AND EFFECT PAYMENT IN FULL AS SPECIFIED UNDER THE CLAUSE 2.12.1 IN RESPECT OF THE SAID QUANTITY OF WITHDRAWAL IN UNITED STATES DOLLARS BY WAY OF TELEGRAPHIC TRANSFER (TT) TO THE BANK ACCOUNT OF THE SUCCESSFUL SUPPLIER/ BIDDER.
- 2.4.2.3. RECEIPT BY THE SUCCESSFUL SUPPLIER/ BIDDER OF THE FULL PAYMENT FOR THE PRODUCT WITHDRAWAL QUANTITY FROM CEYPETCO AS WELL AS THE APPROVAL OF THE MUTUALLY APPOINTED INDEPENDENT INSPECTOR SHALL BE CONDITIONS PRECEDENT TO THE RELEVANT WITHDRAWAL FROM THE STORAGE FACILITY.

2.4.2.4. THE PAYMENT ENTITLED TO THE SUCCESSFUL SUPPLIER/ BIDDER SHALL BE LIMITED TO THE VALUE IN USD BASED ON CORRESPONDING INVOICING QUANTITY. INVOICING QUANTITY WILL BE THE QUANTITY IN THE ORIGINAL B/L(s) SHALL BE BINDING ON BOTH PARTIES.

2.4.2.5. OUTTURN QUANTITY WILL BE REPORTED AND CERTIFIED BY THE INDEPENDENT INSPECTOR IN THE "CERTIFICATE OF QUANTITY" ISSUED AT THE DISCHARGE PORT.

2.4.2.6. CEYPETCO AND CPSTL SHALL HOLD THE CUSTODY OF THE PRODUCT RECEIVED FROM THE SUCCESSFUL SUPPLIER/ BIDDER AT THE STORAGE FACILITY OWNED BY THE CPSTL AT ITS COST UNTIL SALES ARE COMPLETED.

2.4.2.7. CEYPETCO AND CPSTL SHALL BE RESPONSIBLE FOR ANY LOSS OR DAMAGE TO THE PRODUCT CARGO WHILE IN CEYPETCO / CPSTL STORAGE TANKS UNTIL THE EX-STORAGE MODALITY AGREEMENT WILL BE TERMINATED AS PER ANY OF THE CLAUSES UNDER CLAUSE 20. "TERMINATION" IN THE AGREEMENT

2.5. THIRD PARTY CARGO

TENDERERS ARE NOT PERMITTED TO CARRY ANY THIRD PARTY CARGO ALONG WITH THIS CARGO IN THE SAME TANKER.

2.6. QUALITY

BIDDER SHALL ENSURE THAT THE PRODUCT OFFERED ARE IN CONFORMITY WITH THE RELEVANT SPECIFICATIONS GIVEN IN **ANNEX - 'C' FOR GASOLINE (92 UNL)**. **BIDDER SHALL STATE THE COMPLIANCE TO THE SPECIFICATIONS IN ANNEX - 'E-1' FOR GASOLINE (92 UNL) & SUBMIT ALONG WITH THE BID.**

2.7. SOURCE OF SUPPLY

2.7.1. THE COUNTRY OF ORIGIN & THE PORT OF SHIPMENT OF THE PRODUCTS SHALL BE CLEARLY INDICATED FOR EACH SHIPMENT.

2.7.2. CEYPETCO PREFERS TO BUY GASOLINE (92 UNL) DIRECTLY FROM REFINERIES.

2.7.3. ON BOARD BLENDING OF PRODUCT(S) ARE STRICTLY PROHIBITED.

2.7.4. IF THE PRODUCT IS PURCHASED FROM A THIRD PARTY, THE FULL DETAILS OF THE THIRD PARTY INCLUDING THE ORIGINAL SOURCE OF PURCHASE SHALL BE CLEARLY INDICATED FOR EACH SHIPMENT.

2.8. MODE OF LOADING

2.8.1. UNDER EACH AND EVERY SHIPMENT THE PRODUCT SHALL BE LOADED ON TO THE NOMINATED VESSEL ONLY FROM SHORE TANKS AND THE SHIP TO SHIP TRANSFER OF PRODUCT IS STRICTLY PROHIBITED.

2.8.2. UNDER NO CIRCUMSTANCES THE PRODUCT SHALL BE LOADED TO THE SLOP TANKS OF THE VESSEL. THE PRODUCT LOADING PLAN SHALL BE PROVIDED TO CEYPETCO INDICATING ALL NOMINATED TANKS.

2.9. INSPECTION

2.9.1. INSPECTION AT LOAD PORT

2.9.1.1. CEYPETCO SHALL NOMINATE AN INDEPENDENT INSPECTOR (GEO-CHEM / ITS CALEB BRETT / SBC ASIA – SAYBOLT / BUREAU VERITAS / CCIC / AMSPEC/TANK OIL) ACCEPTABLE TO THE SUCCESSFUL SUPPLIER/ BIDDER TO SAMPLE, TEST AND CERTIFY THE QUALITY OF THE PRODUCT FOR INCONFORMITY WITH THE SPECIFICATIONS OF THE PROCUREMENT DOCUMENT AND THE QUANTITY FOR INCONFORMITY WITH THE CONDITIONS OF THE PROCUREMENT DOCUMENT . THEY SHOULD PRESENT AT THE TIME OF LOADING OF THE CARGO TO CARRYOUT THE INSPECTION AND TO PREPARE THE QUALITY AND QUANTITY CERTIFICATES AND ANY OTHER DOCUMENTS SPECIFIED.

2.9.1.2. CEYPETCO RESERVES THE RIGHT TO NOMINATE A SECOND INSPECTION COMPANY AT ITS SOLE DISCRETION TO WITNESS THE QUALITY & QUANTITY OF THE PRODUCT AT LOAD PORT AS AND WHEN REQUIRED AT **ITS OWN COST**.

2.9.1.3. IT IS THE RESPONSIBILITY OF THE SUCCESSFUL SUPPLIER/ BIDDER TO ENSURE THE PRESENCE OF THE INDEPENDENT INSPECTOR AT THE TIME OF SAMPLING, TESTING AND LOADING OF THE CARGO AT THE LOAD PORT. THE SUCCESSFUL SUPPLIER/ BIDDER SHALL CO-OPERATE AND LIAISE WITH THE INDEPENDENT INSPECTOR TO ENSURE THAT THE INSPECTION IS CARRIED OUT TO THE SATISFACTION OF CEYPETCO. UNDER NO CIRCUMSTANCES THE QUALITY OF THE CARGO SHALL BE TESTED AT THE LABORATORY AT THE LOAD PORT OR THE CARGO LOADED ON TO THE VESSEL AT THE LOAD PORT WITHOUT THE PRESENCE OF THE INDEPENDENT INSPECTOR APPOINTED AS PER SUB CLAUSE 2.9.1.1. AND THE SECOND INSPECTOR IF NOMINATED BY CEYPETCO AS PER SUB CLAUSE 2.9.1.2.

IN CASE CEYPETCO REQUESTS, THE INDEPENDENT INSPECTOR AT LOAD PORT IS ALSO RESPONSIBLE TO SEND A SHIP'S COMPOSITE SAMPLE WITH SUFFICIENT QUANTITY AT THE EARLIEST POSSIBLE TIME AFTER LOADING THE VESSEL TO REACH CEYLON PETROLEUM STORAGE TERMINALS LIMITED (CPSTL) LABORATORY AT COLOMBO VIA AIR FREIGHT. IN THIS CASE, ALL RELATED COST SHALL BE UNDER CEYPETCO ACCOUNT.

2.9.1.4. CEYPETCO WILL FURNISH FULL PARTICULARS OF THE RESPECTIVE CARGO TO BE PURCHASED TO THE INDEPENDENT INSPECTOR UNDER ADVICE TO THE SUCCESSFUL SUPPLIER/ BIDDER. THE QUALITY AND QUANTITY OF THE PRODUCT SHALL BE TESTED IN ACCORDANCE WITH GOOD INDUSTRY STANDARDS AND PRACTICES, USING INTERNATIONALLY ACCEPTED SAMPLING AND ANALYTICAL / TESTING METHODS STIPULATED IN RELEVANT SPECIFICATION SHEETS.

2.9.1.5. SHORE TANK QUALITY CERTIFICATE ISSUED BY THE SUCCESSFUL SUPPLIER'S/ BIDDER'S TERMINAL AND SIGNED BY THE MUTUALLY AGREED INDEPENDENT INSPECTOR, SHALL BE FORWARDED/ COMMUNICATED TO THE DEPUTY GENERAL MANAGER (COMMERCIAL & SUPPLY CHAIN) OR COMMERCIAL MANAGER OF CEYPETCO THROUGH E-MAIL, BEFORE COMMENCEMENT OF LOADING.

2.9.1.6. THE SUCCESSFUL SUPPLIER/BIDDER SHALL ENSURE THAT VESSEL LOADS ONLY THE PRODUCT THAT MEETS EACH, EVERY AND ALL SPECIFICATIONS AS SPECIFIED BY CEYPETCO IN THE CONTRACT. THE INDEPENDENT INSPECTOR NOMINATED BY CEYPETCO AND ACCEPTED BY THE SUCCESSFUL SUPPLIER/BIDDER SHALL ALSO ENSURE THAT THE VESSEL LOADS ONLY PRODUCT THAT ARE ON SPECIFICATIONS.

IF THE LOAD PORT QUALITY CERTIFICATES OF THE PRODUCT DOES NOT MEET THE CEYPETCO CONTRACTUAL SPECIFICATIONS, CEYPETCO SHALL COMMUNICATE THE REJECTION OF SUCH PRODUCT WITH REASONS WITHIN A REASONABLE TIME AFTER THE SUCCESSFUL SUPPLIER/BIDDER HAS SENT THE QUALITY CERTIFICATES THROUGH E-MAIL.

UNDER NO CIRCUMSTANCES THE LOADING SHALL BE DELAYED, IF ALL THE PARAMETERS OF LOAD PORT QUALITY CERTIFICATES FOR THE PRODUCT IS ON SPECIFICATIONS.

- 2.9.1.7. CEYPETCO SHALL PROVIDE AT LEAST THREE (03) E-MAIL ADDRESSES FOR SUCH CORRESPONDENCE TO THE SUCCESSFUL SUPPLIER/ BIDDER AND THE SUCCESSFUL SUPPLIER/ BIDDER SHALL SEND THE QUALITY CERTIFICATES TO ALL THREE E-MAIL ADDRESSES PROVIDED BY THE BUYER FOR THE SAID PURPOSE.
 - 2.9.1.8. THE SUCCESSFUL SUPPLIER/ BIDDER SHALL LOAD THE CARGO COMPLYING WITH CEYPETCO SPECIFICATION OF THE PROCUREMENT DOCUMENT AT THEIR OWN RISK.
 - 2.9.1.9. THE SUCCESSFUL SUPPLIER/ BIDDER SHALL BE BOUND TO PROVIDE A TANK CLEANLINESS & DRY CERTIFICATE SIGNED BY THE INDEPENDENT INSPECTOR CERTIFYING THE INSPECTION AND WITNESSING, ENSURING DRY AND CLEANLINESS OF THE VESSEL'S TANKS & LINES BEFORE LOADING AND VESSEL'S TANKS FACILITIES SUCH AS PIPELINES, PUMPS AND STRAINERS TO BE CLEANED, DRY AND SUITABLE FOR GASOLINE (92 UNL) THROUGH THE INDEPENDENT INSPECTOR.
 - 2.9.1.10. IT IS EXTREMELY IMPORTANT TO SUBMIT THE ABOVE CERTIFICATE TO CEYPETCO BY THE SUCCESSFUL SUPPLIER/BIDDER THROUGH INDEPENDENT INSPECTOR PRIOR TO COMMENCEMENT OF LOADING. THE SUCCESSFUL SUPPLIER/ BIDDER SHALL BE RESPONSIBLE TO LOAD THE CARGO INTO THE CLEAN AND DRY TANKS OF THE VESSEL AS CERTIFIED BY THE INDEPENDENT INSPECTOR.
 - 2.9.1.11. IN THE EVENT PRODUCT IS LOADED FROM DIFFERENT SHORE TANKS, INDEPENDENT INSPECTOR SHALL PROVIDE QUALITY CERTIFICATES IN RESPECT OF EACH AND EVERY SHORE TANK.
 - 2.9.1.12. THE COST OF INSPECTION AT LOAD PORT SHALL BE SHARED EQUALLY BETWEEN CEYPETCO AND THE SUCCESSFUL SUPPLIER/ BIDDER.
 - 2.9.1.13. QUANTITIES MENTIONED IN THE BILLS OF LADING (B/Ls) AT RESPECTIVE LOAD PORTS SHALL BE BINDING ON BOTH PARTIES.
 - 2.9.1.14. IN THE EVENT THAT THE SUCCESSFUL SUPPLIER/ BIDDER DOES NOT AGREE TO THE NOMINATED INDEPENDENT INSPECTOR BY CEYPETCO AS PER THE CLAUSE 2.9.1.1., THE SUCCESSFUL SUPPLIER/ BIDDER IS PERMITTED TO NOMINATE AN ALTERNATIVE INDEPENDENT INSPECTOR FROM COMPANIES LISTED UNDER THE SAID CLAUSE. UNDER NO CIRCUMSTANCES THE SUCCESSFUL SUPPLIER/ BIDDER SHALL BE PERMITTED TO CHANGE SUCH ALTERNATIVE NOMINATION THEREAFTER.
- 2.9.2. INSPECTION AT DISCHARGE PORT**
- 2.9.2.1. DISCHARGE PORT INDEPENDENT INSPECTOR SHALL BE DIFFERENT TO THAT OF THE LOAD PORT.
 - 2.9.2.2. THE QUALITY AT DISCHARGE PORT COLOMBO SHALL BE DETERMINED BY CPSTL LABORATORY AND WITNESSED BY THE INDEPENDENT INSPECTOR (ITS CALEB BRETT / GEO-CHEM / SBC ASIA – SAYBOLT / BUREAU VERITAS/ CCIC SOUTH ASIA (PVT) LTD, COLOMBO/TANK OIL) AT COLOMBO AND ONE REPRESENTATIVE IF NOMINATED BY THE SUCCESSFUL BIDDER. SUCH DETERMINATIONS SHALL BE BASED ON THE RECOGNIZED CARGO ANALYSIS CARRIED OUT BY THE CPSTL LABORATORY. THE CERTIFICATE OF QUALITY ISSUED BY CPSTL LABORATORY AS WITNESSED BY THE INDEPENDENT INSPECTOR AT COLOMBO BASED ON SUCH RECOGNIZED CARGO ANALYSIS SHALL BE BINDING ON BOTH PARTIES.

CEYPETCO SHALL RESERVE THE RIGHT TO DEPLOY ITS OWN REPRESENTATIVE/S TO WITNESS THE SAMPLING / TESTING PERFORMED AT THE VESSEL / CPSTL LABORATORY.

- 2.9.2.3. A SHIP TANK COMPOSITE SAMPLE WITH ADEQUATE QUANTITY FOR THE PRODUCT SHALL BE DRAWN FROM THE SHIP'S TANKS ACCORDING TO ASTM STANDARD METHOD OF SAMPLING BY A MUTUALLY AGREED INDEPENDENT INSPECTOR AT DISCHARGE PORT WITNESSED BY CEYPETCO / CPSTL REPRESENTATIVES AND REPRESENTATIVE IF NOMINATED BY THE SUCCESSFUL SUPPLIER/BIDDER. SAMPLES SHALL BE PROPERLY SEALED AND AUTHENTICATED BY THE INDEPENDENT INSPECTOR, VESSEL'S MASTER OR REPRESENTATIVE OF THE MASTER AND REPRESENTATIVES OF THE CEYPETCO / CPSTL AND REPRESENTATIVE IF NOMINATED BY THE SUCCESSFUL SUPPLIER/BIDDER.

SUCH SAMPLE WILL BE ANALYZED AT THE CPSTL LABORATORY ACCORDING TO CONTRACTUAL SPECIFICATION AND SHALL BE WITNESSED BY THE MUTUALLY AGREED INDEPENDENT INSPECTOR. THE RESULT OF THE ANALYSIS SHALL BE THE RECOGNIZED CARGO ANALYSIS AND SHALL BE BINDING ON BOTH PARTIES.

- 2.9.2.4. UNDER NO CIRCUMSTANCES A REPRESENTATIVE OF THE SUCCESSFUL SUPPLIER/BIDDER FROM AN INSPECTION COMPANY AND AN EMPLOYEE OF THE INSPECTION COMPANY AS MENTIONED UNDER SUB CLAUSE 2.9.2.2. WILL BE ALLOWED.
- 2.9.2.5. UNDER NO CIRCUMSTANCES A PROTECTIVE INSPECTOR WILL BE ALLOWED TO THE SUCCESSFUL SUPPLIER/BIDDER OTHER THAN THE MUTUALLY AGREED INDEPENDENT INSPECTOR.
- 2.9.2.6. THE SUCCESSFUL SUPPLIER/ BIDDER SHALL DECLARE IN THE BID THAT THE CERTIFICATE OF QUALITY AT DISCHARGE PORT FOR THE PRODUCT SHALL BE ON THE BASIS OF SHIP TANK COMPOSITE SAMPLE TAKEN ON ARRIVAL OF THE VESSEL AT DISCHARGE PORT AS PER THE SUB CLAUSE 2.9.2.3.
- 2.9.2.7. HOWEVER, IN THE EVENT THE FIRST COMPOSITE SAMPLE DOES NOT MEET THE CONTRACTUAL SPECIFICATIONS, THE INDEPENDENT INSPECTOR WILL BE REQUESTED TO DRAW A SECOND SET OF SAMPLES FROM VESSEL'S INDIVIDUAL TANKS IN THE PRESENCE OF REPRESENTATIVES FROM CEYPETCO/CPSTL, A REPRESENTATIVE FROM THE SUCCESSFUL SUPPLIER/ BIDDER'S CARGO INSURER, TWO REPRESENTATIVES FROM THE SUCCESSFUL SUPPLIER/ BIDDER AND ONE REPRESENTATIVE FROM THE PROTECTION & INDEMNITY INSURANCE (P&I CLUB).

SUCH INDIVIDUAL SAMPLE WILL BE ANALYZED AT THE LABORATORY OF CPSTL ACCORDING TO THE CONTRACTUAL SPECIFICATIONS AND SHALL BE WITNESSED BY THE MUTUALLY AGREED INDEPENDENT INSPECTOR. THE RESULTS OF THESE ANALYSIS BASED ON THE SAMPLES DRAWN FROM VESSEL'S INDIVIDUAL TANKS SHALL BE THE RECOGNIZED CARGO ANALYSIS AND SHALL BE BINDING ON BOTH PARTIES. ALL REPRESENTATIVES WITNESS THIS TEST REQUIRED TO BE SIGNED EACH OF THE FULL TEST CERTIFICATES ISSUED BY CPSTL LABORATORY.

- 2.9.2.8. IF THE SPECIFICATION OF THE PRODUCT DEVIATED FROM THE CEYPETCO STANDARD SPECIFICATIONS, CEYPETCO RESERVES THE RIGHT TO REJECT THE PRODUCT.
- 2.9.2.9. UNDER NO CIRCUMSTANCES ANY TESTING RESULTS FROM ANY OTHER LABORATORIES OTHER THAN THE CPSTL LABORATORY SHALL BE ENTERTAINED FOR FINAL DETERMINATION OF THE QUALITY OF THE SUBJECT CARGO.

2.9.2.10. IN THE EVENT OF CEYPETCO DECIDING TO ACCEPT A PART CARGO ON BOARD THE VESSEL BASED ON THE TEST RESULTS OF THE SECOND TEST FOR THE INDIVIDUAL TANKS, THE PART CARGO SHALL BE DISCHARGED AT ITS SOLE DISCRETION OF CEYPETCO. IN CASE IT IS DECIDED TO ACCEPT PART CARGO DISCHARGE, THEN LAYTIME AND DEMURRAGE TO BE PRO-RATED IN LINE WITH THE QUANTITY OF CARGO DISCHARGED. THE TIME PERIOD BETWEEN FIRST REJECTION OF THE CARGO OR PART CARGO AND RECOMMENCEMENT OF THE LAYTIME FOR THE PART CARGO SHALL NOT BE COUNTED AS USED LAYTIME.

2.9.2.11. THE QUALITY CERTIFICATE AT DISCHARGE PORT, COLOMBO SHALL BE ISSUED BY THE INDEPENDENT INSPECTOR BASED ON THE TEST REPORT OF CPSTL LABORATORY.

2.9.2.12. DISCHARGE OF VESSEL SHALL COMMENCE ONLY AFTER THE CERTIFICATE OF QUALITY AT DISCHARGE PORT, AS ISSUED BY INDEPENDENT INSPECTOR BASED ON THE TESTS REPORTS OF CPSTL LABORATORY COUNTERSIGNED BY CEYPETCO'S REPRESENTATIVE IS IN POSSESSION OF THE SUCCESSFUL SUPPLIER'S/ BIDDER.

2.9.2.13. THE QUANTITY OF THE PRODUCT AT THE DISCHARGE PORT COLOMBO SHALL BE DETERMINED BY AN INDEPENDENT INSPECTOR (ITS CALEB BRETT / GEO-CHEM/ SBC ASIA – SAYBOLT / BUREAU VERITAS/TANK OIL) AT COLOMBO. SUCH DETERMINATIONS SHALL BE REPORTED ON THE CERTIFICATE OF QUANTITY.

IN THE EVENT THAT THE OUT-TURN LOSS (OUT-TURN QUANTITY VS. B/L QUANTITY) IS IN EXCESS OF 0.5% AND/OR THERE IS ANY FREE FLOWING PRODUCT LEFT ON BOARD AS REPORTED AND CERTIFIED BY THE INDEPENDENT INSPECTOR AT DISCHARGE PORT, THE SUCCESSFUL SUPPLIER/ BIDDER SHALL DEDUCT THE EXCESS LOSS AND/OR FREE FLOWING PRODUCT LEFT ON BOARD FROM THE BILL OF LADING QUANTITY FOR INVOICE PURPOSES.

2.9.2.14. IN THE EVENT THE OUT-TURN LOSS IS PROVED TO BE DUE TO CEYPETCO'S FAULT INCLUDING BUT NOT LIMITED TO DISCHARGING PIPE LINE LEAKAGE, CAUSING AND OUT-TURN LOSS IN EXCESS OF 0.5%, SUCH EXCESS LOSS SHALL NOT BE DEDUCTED FROM THE B/L QUANTITY FOR INVOICE PURPOSES.

2.9.2.15. THE COST OF INSPECTION, INCLUDING COST FOR TESTING OF SECOND COMPOSITE SAMPLE PAYABLE TO INDEPENDENT INSPECTOR AT DISCHARGE PORT SHALL BE SHARED EQUALLY BETWEEN CEYPETCO AND THE SUCCESSFUL SUPPLIER/ BIDDER.

2.10. RECOVERY OF DAMAGES OR LOSSES FOR CEYPETCO DUE TO UNACCEPTABLE QUALITY

2.10.1. IF THE QUALITY OF THE PRODUCT AT THE DISCHARGE PORT DOES NOT MEET / COMPLY WITH THE CONTRACTUAL SPECIFICATIONS SPECIFIED UNDER **ANNEX - 'C'** WITH RESPECT TO ANY OF THE PARAMETERS INDICATED THEREIN, SUBJECT TO SUB CLAUSE 2.9.2.7. CEYPETCO RESERVES THE RIGHT TO REJECT THE FULL CONSIGNMENT ON BOARD THE VESSEL OR PART OF THE CONSIGNMENT AS THE CASE MAY BE.

2.10.2. IN SUCH A CASE THE SELLER IS OBLIGED TO PROVIDE A REPLACEMENT CARGO AT THE REQUEST OF THE CEYPETCO FROM THE SUCCESSFUL SUPPLIER/BIDDER WITHOUT ANY ADDITIONAL COST TO THE CEYPETCO WITHIN THE FIRST TWENTY (20) DAYS FROM THE DATE OF REJECTION OF THE ORIGINAL CARGO NO ANY ADDITIONAL COST WILL BE CHARGED BY CEYPETCO FROM THE SUCCESSFUL SUPPLIER/BIDDER. DETERMINATION OF THE NEW LAYCAN WILL BE AT THE DISCRETION OF CEYPETCO. HOWEVER, CEYPETCO SHALL NOT UNREASONABLY DELAY THE ALLOCATION OF AN ALTERNATIVE DELIVERY LAYCAN.

IF THE REPLACEMENT CARGO IS SUPPLIED BY THE SUPPLIER AFTER THE FIRST TWENTY (20) DAYS FROM THE DATE OF REJECTION OF THE ORIGINAL CARGO, THE SUPPLIER IS LIABLE FOR A PENALTY PAYMENT OF ZERO POINT ZERO FIVE (0.05%) OF THE DAP "VALUE OF THE REJECTED CARGO" PER DAY PRO-RATA BASIS BY THE SUCCESSFUL SUPPLIER/ BIDDER TO CEYPETCO FOR THE PERIOD COMMENCING FROM 2400 HRS. OF THE TWENTIETH (20TH) DAY FROM THE DATE OF REJECTION OF THE CARGO UNTIL THE REPLACEMENT CARGO IS DELIVERED AT COLOMBO [I.E. UP TO THE NOTICE OF READINESS (NOR) TENDERED TIME] DURING THE NEW LAYCAN WITHOUT ANY ADDITIONAL COST TO CEYPETCO. VALUE OF THE REJECTED CARGO SHALL BE DETERMINED, BASED ON THE B/L QUANTITY, AND THE RESPECTIVE MONTHLY AVERAGE PRICE OF THE MONTH THAT FIRST DAY OF THE AGREED TWO DAY DELIVERY LAYCAN OF THE REJECTED CARGO AND AS PER THE PRICING CLAUSE OF THE PROCUREMENT DOCUMENT.

THE CONSENT FOR THE SUPPLY OF REPLACEMENT CARGO SHALL BE COMMUNICATED IN WRITING BY THE SUCCESSFUL SUPPLIER/BIDDER TO CEYPETCO WITHIN FORTY EIGHT (48) HOURS OF SUCH REQUEST BY CEYPETCO.

- 2.10.3. IN THE EVENT REJECTION OF THE FINAL CARGO RESULTING IN THE DELAY OF REPLACEMENT CARGO UNDER THIS TERM CONTRACT, THE SUCCESSFUL SUPPLIER/ BIDDER SHALL BE BOUND TO EXTEND THE VALIDITY OF THE PERFORMANCE SECURITY GUARANTEE UP TO THE DATE DETERMINED BY CEYPETCO AS REQUIRED.
- 2.10.4. THE PRICING OF THE REPLACEMENT CARGO SHALL BE DETERMINED AS PER THE MONTHLY AVERAGE PRICE OF THE MONTH BELONGS TO THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN OF THE REPLACEMENT CARGO AT COLOMBO PLUS PREMIUM/DISCOUNT. THE CALCULATION OF THE VALUE OF THE REPLACEMENT CARGO SHALL BE AS PER THE CLAUSE 2.12. UNDER THE HEADING "PRICE / PAYMENT".
- 2.10.5. IN THE EVENT, FAILURE BY THE SUCCESSFUL BIDDER / SUPPLIER TO PROVIDE A REPLACEMENT CARGO, CEYPETCO RESERVES THE RIGHT TO TERMINATE THE CONTRACT AND TO CALL ON THE PERFORMANCE GUARANTEE.
- 2.10.6. FOR THE REPLACEMENT CARGO, THE SAME TERMS AND CONDITIONS OF THIS TENDER SHALL BE APPLICABLE IN ALL ASPECTS INCLUDING QUALITY, DELIVERY AND RECOVERY OF DAMAGES OR LOSSES FOR CEYPETCO.
- 2.10.7. IN THE EVENT THE CEYPETCO DECIDING, AT ITS SOLE DISCRETION, NOT TO REQUEST A REPLACEMENT CARGO AS PER CLAUSE 2.10.1. FOR THE PRODUCT, THE SUCCESSFUL BIDDER / SUPPLIER IS NOT LIABLE TO PAY ANY DAMAGES OR LOSSES TO CEYPETCO.

2.11. OUT-TURN LOSS

IN THE EVENT THAT THE OUT-TURN LOSS (OUT-TURN QUANTITY VS. B/L QUANTITY) IS IN EXCESS OF 0.5% AND / OR THERE IS ANY FREE FLOWING PRODUCT LEFT ON BOARD AS REPORTED BY INDEPENDENT INSPECTORS AT DISCHARGE PORT, COLOMBO THE SUCCESSFUL SUPPLIER/ BIDDER SHALL DEDUCT THE EXCESS LOSS AND / OR FREE FLOWING PRODUCT LEFT ON BOARD FROM THE B/L QUANTITY FOR INVOICE PURPOSES.

2.12. PRICE / PAYMENT

2.12.1. PAYMENT IN THIRTY (30) DAYS L/C AFTER THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN THROUGH BOC – OPTION -01

DAP COLOMBO PRICE FOR **GASOLINE (92 UNL)** SHALL BE CALCULATED AS FOLLOWS:

PRICE OFFERED FOR GASOLINE (92 UNL) IN USD PER BARREL ON **DAP COLOMBO BASIS (INCOTERMS 2010)** SHALL BE THE MONTHLY AVERAGE OF THE **MEAN OF PLATTS SINGAPORE PRICE (PGAEOO)** OF GASOLINE 92 UNL PUBLISHED UNDER THE HEADING **“PLATTS ASIA AND MIDDLE EAST GASOLINE ASSESSMENTS”**, IN PLATTS MARKET SCAN OVER THE MONTH BELONGS TO THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN AT COLOMBO PLUS A FIXED PREMIUM/DISCOUNT PER BBL.

THE FOB BASIS, IF QUOTED BY THE BIDDERS, WILL BE USED FOR REFERENCE PURPOSE ONLY.

- 2.12.1.1. PAYMENT WILL BE MADE THIRTY (30) DAYS AFTER THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN [FIRST DAY OF THE TWO DAY DELIVERY LAYCAN IS TO COUNT AS DAY ZERO (0)] BY AN IRREVOCABLE, NON-ASSIGNABLE, NON-TRANSFERABLE & UNCONFIRMED DOCUMENTARY LETTER OF CREDIT (L/C) ESTABLISHED THROUGH BANK OF CEYLON, COLOMBO. ALL BANK CHARGES OUT SIDE SRI LANKA, IF ANY, WILL BE TO THE ACCOUNT OF THE SUCCESSFUL SUPPLIER / BIDDER. CONFIRMATION CHARGES OF L/C SHALL BE TO THE BENEFICIARY’S ACCOUNT.
- 2.12.1.2. LETTER OF CREDIT (L/C) TO BE ESTABLISHED BY THE CEYPETCO THROUGH ITS BANKERS BY **BANK OF CEYLON** BASED ON THE TERMS AND CONDITIONS ACCEPTABLE TO BOTH SUCCESSFUL SUPPLIER/BIDDER AND CEYPETCO, **AT LEAST TWELVE (12) CALENDAR DAYS** FOR ANY NON-SANCTIONED PORT IN MIDDLE EAST OR FAR EAST AND AT LEAST FORTY (40) CALENDAR DAYS FOR ANY NON-SANCTIONED PORT IN EUROPE OR RUSSIA PRIOR TO THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN AT COLOMBO (ELEVATION WILL BE BASED ON THE LONGEST SAILING TIME AS INDICATED IN ELEVATION FORMULA).
- 2.12.1.3. THE SUCCESSFUL SUPPLIER / BIDDER SHALL BE RESPONSIBLE TO TRACE AND VERIFY THE RECEIPT OF THE L/C THROUGH THEIR CORRESPONDING BANK. THE SUCCESSFUL SUPPLIER / BIDDER SHALL BE RESPONSIBLE TO SEND ALL REQUIRED DETAILS INCLUDING PERFORMA INVOICE FOR THE ESTABLISHMENT OF THE L/C BY CEYPETCO WITHIN **THREE (3) BUSINESS DAYS** AFTER RECEIPT OF THE NOMINATION FOR EACH AND EVERY CARGO UNDER THIS TERM CONTRACT.
- 2.12.1.4. PREMIUM FOR THE PRODUCT SHALL BE FIXED THROUGHOUT THE SIX (06) MONTHS FOR CONTRACT PERIOD.
- 2.12.1.5. IF THE PAYMENT DUE DATE FALLS ON A SATURDAY OR NON-MONDAY BANK HOLIDAY IN NEW YORK, USA, PAYMENT SHALL BE EFFECTED ON THE LAST PRECEDING BANKING DAY IN NEW YORK, USA. IF THE PAYMENT DUE DATE FALLS ON A SUNDAY OR MONDAY BANK HOLIDAY IN NEW YORK, USA, PAYMENT SHALL BE EFFECTED ON THE FIRST FOLLOWING BANKING DAY IN NEW YORK, USA.
- 2.12.1.6. FINAL UNIT PRICE FOR THE PRODUCT SHALL BE EXPRESSED TO THREE DECIMAL PLACES BY ROUNDING UP THE THIRD DECIMAL PLACE IF THE FOURTH DECIMAL PLACE IS FIVE (5) OR GREATER.
- 2.12.1.7. L/C ESTABLISHED BY CEYPETCO WILL CALL FOR THE FOLLOWING ORIGINAL DOCUMENTS.

- 2.12.1.7.1. MANUALLY SIGNED ORIGINAL COMMERCIAL INVOICE BASED ON THE CORRESPONDING QUANTITY IN BARRELS AND METRIC TON IN AIR.
- 2.12.1.7.2. FULL SET OF 3/3 ORIGINAL 'CLEAN ON BOARD' BILL OF LADING ISSUED OR ENDORSED TO THE ORDER OF BANK OF CEYLON COLOMBO AND NOTIFY 'CEYLON PETROLEUM CORPORATION' AND SHOWING FREIGHT PAYABLE AS PER CHARTER PARTY. EACH ORIGINAL B/L TO BE MANUALLY SIGNED BY THE MASTER OF THE VESSEL OR OWNERS OR SIGNED ON BEHALF OF THE MASTER AS AGENTS.
- 2.12.1.7.3. CERTIFICATE OF QUALITY EX SHORE TANKS AT LOAD PORT ISSUED OR ENDORSED BY THE INDEPENDENT INSPECTOR, CONFIRMING THAT THE PRODUCT SHIPPED CONFORM TO THE CONTRACTUAL SPECIFICATIONS.
- 2.12.1.7.4. CERTIFICATE OF QUANTITY EX SHORE TANKS AT LOAD PORT ISSUED OR ENDORSED BY THE INDEPENDENT INSPECTOR.
- 2.12.1.7.5. CERTIFICATE OF ORIGIN ISSUED BY SELLER OR TERMINAL OR ANY AUTHORITY OR LOCAL BODY OR CHAMBER OF COMMERCE SUCH CERTIFICATE SHALL NOT BE ISSUED BY COUNTRIES WHICH COMES UNDER SANCTION IMPOSED BY UNITED STATES / UNITED NATIONS/ EUROPEAN UNION.
- 2.12.1.7.6. TANK CLEANLINESS & DRY CERTIFICATE ISSUED BY THE INDEPENDENT INSPECTOR, CONFIRMING THAT THE SHIP'S TANKS ARE CLEAN AND DRY PRIOR TO LOADING.
- 2.12.1.7.7. CERTIFICATE OF QUALITY AT DISCHARGE PORT, COLOMBO ISSUED OR ENDORSED BY THE INDEPENDENT INSPECTOR BASED ON THE REPORT OF TESTS CONDUCTED BY CEYLON PETROLEUM STORAGE TERMINALS LIMITED, CONFIRMING THAT THE PRODUCT SHIPPED CONFORM TO THE CONTRACTUAL SPECIFICATIONS.
- 2.12.1.7.8. CERTIFICATE OF SHIP ARRIVAL QUANTITY AND OUT-TURN QUANTITY AT DISCHARGE PORT, COLOMBO ISSUED OR ENDORSED BY THE INDEPENDENT INSPECTOR.
- 2.12.1.7.9. THE NEGOTIATION OF LETTER OF CREDIT (L/C) UPON PRESENTATION OF LETTER OF INDEMNITY (LOI) IN LIEU OF ABOVE ORIGINAL SHIPPING DOCUMENTS IS PERMITTED FOR THE SUCCESSFUL SUPPLIER / BIDDER SUBJECT TO;
 - 2.12.1.7.9.1. PRESENTATION OF BENEFICIARY'S MANUALLY SIGNED ORIGINAL COMMERCIAL INVOICE.
 - 2.12.1.7.9.2. PRESENTATION OF SHIP ARRIVAL QUANTITY REPORT ISSUED BY THE INDEPENDENT INSPECTOR AT DISCHARGE PORT, COLOMBO.
 - 2.12.1.7.9.3. PRESENTATION OF TANK CLEANLINESS & DRY CERTIFICATE ISSUED BY THE INDEPENDENT INSPECTOR, CONFIRMING THAT THE SHIP'S TANKS ARE CLEAN & DRY PRIOR TO LOADING.
 - 2.12.1.7.9.4. PRESENTATION OF QUALITY AND OUT-TURN QUANTITY REPORT ISSUED BY THE INDEPENDENT INSPECTOR AT DISCHARGE PORT, COLOMBO.
 - 2.12.1.7.9.5. OBTAINING PRIOR APPROVAL OF CEYPETCO FOR SUCH LOI FORMAT.

2.12.1.8. VALIDITY OF THE L/C SHOULD BE UP TO MAXIMUM OF NINETY (90) DAYS FROM THE DATE OF ESTABLISHMENT OF THE L/C.

2.12.2. **PAYMENT PRIOR TO THE DATE OF QUANTITY DRAWN (100% EX-STORAGE MODALITY) – OPTION 02**

DAP COLOMBO PRICE FOR **GASOLINE (92 UNL)** SHALL BE CALCULATED AS FOLLOWS:

PRICE OFFERED FOR **GASOLINE (92 UNL)** IN USD PER BARREL ON **DAP COLOMBO BASIS (INCOTERMS 2010)** SHALL BE THE MONTHLY AVERAGE OF THE **MEAN OF PLATTS SINGAPORE PRICE (PGAIEY00)** OF GASOLINE 92 UNL PUBLISHED UNDER THE HEADING “**PLATTS ASIA AND MIDDLE EAST GASOLINE ASSESSMENTS**”, IN PLATTS MARKET SCAN OVER THE MONTH BELONGS TO THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN AT COLOMBO PLUS A FIXED PREMIUM/DISCOUNT PER BBL.

UNDER THE EX-STORAGE MODALITY TOTAL CARGO QUANTITY SHALL BE WITHDRAW WITHIN 30 DAYS FROM THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN [FIRST DAY OF THE TWO DAY DELIVERY LAYCAN IS TO COUNT AS DAY ZERO (0)].

THE FOB BASIS, IF QUOTED BY THE BIDDERS, WILL BE USED FOR REFERENCE PURPOSE ONLY.

2.12.2.1. **INVOICING FOR PAYMENT**

BASED ON THE AVAILABILITY OF FUNDS THE QUANTITY REQUIRED TO BE DRAWN SHALL BE INFORMED TO THE SUCCESSFUL SUPPLIER / BIDDER BY CEYPETCO & THE RELEVANT PAYMENT WILL BE MADE BASED ON THE RESPECTIVE INVOICE RAISED BY THE SUCCESSFUL SUPPLIER / BIDDER INDICATING THE QUANTITY IN US BARRELS, THE UNIT PRICE IN **UNITED STATES DOLLARS (USD) PER BARREL (BBL)** AND THE SUBTOTAL OF THE RESPECTIVE INVOICE.

THE FINAL INVOICE SHALL BE RAISED BY THE SUCCESSFUL SUPPLIER / BIDDER IN SUCH A WAY THAT THE CUMULATIVE QUANTITY OF ALL INVOICES DOES NOT EXCEED THE B/L QUANTITY INDICATED IN THE RESPECTIVE B/L(s) SUBJECT TO CLAUSE 2.11.

2.12.2.2. PAYMENT WILL BE MADE PRIOR TO THE DATE OF QUANTITY DRAWN, BY TELEGRAPHIC TRANSFER (TT) THROUGH BANK OF CEYLON, COLOMBO. ALL BANK CHARGES OUTSIDE SRI LANKA, IF ANY, WILL BE TO THE ACCOUNT OF THE SUCCESSFUL SUPPLIER/BIDDER.

2.12.2.3. TELEGRAPHIC TRANSFER (TT) TO BE MADE BY THE CEYPETCO THROUGH ITS BANKERS BY BANK OF CEYLON BASED ON THE TERMS AND CONDITIONS ACCEPTABLE TO BOTH SUCCESSFUL SUPPLIER/BIDDER AND CEYPETCO.

2.12.2.4. THE SUCCESSFUL SUPPLIER/BIDDER SHALL BE RESPONSIBLE TO TRACE AND VERIFY THE RECEIPT OF THE PAYMENT THROUGH THEIR CORRESPONDING BANK. THE SUCCESSFUL SUPPLIER/BIDDER SHALL BE RESPONSIBLE TO SEND ALL REQUIRED DETAILS FOR THE PAYMENT THROUGH TELEGRAPHIC TRANSFER BY CEYPETCO WITHIN THREE (03) BUSINESS DAYS AFTER THE ACCEPTANCE OF THE BID.

2.12.2.5. IF THE PAYMENT DUE DATE FALLS ON A SATURDAY OR NON-MONDAY BANK HOLIDAY IN NEW YORK, USA, PAYMENT SHALL BE EFFECTED ON THE LAST PRECEDING BANKING DAY IN NEW YORK, USA. IF THE PAYMENT DUE DATE FALLS ON A SUNDAY OR MONDAY BANK HOLIDAY IN NEW YORK, USA, PAYMENT SHALL BE EFFECTED ON THE FIRST FOLLOWING BANKING DAY IN NEW YORK, USA.

2.12.2.6. FINAL UNIT PRICE FOR EACH PRODUCT SHALL BE EXPRESSED TO THREE DECIMAL PLACES BY ROUNDING UP THE THIRD DECIMAL PLACE IF THE FOURTH DECIMAL PLACE IS FIVE (5) OR GREATER.

2.12.2.7. PAYMENT TO BE MADE THROUGH TELEGRAPHIC TRANSFER (TT) BY CEYPETCO WILL CALL FOR THE FOLLOWING ORIGINAL DOCUMENTS.

- a) MANUALLY SIGNED ORIGINAL COMMERCIAL INVOICE BASED ON THE CORRESPONDING QUANTITY IN BARRELS AND METRIC TON IN AIR.
- b) FULL SET OF 3/3 ORIGINAL 'CLEAN ON BOARD' BILL OF LADING ISSUED OR ENDORSED TO 'CEYLON PETROLEUM CORPORATION' AND SHOWING FREIGHT PAYABLE AS PER THE CHARTER PARTY. EACH ORIGINAL B/L TO BE MANUALLY SIGNED BY THE MASTER OF THE VESSEL OR OWNERS OR SIGNED ON BEHALF OF THE MASTER AS AGENTS.
- c) CERTIFICATE OF QUALITY EX SHORE TANKS AT LOAD PORT ISSUED OR ENDORSED BY THE INDEPENDENT INSPECTOR, CONFIRMING THAT THE PRODUCTS SHIPPED CONFORMS TO THE CONTRACTUAL SPECIFICATIONS.
- d) CERTIFICATE OF QUANTITY EX SHORE TANKS AT LOAD PORT ISSUED OR ENDORSED BY THE INDEPENDENT INSPECTOR.
- e) CERTIFICATE OF ORIGIN ISSUED BY SELLER OR TERMINAL OR ANY AUTHORITY OR LOCAL BODY OR CHAMBER OF COMMERCE SUCH CERTIFICATE SHALL NOT BE ISSUED BY COUNTRIES WHICH COMES UNDER SANCTION IMPOSED BY UNITED STATES / UNITED NATIONS/ EUROPEAN UNION.
- f) TANK CLEANLINESS & DRY CERTIFICATE ISSUED BY THE INDEPENDENT INSPECTOR, CONFIRMING THAT THE SHIP'S TANKS ARE CLEAN AND DRY PRIOR TO LOADING.
- g) CERTIFICATE OF QUALITY AT DISCHARGE PORT, COLOMBO ISSUED OR ENDORSED BY THE INDEPENDENT INSPECTOR BASED ON THE REPORT OF TESTS CEYLON PETROLEUM STORAGE TERMINALS LIMITED (CPSTL) LABORATORY, CONFIRMING THAT THE PRODUCTS SHIPPED CONFORM TO THE CONTRACTUAL SPECIFICATIONS.
- h) CERTIFICATE OF SHIP ARRIVAL QUANTITY AND OUT-TURN QUANTITY AT DISCHARGE PORT, COLOMBO ISSUED OR ENDORSED BY THE INDEPENDENT INSPECTOR.

2.12.2.8. THE FINAL INVOICE SHALL BE RAISED BY THE SUCCESSFUL SUPPLIER / BIDDER IN SUCH A WAY THAT THE CUMULATIVE QUANTITY OF ALL INVOICES DOES NOT EXCEED THE B/L QUANTITY INDICATED IN THE RESPECTIVE B/L(s) SUBJECT TO CLAUSE 2.11.

2.13. PCA3 FORM, AGENT, REPRESENTATIVE OR NOMINEE FOR OR ON BEHALF OF ANY TENDERER & LOCAL AGENCY COMMISSION

2.13.1. IT IS REQUIRED TO SUBMIT THE REGISTRATION CERTIFICATE ISSUED BY REGISTRAR OF PUBLIC CONTRACT OF SRI LANKA IN TERMS OF THE PUBLIC CONTRACT ACT NO.3 OF 1987 ON SUBMISSION OF FORM PCA3 AS FOLLOWS,

2.13.1.1. ANY PERSON WHO ACTS AS AN AGENT OR SUB-AGENT, REPRESENTATIVE OR NOMINEE FOR OR ON BEHALF OF ANY TENDERER, SHALL REGISTER HIMSELF AND SUCH PUBLIC CONTRACT IN ACCORDANCE WITH SECTION 10 AND SHALL FURNISH TO THE REGISTRAR THE PARTICULARS REQUIRED TO BE FURNISHED UNDER SECTION 6. OF PUBLIC CONTRACT ACT NO. 3 OF 1987.

2.13.1.2. WHERE ANY PERSON IS AN AGENT, SUB-AGENT, REPRESENTATIVE OR NOMINEE FOR OR ON BEHALF OF A TENDERER HE SHALL FIRST PRODUCE A CERTIFICATE OF HIS APPOINTMENT AS AGENT, SUB-AGENT, REPRESENTATIVE OR NOMINEE TO THE REGISTRAR BEFORE HE REGISTERS HIMSELF AND THE PUBLIC CONTRACT UNDER THIS SECTION. FOR MORE DETAILS PLEASE VISIT www.drc.gov.lk.

2.13.2. OFFER SHOULD INDICATE THE LOCAL AGENT'S NAME, ADDRESS AND THE QUANTUM OF COMMISSION PAYABLE TO LOCAL AGENT, WHICH SHOULD BE INCLUDED IN THE PRICE QUOTED. THE LOCAL AGENT'S COMMISSION WILL BE DEDUCTED FROM THE TOTAL DAP COLOMBO VALUE AND PAID IN SRI LANKA RUPEES.

2.14. TITLE AND RISK

TITLE AND RISK/PROPERTY OF THE PRODUCTS SUPPLIED UNDER THE TERMS OF THIS PROCUREMENT DOCUMENT SHALL PASS ON TO CEYPETCO AT THE DISCHARGE PORT WHEN PRODUCT PASSES THE SUCCESSFUL SUPPLIER'S / BIDDER'S VESSEL'S PERMANENT HOSE/DISCHARGING ARM CONNECTION.

2.15. PERFORMANCE SECURITY GUARANTEE

2.15.1. THE SUCCESSFUL SUPPLIER/BIDDER **INCLUDING RECOGNIZED GOVERNMENT OWNED INSTITUTIONS / SUBSIDIARIES AND OIL MAJORS**, ON BEING NOTIFIED BY THE CEYPETCO OF THE ACCEPTANCE OF HIS OFFER, SHALL FURNISH AT HIS OWN EXPENSE A PERFORMANCE SECURITY GUARANTEE, WITHIN **FOURTEEN (14) DAYS** OF SUCH NOTIFICATION, ISSUED/CONFIRMED BY A LICENSED COMMERCIAL BANK IN SRI LANKA IN FAVOR OF CEYLON PETROLEUM CORPORATION AND PAYABLE TO THE CEYLON PETROLEUM CORPORATION ON DEMAND TO THE VALUE OF IN **UNITED STATES DOLLARS ONE MILLION (USD 1,000,000/=)**.

2.15.2. THE PERFORMANCE SECURITY GUARANTEE SHOULD BE VALID FOR **NINETY (90) DAYS** BEYOND THE SCHEDULED CONTRACT COMPLETION DATE.

2.15.3. THE SUCCESSFUL SUPPLIER/BIDDER SHOULD STRICTLY ADHERE TO **THE FORMAT OF PERFORMANCE SECURITY GUARANTEE, WHICH IS ANNEXED HERETO AS ANNEX - 'D'**.

2.15.4. THE SUCCESSFUL SUPPLIER/BIDDER SHOULD ENSURE AND CLEARLY INDICATE IN ITS OFFER THAT THEY PROVIDE A PERFORMANCE SECURITY GUARANTEE UPON THE AWARD. FAILURE TO COMPLY WITH THIS REQUIREMENT SHALL BE CONSIDERED AS A MAJOR DEVIATION RESULTING TO AWARD BEING CANCELLED WHILE THE BID SECURITY GUARANTEE BEING FORFEITED.

2.15.5. IF THE SUCCESSFUL SUPPLIER / BIDDER, FAILS TO FURNISH THE PERFORMANCE SECURITY GUARANTEE AS AFORESAID, ITS NAME COMPELLED TO BE PLACED IN THE LIST OF

DEFAULTING CONTRACTORS. CEYPETCO SHALL THEREFORE, RESERVE THE RIGHT, IN ITS ABSOLUTE DISCRETION TO MAKE SUITABLE ARRANGEMENTS REQUIRED FOR THE PERFORMANCE OF SUCH PROCUREMENT.

2.15.6. THE SUCCESSFUL SUPPLIER / BIDDER, IN THE EVENT OF HIS FAILURE TO FURNISH THE PERFORMANCE SECURITY GUARANTEE AS REQUIRED UNDER THIS PROCUREMENT DOCUMENT, SHALL BE LIABLE FOR ANY LOSSES, COSTS, EXPENSES AND DAMAGES, WHICH CEYPETCO MAY SUSTAIN IN CONSEQUENCE OF SUCH FAILURE AND THE BID SECURITY GUARANTEE, SHALL BE FORFEITED.

2.15.7. THE LETTER OF CREDIT FOR THE FIRST SHIPMENT WILL BE OPENED ONLY AFTER THE RECEIPT OF PERFORMANCE SECURITY GUARANTEE. THE PERFORMANCE SECURITY GUARANTEE SHALL BE IN FAVOUR OF CEYLON PETROLEUM CORPORATION.

2.16. CLAIMS, DISPUTES AND RECOVERY OF DAMAGES OR LOSSES FOR CEYPETCO FOR LATE DELIVERY AND DELIVERY OF LESSER QUANTITY THAN AGREED

2.16.1. ANY CLAIM WHATSOEVER ARISING BETWEEN THE PARTIES TO THIS AGREEMENT, UNDER THE TERMS OF THIS AGREEMENT SHALL BE LODGED IN WRITING WITHIN SIXTY (60) DAYS OF RECEIPT OF PRODUCT BY CEYPETCO OR IN THE CASE THE CARGO IS NOT DELIVERED TO CEYPETCO WITHIN SIXTY (60) DAYS OF THE LAST DATE OF DELIVERY LAYCAN AS NOTIFIED BY CEYPETCO. OTHERWISE, ANY SUCH CLAIM SHALL BE DEEMED TO HAVE BEEN WAIVED.

2.16.2. EVERY ENDEAVOUR SHALL BE MADE TO SETTLE ANY DIFFERENCE OR DISPUTE BETWEEN CEYPETCO AND THE SUCCESSFUL SUPPLIER / BIDDER ARISING FROM ANY TRANSACTION BY MUTUAL NEGOTIATIONS, FAILING WHICH SUCH DIFFERENCES OR DISPUTES SHALL BE SETTLED BY ARBITRATION.

2.16.3. THE VENUE OF ARBITRATION SHALL BE COLOMBO, SRI LANKA.

2.16.4. THE ARBITRATION SHALL FOLLOW UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW (**UNCITRAL**) PROCEDURES.

2.16.5. THE LANGUAGE OF ARBITRATION SHALL BE ENGLISH. THE ARBITRATION TRIBUNAL SHALL CONSIST OF THREE ARBITRATORS, ONE TO BE APPOINTED BY THE SUCCESSFUL SUPPLIER/ BIDDER, ONE BY CEYPETCO AND THE TWO ARBITRATORS THUS APPOINTED SHALL CHOOSE THE THIRD ARBITRATOR.

2.16.6. THIS PROCUREMENT DOCUMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF SRI LANKA EXCLUDING ANY CONFLICT OF LAWS AND RULES.

2.16.7. ARBITRATION SHALL BE A CONDITION PRECEDENT TO THE INSTITUTION OF ANY LEGAL ACTION BY EITHER PARTY AGAINST THE OTHER.

2.16.8. THE SUCCESSFUL SUPPLIER / BIDDER IS FULLY RESPONSIBLE TO DELIVER THE CARGO WITHIN THE AGREED UPON DELIVERY DATE /LAYCAN. FAILURE TO COMPLY WITH THE AGREED UPON DELIVERY DATE /LAYCAN WILL MAKE **THE SUCCESSFUL SUPPLIER / BIDDER LIABLE FOR LIQUIDATED DAMAGES OF ZERO POINT TWO FIVE PERCENT (0.25%) OF THE DAP VALUE PER DAY PRO-RATA FOR EACH DAY OF DELAY AFTER 2400 HRS OF THE LAST DAY OF THE TWO DAY DELIVERY LAYCAN UNTIL VESSEL TENDER NOR AT DISCHARGE PORT AT COLOMBO. IF THE DELAY EXCEEDS SIX (6) DAYS AFTER THE LAST DATE OF THE AGREED DELIVERY LAYCAN WITHOUT OBTAINING PRIOR APPROVAL, CEYPETCO WILL RESERVE THE RIGHT TO TERMINATE THE CONTRACT.**

2.16.9. THE SUCCESSFUL SUPPLIER / BIDDER IS FULLY RESPONSIBLE TO DELIVER THE AGREED QUANTITY OF CARGO UNDER EACH SHIPMENT. IN THE EVENT OF FAILURE TO DELIVER THE AGREED QUANTITY BELOW MINUS FIVE PERCENT (-5%) (CONTRACTUAL PER SHIPMENT QUANTITY VS. B/L QUANTITY) AS PER IN **ANNEX – ‘B’**, THE SUCCESSFUL SUPPLIER / BIDDER WILL BE HELD LIABLE FOR THE PAYMENT OF DAMAGES OR LOSSES TO CEYPETCO **AT THE RATE OF USD 10,000 PER EACH 1,000 MT OF SHORT LOADED QUANTITY OF THE PRODUCT OR PART THEREOF ON PRO-RATA BASIS.**

2.16.10. IN THE EVENT THE SUCCESSFUL SUPPLIER/BIDDER IS LIABLE FOR A LATE DELIVERY, PENALTY AND/OR A SHORT LOADING PENALTY AS SPECIFIED IN (2.16.8) AND/OR (2.16.9) ABOVE, SUCH PENALTY SHALL BE SETTLED BY THE SUPPLIER ON OR BEFORE THE DUE DATE OF THE FINAL PAYMENT FOR THE CARGO. ALTERNATIVELY, THE SUCCESSFUL SUPPLIER/BIDDER SHALL AGREE IN WRITING TO DEDUCT THE PENALTY AMOUNT FROM THE FINAL PAYMENT.

2.16.11. IF THE SUCCESSFUL SUPPLIER / BIDDER FAILS TO DELIVER ANY FULL SHIPMENT UNLESS AGREED FOR AN ALTERNATIVE, CEYPETCO WILL RESERVE THE RIGHT TO ENCASH THE PERFORMANCE SECURITY GUARANTEE.

2.17. ACCEPTANCE OF THE BID

2.17.1. CEYPETCO RESERVES TO ITSELF THE RIGHT TO CANCEL THE PROCUREMENT DOCUMENT OR TO REJECT ANY PART OF THE PROCUREMENT DOCUMENT OR REJECT THE BIDDING DOCUMENT WITHOUT ASSIGNING ANY REASON WHATSOEVER. IN SUCH AN EVENT CEYPETCO SHALL NOT BE LIABLE TO ANY COMPENSATION OR DAMAGES ARISING THEREFROM.

2.17.2. SHLPC RESERVES THE RIGHT TO DETERMINE THE SELECTION OF THE PAYMENT OPTION / (s) BY TAKING INTO CONSIDERATION OF THE DOMESTIC COST FACTORS AS PER THE **ANNEX – ‘G’**.

2.17.3. IF DEEMED NECESSARY, SHLPC RESERVES THE RIGHT TO CONDUCT DUE DILIGENCE ON ANY SELECTED SUCCESSFUL SUPPLIER/ BIDDER.

2.17.4. WHERE THE BID IS ACCEPTED, SUCH ACCEPTANCE SHALL BE IN ACCORDANCE WITH THESE TERMS AND CONDITIONS NOTWITHSTANDING ANY VARIATION IN THE BID THEREFROM UNLESS EXPRESSLY AND SPECIFICALLY PROVIDED FOR OTHERWISE IN THE COMMUNICATION OF THE ACCEPTANCE.

2.17.5. THE SUCCESSFUL SUPPLIER/ BIDDER, ON RECEIPT OF THE ACCEPTANCE, SHALL FORTHWITH ACKNOWLEDGE AND CONFIRM ACCEPTANCE OF SAME BY FAX / EMAIL AND PROCEED TO TAKE ALL STEPS THAT ARE NECESSARY TO ENSURE PERFORMANCE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE PROCUREMENT DOCUMENT .

2.18. DELIVERY OF PRODUCT AT COLOMBO

THE TWO DAY DELIVERY LAYCAN SHALL BE COMMENCED FROM 0001 HRS. OF THE FIRST DAY OF THE DELIVERY LAYCAN UP TO THE 2400 HRS. OF THE SECOND DAY OF THE DELIVERY LAYCAN.

2.18.1. DELIVERY OF PRODUCTS FOR SINGLE BERTH AT DOLPHIN TANKER BERTH, COLOMBO

2.18.1.1. FOR EACH SHIPMENT, A TWO DAY DELIVERY LAYCAN AT DOLPHIN TANKER BERTH, COLOMBO WILL BE NOTIFIED BY CEYPETCO TO THE SUCCESSFUL SUPPLIER/ BIDDER, THIRTY (30) DAYS BEFORE THE FIRST DAY OF THE DELIVERY LAYCAN. IT IS IMPERATIVE THAT EACH SHIPMENT IS DELIVERED IN COLOMBO DURING THE DELIVERY LAYCAN NOTIFIED BY CEYPETCO IN ONE TANKER IN ONE LOT. HOWEVER, UNDER SPECIAL CIRCUMSTANCES THE SUCCESSFUL SUPPLIER/BIDDER SHALL TAKE EVERY ENDEAVOR TO DELIVER A CARGO EVEN NOTICE OF LESS THAN THIRTY (30) DAYS PRIOR TO THE FIRST

DAY OF THE TWO DAY DELIVERY LAYCAN. THE SUCCESSFUL SUPPLIER / BIDDER TO MUTUALLY DISCUSS AND AGREE WITH THE DELIVERY DATES IF NOTICE IS LESS THAN THIRTY (30) DAYS.

2.18.1.2. DELIVERY OF PRODUCTS SHOULD BE MADE ON DAP COLOMBO BASIS (INCOTERMS 2010) IN TOTAL AVERAGE CARGO SIZE OF 300,000 +/-5% BARRELS AT THE TWO DAY DELIVERY LAYCAN INDICATED BY CEYPETCO TO THE SUCCESSFUL SUPPLIER / BIDDER, THIRTY (30) DAYS BEFORE THE FIRST DAY OF THE SAID DELIVERY LAYCAN.

2.18.1.3. CEYPETCO RESERVES THE RIGHT TO ORDER EVEN TWO CARGOES PER MONTH. IF TWO CARGOES ARE REQUESTED IN A PARTICULAR MONTH, NOTICE SHALL BE GIVEN FORTY (40) DAYS PRIOR TO THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN OF THE SECOND CARGO ENABLING THE SUCCESSFUL SUPPLIER/BIDDER TO ARRANGE THE CARGO AND THE VESSEL FOR DELIVERY AT COLOMBO.

2.18.2. DELIVERY OF PRODUCTS FOR SINGLE BERTH AT SPM MUTHURAJAWELA, COLOMBO

2.18.2.1. FOR EACH SHIPMENT, A TWO DAY DELIVERY LAYCAN AT SPM MUTHURAJAWELA, COLOMBO WILL BE NOTIFIED BY CEYPETCO TO THE SUCCESSFUL SUPPLIER / BIDDER, THIRTY (30) DAYS BEFORE THE FIRST DAY OF THE SAID DELIVERY LAYCAN. IT IS IMPERATIVE THAT EACH SHIPMENT IS DELIVERED IN COLOMBO DURING THE DELIVERY LAYCAN NOTIFIED BY CEYPETCO IN ONE TANKER IN ONE LOT. HOWEVER, UNDER SPECIAL CIRCUMSTANCES THE SUCCESSFUL SUPPLIER/BIDDER SHALL TAKE EVERY ENDEAVOR TO DELIVER A CARGO EVEN NOTICE OF LESS THAN THIRTY (30) DAYS PRIOR TO THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN. THE SUCCESSFUL SUPPLIER/BIDDER TO MUTUALLY DISCUSS AND AGREE WITH THE DELIVERY DATES IF NOTICE IS LESS THAN THIRTY (30) DAYS.

2.18.2.2. DELIVERY OF PRODUCTS SHOULD BE MADE ON DAP COLOMBO BASIS (INCOTERMS 2010) IN TOTAL AVERAGE CARGO SIZE 300,000 +/-5% BARRELS AT THE TWO DAY DELIVERY LAYCAN INDICATED BY CEYPETCO TO THE SUCCESSFUL SUPPLIER / BIDDER, THIRTY (30) DAYS BEFORE THE FIRST DAY OF THE SAID DELIVERY LAYCAN.

2.18.2.3. CEYPETCO RESERVES THE RIGHT TO ORDER EVEN TWO CARGOES PER MONTH. IF TWO CARGOES ARE REQUESTED IN A PARTICULAR MONTH, NOTICE SHALL BE GIVEN FORTY (40) DAYS PRIOR TO THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN OF THE SECOND CARGO ENABLING THE SUCCESSFUL SUPPLIER/BIDDER TO ARRANGE THE CARGO AND THE VESSEL FOR DELIVERY AT COLOMBO.

2.18.3. DELIVERY OF PRODUCTS FOR DUAL BERTH DISCHARGE AT DOLPHIN TANKER BERTH, COLOMBO & SPM MUTHURAJAWELA, COLOMBO

2.18.3.1. FOR EACH SHIPMENT, A TWO DAY DELIVERY LAYCAN FOR DUAL BERTH DISCHARGE AT DOLPHIN TANKER BERTH, COLOMBO AND SPM MUTHURAJAWELA, COLOMBO WILL BE NOTIFIED BY CEYPETCO TO THE SUCCESSFUL SUPPLIER / BIDDER, THIRTY (30) DAYS BEFORE THE FIRST DAY OF THE SAID DELIVERY LAYCAN. IT IS IMPERATIVE THAT EACH SHIPMENT IS DELIVERED IN COLOMBO DURING THE DELIVERY LAYCAN NOTIFIED BY CEYPETCO IN ONE TANKER IN ONE LOT. HOWEVER, UNDER SPECIAL CIRCUMSTANCES THE SUCCESSFUL SUPPLIER/BIDDER SHALL TAKE EVERY ENDEAVOR TO DELIVER A CARGO EVEN NOTICE OF LESS THAN THIRTY (30) DAYS PRIOR TO THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN. THE SUCCESSFUL SUPPLIER/BIDDER TO MUTUALLY DISCUSS AND AGREE WITH THE DELIVERY DATES IF NOTICE IS LESS THAN THIRTY (30) DAYS.

2.18.3.2. DELIVERY OF PRODUCTS SHOULD BE MADE ON DAP COLOMBO BASIS (INCOTERMS 2010) IN TOTAL AVERAGE CARGO SIZE OF 300,000 +/-5% BARRELS AT THE TWO DAY DELIVERY LAYCAN INDICATED BY CEYPETCO TO THE SUCCESSFUL SUPPLIER / BIDDER, THIRTY (30) DAYS BEFORE THE FIRST DAY OF THE SAID DELIVERY LAYCAN.

2.18.3.3. CEYPETCO RESERVES THE RIGHT TO ORDER EVEN TWO CARGOES PER MONTH. IF TWO CARGOES ARE REQUESTED IN A PARTICULAR MONTH, NOTICE SHALL BE GIVEN FORTY (40) DAYS PRIOR TO THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN OF THE SECOND CARGO ENABLING THE SUCCESSFUL SUPPLIER/BIDDER TO ARRANGE THE CARGO AND THE VESSEL FOR DELIVERY AT COLOMBO.

2.19. LAYTIME FOR DISCHARGE AT COLOMBO

2.19.1. LAYTIME FOR DISCHARGE AT DOLPHIN TANKER BERTH, COLOMBO

LAYTIME FOR THE DISCHARGE OF TOTAL AVERAGE CARGO QUANTITY OF 300,000 +/-5% BARRELS IN FULL AT DOLPHIN TANKER BERTH, COLOMBO SHALL BE **96 HRS** AND THE COMMENCEMENT OF LAYTIME SHALL BE DETERMINED IN THE FOLLOWING MANNER.

2.19.1.1. NOTICE OF READINESS (NOR) SHOULD BE TENDERED BETWEEN 0700 AND 1700 HRS DURING DELIVERY LAYCAN AGREED UPON. IF NOR IS TENDERED AFTER 1700 HRS, FOR ALL PURPOSES IT WILL BE CONSIDERED THAT NOR HAS BEEN TENDERED AT 0700 HRS ON THE FOLLOWING DAY AND LAYTIME SHALL COMMENCE SIX (6) HRS. THEREAFTER OR AT THE TIME OF MOORING, WHICHEVER IS EARLIER.

2.19.1.2. IF NOR IS TENDERED BEFORE THE COMMENCEMENT OF THE DELIVERY LAYCAN AGREED UPON, IT WILL BE CONSIDERED THAT NOR HAS BEEN TENDERED AT 0700 HRS ON THE FIRST DAY OF THE LAYCAN. LAYTIME SHALL IN SUCH CASE COMMENCE SIX (6) HRS THEREAFTER OR AT THE TIME OF MOORING, WHICHEVER IS EARLIER.

2.19.1.3. IF THE VESSEL IS MOORED PRIOR TO THE DELIVERY LAYCAN AGREED UPON, AT THE REQUEST OF THE SUCCESSFUL SUPPLIER/ BIDDER THE LAYTIME SHALL COMMENCE AT 0700 HRS ON THE FIRST DAY OF THE LAYCAN.

2.19.1.4. IF NOR IS TENDERED AFTER 1700 HRS OF THE SECOND DAY OF THE DELIVERY LAYCAN AGREED UPON, FOR ALL PURPOSES IT WILL BE CONSIDERED THAT NOR HAS BEEN TENDERED AT 0700 HRS ON THE FOLLOWING DAY AND LAYTIME SHALL COMMENCE SIX (6) HRS THEREAFTER OR AT THE TIME OF MOORING, WHICHEVER IS EARLIER.

2.19.1.5. IF NOR IS TENDERED AFTER THE SECOND DAY OF THE DELIVERY LAYCAN AGREED UPON, LAYTIME SHALL COMMENCE AT THE TIME OF BERTHING SUBJECT TO THE CONDITION THAT THE LAYTIME SHALL CEASE TO COUNT IF THE VESSEL SHALL BE UN-BERTHED TO ALLOW BERTHING OF OTHER VESSELS ARRIVING ON AGREED DELIVERY LAYCAN OR BERTHING OF OTHER VESSELS ON PRODUCT AVAILABILITY BASIS OF THE COUNTRY. UNDER THESE CIRCUMSTANCES, THE ACTUAL TIME UTILIZED BY THE VESSEL AT THE BERTH SHALL ONLY BE CONSIDERED AS USED LAYTIME.

2.19.2. LAYTIME FOR DISCHARGE AT SPM MUTHURAJAWELA, COLOMBO

LAYTIME FOR THE DISCHARGE TOTAL AVERAGE CARGO QUANTITY OF 300,000 +/-5% BARRELS IN FULL AT SPM MUTHURAJAWELA, COLOMBO SHALL BE **96 HRS**. AND THE COMMENCEMENT OF LAYTIME SHALL BE DETERMINED IN THE FOLLOWING MANNER.

- 2.19.2.1. NOR SHOULD BE TENDERED BETWEEN 0600 AND 1500 HRS DURING DELIVERY LAYCAN AGREED UPON. IF NOR IS TENDERED AFTER 1500 HRS, FOR ALL PURPOSES IT WILL BE CONSIDERED THAT NOR HAS BEEN TENDERED AT 0600 HRS ON THE FOLLOWING DAY AND LAYTIME SHALL COMMENCE SIX (6) HRS THEREAFTER OR AT THE TIME OF MOORING, WHICHEVER IS EARLIER.
- 2.19.2.2. IF NOR IS TENDERED BEFORE THE COMMENCEMENT OF THE DELIVERY LAYCAN AGREED UPON, IT WILL BE CONSIDERED THAT NOR HAS BEEN TENDERED AT 0600 HRS ON THE FIRST DAY OF THE LAYCAN. LAYTIME SHALL IN SUCH CASE COMMENCE SIX (6) HRS. THEREAFTER OR AT THE TIME OF MOORING, WHICHEVER IS EARLIER.
- 2.19.2.3. IF THE VESSEL IS MOORED PRIOR TO THE DELIVERY LAYCAN AGREED UPON, AT THE REQUEST OF THE SUCCESSFUL SUPPLIER/ BIDDER THE LAYTIME SHALL COMMENCE AT 0600 HRS ON THE FIRST DAY OF THE LAYCAN.
- 2.19.2.4. IF NOR IS TENDERED AFTER 1500 HRS OF THE SECOND DAY OF THE DELIVERY LAYCAN AGREED UPON, FOR ALL PURPOSES IT WILL BE CONSIDERED THAT NOR HAS BEEN TENDERED AT 0600 HRS ON THE FOLLOWING DAY AND LAYTIME SHALL COMMENCE SIX (6) HRS THEREAFTER OR AT THE TIME OF MOORING, WHICHEVER IS EARLIER.
- 2.19.2.5. IF NOR IS TENDERED AFTER THE SECOND DAY OF THE DELIVERY LAYCAN AGREED UPON, LAYTIME SHALL COMMENCE AT THE TIME OF BERTHING SUBJECT TO THE CONDITION THAT THE LAYTIME SHALL CEASE TO COUNT IF THE VESSEL SHALL BE UN- BERTHED TO ALLOW BERTHING OF OTHER VESSELS ARRIVING ON AGREED DELIVERY LAYCAN OR BERTHING OF OTHER VESSELS ON PRODUCT AVAILABILITY BASIS OF THE COUNTRY. UNDER THESE CIRCUMSTANCES, THE ACTUAL TIME UTILIZED BY THE VESSEL AT THE BERTH SHALL ONLY BE CONSIDERED AS USED LAYTIME.
- 2.19.2.6. BERTHING OF TANKERS AT SPM MUHTURAJAWELA, COLOMBO IS GOVERNED BY THE BUILDERS (SBM-IMODCO) RECOMMENDATIONS ESPECIALLY WITH REGARD TO THE SAFETY LIMITS OF WEATHER/SEA CONDITIONS. ANY DELAY IN MOORING DUE TO WEATHER AND/OR SEA CONDITIONS TO BE COUNTED AS HALF LAYTIME (CONOCO WEATHER CLAUSE).
- 2.19.3. LAYTIME FOR DUAL BERTH DISCHARGE AT DOLPHIN TANKER BERTH, COLOMBO AND SPM MUTHURAJAWELA, COLOMBO**
- LAYTIME FOR THE DUAL BERTH DISCHARGE TOTAL AVERAGE CARGO QUANTITY OF 300,000 +/-5% BARRELS AT DOLPHIN TANKER BERTH, COLOMBO OR SPM MUTHURAJAWELA, COLOMBO SHALL BE **96 HRS.** AND THE COMMENCEMENT OF LAYTIME SHALL BE DETERMINED IN THE FOLLOWING MANNER.
- 2.19.3.1. IF THE FIRST BERTH IS DOLPHIN TANKER BERTH, LAYTIME STARTS AS PER CLAUSE 2.19.1. GIVEN ABOVE AND IF THE FIRST BERTH IS SPM MUTHURAJAWELA, LAYTIME STARTS AS PER CLAUSE 2.19.2. GIVEN ABOVE.
- 2.19.3.2. SAILING TIME EITHER FROM SPM MUTHURAJAWELA TO DOLPHIN TANKER BERTH OR VICE VERSA SHALL NOT BE COUNTED AS USED LAYTIME.
- 2.19.3.3. BERTHING OF TANKERS AT SPM MUHTURAJAWELA, COLOMBO IS GOVERNED BY THE BUILDERS (SBM-IMODCO) RECOMMENDATIONS ESPECIALLY WITH REGARD TO THE SAFETY LIMITS OF WEATHER/SEA CONDITIONS. ANY DELAY IN MOORING DUE TO WEATHER AND/OR SEA CONDITIONS TO BE COUNTED AS HALF LAYTIME (CONOCO WEATHER CLAUSE).

2.20. NOTICE OF ARRIVAL AT COLOMBO

MASTER OF VESSEL SHOULD ADVISE ESTIMATED TIME OF ARRIVAL (ETA) AT COLOMBO 3/2/1 DAYS and 12 HOURS IN ADVANCE TO THE COMMERCIAL MANAGER, CEYLON PETROLEUM CORPORATION TEL NOS. +94-11-7296115 FAX NOS. +94-11-2106768 E-MAIL:

dgm.commercial@ceypetco.gov.lk, mgr.commercial@ceypetco.gov.lk, THE MANAGER (SHIPPING), CEYLON PETROLEUM CORPORATION TEL NO. +94-11-7296300 FAX NO. +94-11-2106768 E-MAIL: mgr.shipping@ceypetco.gov.lk, THE ACTNG. MANAGER (OPERATIONS), CEYLON PETROLEUM CORPORATION FAX NO. +94-11-7296432 E-MAIL: dgm.ts@ceypetco.gov.lk THE MANAGER (OPERATIONS) AT OIL FACILITIES OFFICE, CPSTL, COLOMBO TEL NO. +94-11-2422388 / FAX +94- 11-2434273, THE OPERATIONS MANAGER (BULK MOVEMENTS AND BULK PRODUCTS), CPSTL, COLOMBO TEL/FAX NO. +94-11-2572324 AND THE MANAGER (OPERATIONS), MUTHURAJAWELATEL NO. +94-11-5769519 FAX NO. +94-11-5353352 VIA VESSEL AGENT AT COLOMBO.

2.21. VESSEL REQUIREMENTS

2.21.1. REQUIREMENTS OF TANKERS FOR DISCHARGING OF PRODUCT VIA DOLPHIN TANKER BERTH, COLOMBO

VESSEL NOMINATED

2.21.1.1. SHOULD MEET FOLLOWING COLOMBO PORT RESTRICTION:

TYPE OF HULL	-	DOUBLE HULL
SDWT	-	60,000 MT MAX.
LOA	-	210 METERS MAX.
BEAM	-	32.2 METERS MAX.
DRAFT	-	11.8 METERS MAX.
DISTANCE FROM SEA LEVEL TO CENTRE MANIFOLD	-	14 METERS MAX.
MANIFOLD SIZE	-	6" DIAMETER
MANIFOLD TYPE	-	ANSI 150 CLASS
ARRIVAL MANIFOLD HEIGHT FROM SEA LEVEL	-	11.5 METERS MAX.

2.21.1.2. SHALL NOT EXCEED 20 YEARS OF AGE. UNDER NO CIRCUMSTANCES VESSELS OVER 20 YEARS OF AGE WILL BE ACCEPTED. ACCEPTABLE CAP RATING OF THE VESSEL IS 0 OR 1 FOR HULL AND MACHINERY.

2.21.1.3. SHOULD BE A CLEAN TANKER WHICH HAS CARRIED CLEAN PETROLEUM PRODUCTS ON THE LAST THREE VOYAGES. (OBO CARRIERS ARE NOT ACCEPTABLE).

2.21.1.4. SHOULD BE CAPABLE OF DISCHARGING A SINGLE CARGO OF GASOLINE (92 UNL) SIMULTANEOUSLY THROUGH TWO ADJOINING MANIFOLDS AT A MINIMUM DISCHARGING RATE OF 270 M³ PER HOUR AND 400 M³ PER HOUR THROUGH TWO LINES OF 10 INCH AND 12 INCH DIAMETER RESPECTIVELY WHILE MAINTAINING PRESSURE AT VESSEL'S MANIFOLDS FROM 10.0 KG/CM² TO 12.5 KG/CM² RESPECTIVELY. TWO NUMBERS MANIFOLD CONNECTIONS WILL BE PROVIDED FOR THE DISCHARGE OF PRODUCT SIMULTANEOUSLY THROUGH TWO NUMBERS 6 INCH LOADING / DISCHARGING ARMS.

2.21.1.5. SHOULD BE CAPABLE OF FLUSHING BOTH 10 INCH & 12 INCH LINES EACH HAVING, 7,000 METER LENGTH, DISCHARGE LINE WITH MINIMUM OF 5.0

KG/CM² PRESSURE AT MANIFOLD, WITH SEA WATER ABOUT FOUR HOURS EACH BEFORE COMMENCEMENT AND AFTER COMPLETION OF DISCHARGE OF EACH PRODUCT.

- 2.21.1.6. SHOULD BE EQUIPPED WITH DOUBLE VALVE SEGREGATION WHICH WILL HAVE TO BE CONFIRMED BY THE INDEPENDENT INSPECTORS.
- 2.21.1.7. AVAILABILITY OF CONTINUOUS PRESSURE MONITORING AND RECORDING / REPORTING FACILITIES SHALL BE PREFERRED.
- 2.21.1.8. SHOULD HAVE ALL VALID CERTIFICATES REQUIRED UNDER THE INTERNATIONAL AND NATIONAL RULES AND REGULATIONS APPLICABLE AND SHOULD BE ISM CODE CERTIFIED OR WHOSE OWNERS OR OPERATORS SHOULD HOLD AN ISM CODE DOCUMENT OF COMPLIANCE.
- 2.21.1.9. SHOULD HAVE CARGO TANKS/ PIPE LINES/ PUMPS/ STRAINERS CLEAN AND DRY PRIOR TO COMMENCEMENT OF LOADING.
- 2.21.1.10. A DOCUMENT FROM VESSEL OWNERS CONFIRMING THAT THE VESSEL COMPLIES WITH ALL THE ABOVE REQUIREMENTS FROM SUB CLAUSE 2.18.1.1. TO SUB CLAUSE 2.20.1.9. AND THE LATEST UPDATED QUESTIONNAIRE 88 SHOULD BE FURNISHED AT THE TIME OF VESSEL NOMINATION.
- 2.21.1.11. IN THE EVENT OF A DELAY IN DISCHARGING THE CARGO AT COLOMBO DUE TO VESSEL'S NON-COMPLIANCE WITH THE ABOVE REQUIREMENTS FROM SUB CLAUSE 2.20.1.1. TO SUB CLAUSE 2.20.1.10. THE SELLER WILL BE HELD LIABLE FOR ALL CONSEQUENTIAL LOSSES.
- 2.21.1.12. ACCOMMODATION/MEALS
 - 2.21.1.13. FOLLOWING PERSONNEL WOULD STAY ON BOARD THROUGHOUT THE PERIOD OF TANKER MADE FAST AT DOLPHIN TANKER BERTH.
 - 2.21.1.13.1. TWO LOADING MASTERS
 - 2.21.1.13.2. ONE SAMPLE COLLECTOR (CREW)
 - 2.21.1.13.3. ONE INDEPENDENT INSPECTOR (JUNIOR OFFICER)
 - 2.21.1.13.4. ONE INTERNAL AUDITOR FROM CPSTL
 - 2.21.1.14. PROPER ACCOMMODATION ON OFFICERS' DECK SHOULD BE ARRANGED FOR LOADING MASTERS, INDEPENDENT INSPECTORS AND INTERNAL AUDITOR FROM CPSTL.
 - 2.21.1.15. MEALS FOR LOADING MASTERS, INDEPENDENT INSPECTORS AND INTERNAL AUDITOR FROM CPSTL SHOULD BE SERVED IN OFFICERS' DINING SALOON.
 - 2.21.1.16. THERE SHALL BE NO INSPECTION / SURVEY ON BOARD WHILE DISCHARGING.
 - 2.21.1.17. AFTER ACCEPTANCE OF THE NOMINATED VESSEL BY CEYPETCO, A CERTIFIED COPY OF THE APPLICABLE CHARTER PARTY OR A CERTIFIED COPY OF THE SIGNED FIXTURE NOTE / FIXTURE RECAP INCLUDING THE RATE OF DEMURRAGE SHALL BE SUBMITTED BY THE SUCCESSFUL SUPPLIER/ BIDDER.

2.21.2. **REQUIREMENTS OF TANKERS FOR DISCHARGING OF PRODUCT VIA SPM MUTHURAJAWELA, COLOMBO**

VESSEL NOMINATED

2.21.2.1. SHOULD MEET FOLLOWING RESTRICTIONS AT SPM MUTHURAJAWELA, COLOMBO (DUAL PATH BUOY)

TYPE OF HULL	-	DOUBLE HULL
SDWT	-	60,000 MT MAX
LOA	-	228 METERS MAX.
BEAM (MOULDED)	-	34.9 METERS MAX.
DEPTH (MOULDED)	-	18.2 METERS MAX.
DRAFT 100% LOADED	-	12.5 METERS MAX.
DRAFT 20% LOADED	-	4.6 METERS MIN.
MANIFOLD SIZE/TYPE	-	12" DIAMETER/ANSI 150 CLASS

2.21.2.2. SHALL NOT EXCEED 20 YEARS OF AGE. UNDER NO CIRCUMSTANCES VESSELS OVER 20 YEARS OF AGE WILL BE ACCEPTED. ACCEPTABLE CAP RATING OF THE VESSEL IS **0 OR 1** FOR HULL AND MACHINERY.

2.21.2.3. SHOULD BE A CLEAN TANKER, WHICH HAS CARRIED CLEAN PETROLEUM PRODUCTS ON THE LAST THREE VOYAGES (OBO CARRIERS ARE NOT ACCEPTABLE).

2.21.2.4. SHOULD BE CAPABLE OF DISCHARGING GASOLINE (92 UNL) THROUGH 12 INCH PORT MANIFOLD AT A MINIMUM DISCHARGE RATE OF 1,200 M³ PER HOUR THROUGH 12 INCH FLOATING HOSE, WHILE MAINTAINING PRESSURE AT VESSEL'S MANIFOLDS FROM 5.0 KG/CM².

2.21.2.5. SHOULD BE CAPABLE OF FLUSHING THE 18 INCH, 7,000 METER LENGTH, DISCHARGE LINE WITH MINIMUM OF 5.0 KG/CM² PRESSURE AT MANIFOLD, WITH SEA WATER ABOUT FOUR HOURS EACH BEFORE COMMENCEMENT AND AFTER COMPLETION OF DISCHARGE OF THE PRODUCT.

2.21.2.6. SHOULD BE EQUIPPED WITH DOUBLE VALVE SEGREGATION WHICH WILL HAVE TO BE CONFIRMED BY THE INDEPENDENT INSPECTORS.

2.21.2.7. AVAILABILITY OF CONTINUOUS PRESSURE MONITORING AND RECORDING / REPORTING FACILITIES SHALL BE PREFERRED.

2.21.2.8. SHOULD HAVE ALL VALID CERTIFICATES REQUIRED UNDER THE INTERNATIONAL AND NATIONAL RULES AND REGULATIONS APPLICABLE AND SHOULD BE ISM CODE CERTIFIED OR WHOSE OWNERS OR OPERATORS SHOULD HOLD AN ISM CODE DOCUMENT OF COMPLIANCE.

2.21.2.9. SHOULD HAVE CARGO TANKS/ PIPE LINES/ PUMPS/ STRAINERS CLEAN AND DRY PRIOR TO COMMENCEMENT OF LOADING.

2.21.2.10. A DOCUMENT FROM VESSEL OWNERS CONFIRMING THAT THE VESSEL COMPLIES WITH ALL THE ABOVE REQUIREMENTS FROM SUB CLAUSE 2.21.2.1. TO SUB CLAUSE 2.21.2.9. AND THE LATEST UPDATED QUESTIONNAIRE 88 SHOULD BE FURNISHED AT THE TIME OF VESSEL NOMINATION.

2.21.2.11. IN THE EVENT OF A DELAY IN DISCHARGING THE CARGO AT COLOMBO DUE TO VESSEL'S NON-COMPLIANCE WITH THE ABOVE REQUIREMENTS FROM SUB

CLAUSE 2.21.2.1. TO SUB CLAUSE 2.21.2.10. THE SELLER WILL BE HELD LIABLE FOR ALL CONSEQUENTIAL LOSSES.

2.21.2.12. VESSEL MOORING EQUIPMENT'S AND MANIFOLDS SHOULD CONFORM TO OCIMF STANDARDS.

2.21.2.13. MANIFOLD

MANIFOLD LOCATION - MIDSHIP (PORT SIDE)

MANIFOLD CONNECTION - ONE 12 INCH STUDDED CAMLOCK FLANGE ANSI CLASS 150

2.21.2.14. DETAILS OF DERRICK AT MANIFOLD LOCATION

2.21.2.14.1. DERRICK SHOULD HAVE MINIMUM SAFE WORKING LOAD OF 10 MT AND SHOULD BE IN GOOD OPERATIONAL CONDITION.

2.21.2.15. MOORING EQUIPMENT, MOORING AND TOWING ARRANGEMENT

2.21.2.15.1. TANKER SHOULD BE FITTED WITH A CENTRAL BOW STOPPER (CHAIN STOPPER) OF 100 TONS SWL FOR OCIMF CHAFE CHAIN "B"

2.21.2.15.2. TANKER SHOULD BE FITTED WITH A CENTRAL BOW FAIR LEAD (BULL RING) MEASURING AT LEAST 600 MM X 450 MM

2.21.2.15.3. POSITION OF PEDESTAL ROLLER FAIRLEAD/WINCH DRUM

2.21.2.15.4. SHOULD BE A CONTINUATION OF THE DIRECT LEAD LINE BETWEEN THE BOW FAIRLEAD (BULL RING) AND BOW CHAIN STOPPER.

2.21.2.15.5. SHOULD BE NOT LESS THAN 4.5 METRES DIRECTLY BEHIND THE BOW CHAIN STOPPER.

2.21.2.15.6. SHOULD BE AT SUCH A HEIGHT THAT FAIRLEAD ROLLERS WILL ENABLE AN UNRESTRICTED LINE PULL TO BE ACHIEVED.

2.21.2.15.7. PEDESTAL FAIRLEAD SHOULD BE FITTED FOR LEAD TOWINCH/WINDLASS.

2.21.2.15.8. SHOULD HAVE A MESSENGER LINE OF CIRCUMFERENCE 4 INCH/5 INCH X 500 FT. LONG, ONE END CONNECTED TO AN EMPTY MOORING ROPE WINCH DRUM.

2.21.2.15.9. TANKER SHOULD HAVE A "PANAMA" LEAD RIGHT AFT ON ITS CENTRE LINE.

2.21.2.15.10. A GOOD TOW ROPE (POLYPROPYLENE) OF 10" CIRCUM OR ABOVE IN SIZE AND LENGTH (APPROX. 650 FT.) TO BE KEPT READY AT THE STERN. IF NECESSARY, TWO ROPE COILS MAY BE JOINED TO OBTAIN LENGTH OF 650 FT.

2.21.2.15.11. MOORING MASTERS SHOULD HAVE FREE ACCESS TO NAVIGATIONAL CHARTS AND EQUIPMENT'S REQUIRED FOR MOORING OPERATION.

2.21.2.15.12. WHEEL HOUSE TO BE KEPT OPEN THROUGHOUT THE PERIOD THE TANKER MADE FAST TO THE BUOY.

2.21.2.15.13. A FORE-CASTLE WATCHMAN TO BE MADE AVAILABLE BY THE TANKER THROUGHOUT THE PERIOD THE TANKER MADE FAST TO THE BUOY.

2.21.2.15.14. ALL TOOLS REQUIRED FOR CONNECTION/DISCONNECTION OF CARGO HOSE TO BE SUPPLIED BY THE TANKER.

2.21.2.15.15. CONNECTION/DISCONNECTION OF HOSE IS THE RESPONSIBILITY OF SHIP'S STAFF UNDER THE SUPERVISION OF A SHIP'S OFFICER ON THE INSTRUCTIONS OF CEYPETCO OFFICIALS ON BOARD THE TANKER.

2.21.2.15.16. TANKER'S MAIN ENGINE SHOULD BE KEPT READY THROUGHOUT THE PERIOD OF STAY AT THE BUOY FOR MANEUVERING PROMPTLY ON NOTICE.

2.21.2.16. INERT GAS SYSTEM

TANKER SHOULD HAVE AN OPERATIONAL INERT GAS PLANT CAPABLE OF MAINTAINING TANK ATMOSPHERE OF LESS THAN 8 PCT. OXYGEN CONTENT AND POSITIVE PRESSURE IN CARGO TANKS WITHIN SAFE LIMITS AT ALL STAGES OF DISCHARGE.

2.21.2.17. COMMUNICATION EQUIPMENT

TANKER SHOULD HAVE VHF CHANNEL 09,16,68,71 FACILITIES FOR COMMUNICATION WITH SHORE FACILITY. TANKER'S CARGO CONTROL ROOM SHOULD HAVE FACILITY TO MAINTAIN A CONTINUOUS WATCH ON VHF CHANNEL 71 FOR OPERATIONAL REQUIREMENTS.

2.21.2.18. ACCOMMODATION/MEALS

2.21.2.18.1. FOLLOWING PERSONNEL WOULD STAY ON BOARD THROUGHOUT THE PERIOD OF TANKER MADE FAST TO THE BUOY.

2.21.2.18.1.1. TWO MOORING MASTERS (SENIOR MASTER MARINERS)

2.21.2.18.1.2. ONE CARGO RECEIVER

2.21.2.18.1.3. ONE LOADING MASTER

2.21.2.18.1.4. ONE SAMPLE COLLECTOR (CREW)

2.21.2.18.1.5. ONE INDEPENDENT INSPECTOR (JUNIOR OFFICER)

2.21.2.18.1.6. ONE INTERNAL AUDITOR FROM CPSTL

2.21.2.18.2. PROPER ACCOMMODATION ON OFFICERS' DECK SHOULD BE ARRANGED FOR MOORING MASTERS, LOADING MASTERS, INDEPENDENT INSPECTORS AND INTERNAL AUDITOR FROM CPSTL.

2.21.2.18.3. MEALS FOR MOORING MASTERS, LOADING MASTERS, INDEPENDENT INSPECTORS AND INTERNAL AUDITOR FROM CPSTL SHOULD BE SERVED IN OFFICERS' DINING SALOON.

2.21.2.18.4. A DOCUMENT FROM TANKER OWNERS CONFIRMING THAT THE TANKER COMPLIES WITH ALL THE ABOVE REQUIREMENTS.

2.21.2.18.5. THERE SHALL BE NO INSPECTION/SURVEY ON BOARD WHILE DISCHARGING.

2.21.2.18.6. AFTER ACCEPTANCE OF THE NOMINATED VESSEL BY CEYPETCO, A CERTIFIED COPY OF THE APPLICABLE CHARTER PARTY OR A CERTIFIED COPY OF THE SIGNED FIXTURE NOTE / FIXTURE RECAP INCLUDING THE RATE OF DEMURRAGE SHALL BE SUBMITTED BY THE SUCCESSFUL SUPPLIER/ BIDDER.

2.22. LINE FLUSHING AT DOLPHIN TANKER BERTH, COLOMBO

THE VESSEL NOMINATED BY THE SUCCESSFUL SUPPLIER/BIDDER SHOULD BE CAPABLE OF FLUSHING THE 10 INCH AND 12 INCH, 7,000 METER LENGTH, DISCHARGE LINES WITH MINIMUM OF 5.0 KG/CM² PRESSURE AT MANIFOLD, WITH SEA WATER ABOUT FOUR HOURS EACH BEFORE COMMENCEMENT AND AFTER COMPLETION OF DISCHARGE OF THE PRODUCTS ACCORDING TO THE FOLLOWING SEQUENCE,

- 2.22.1. ON ARRIVAL BEFORE DISCHARGING, VESSEL SHALL FLUSH THE DISCHARGE LINE WITH SEA WATER ABOUT FOUR HOURS.
- 2.22.2. THEN COMMENCE DISCHARGING GASOLINE (92 UNL).
- 2.22.3. ON COMPLETION OF DISCHARGING GASOLINE (92 UNL) DISCHARGE LINE WILL BE ONCE AGAIN FLUSHED WITH SEA WATER FOR ABOUT FOUR HOURS.
- 2.22.4. SUCCESSFUL SUPPLIER/BIDDER SHALL MAKE SURE GIVING PROPER INSTRUCTIONS TO THE MASTER OF THE PERFORMING VESSEL TO USE CARGO PUMPS FOR LINE FLUSHING OPERATIONS WHILE AVOIDING STRIPPING PUMPS FOR LINE FLUSHING. ALL DELAYS DUE TO LOW RATE OF LINE FLUSHING SHALL BE THE RESPONSIBILITY OF THE SUCCESSFUL SUPPLIER/BIDDER.

2.23. LINE FLUSHING AT SPM MUTHURAJAWELA, COLOMBO

THE VESSEL NOMINATED BY THE SUCCESSFUL SUPPLIER/BIDDER SHOULD BE CAPABLE OF FLUSHING THE 18 INCH, 7,000 METER LENGTH, DISCHARGE LINE WITH MINIMUM OF 5.0 KG/CM² PRESSURE AT MANIFOLD, WITH SEA WATER ABOUT FOUR HOURS EACH BEFORE COMMENCEMENT AND AFTER COMPLETION OF DISCHARGE OF THE PRODUCTS ACCORDING TO THE FOLLOWING SEQUENCE,

- 2.23.1. ON ARRIVAL BEFORE DISCHARGING, VESSEL SHALL FLUSH THE DISCHARGE LINE WITH SEA WATER FOR ABOUT FOUR HOURS.
- 2.23.2. THEN COMMENCE DISCHARGING GASOLINE (92 UNL).
- 2.23.3. ON COMPLETION OF DISCHARGING GASOLINE (92 UNL) DISCHARGE LINE WILL BE ONCE AGAIN FLUSHED WITH SEA WATER FOR ABOUT FOUR HOURS.
- 2.23.4. SUCCESSFUL SUPPLIER/BIDDER SHALL MAKE SURE GIVING PROPER INSTRUCTIONS TO THE MASTER OF THE PERFORMING VESSEL TO USE CARGO PUMPS FOR LINE FLUSHING OPERATIONS WHILE AVOIDING STRIPPING PUMPS FOR LINE FLUSHING. ALL DELAYS DUE TO LOW RATE OF LINE FLUSHING SHALL BE THE RESPONSIBILITY OF THE SUCCESSFUL SUPPLIER/BIDDER.

2.24. DEMURRAGE

- 2.24.1. ALL CLAIMS FOR DEMURRAGE SHALL BE ACCOMPANIED BY THE RESPECTIVE CHARTER PARTY OR A CERTIFIED COPY OF THE SIGNED FIXTURE NOTE / FIXTURE RECAP. CEYPETCO SHALL NOT BE BOUND BY THE TERMS AND CONDITIONS OF THE CHARTER PARTY OR A CERTIFIED COPY OF THE SIGNED FIXTURE NOTE / FIXTURE RECAP EXCEPT TO THE EXTENT

SUCH TERMS AND CONDITIONS HAVE BEEN COMMUNICATED TO CEYPETCO AND EXPRESSLY AGREED TO BY CEYPETCO IN WRITING.

- 2.24.2. IN CASE OF VESSEL ARRIVING OUTSIDE LAYCAN AGREED UPON, LAYTIME TO START COUNTING FROM THE TIME OF BERTHING AS PER CLAUSE 2.19.1.5. & CLAUSE 2.19.2.5.
- 2.24.3. IF THE TOTAL LAYTIME TO COMPLETE THE ENTIRE CARGO DISCHARGE EXCEEDS THE LAYTIME ALLOWED AS PER CLAUSE 2.19. CEYPETCO WILL BE LIABLE TO PAY THE DEMURRAGE TO THE SUCCESSFUL SUPPLIER/BIDDER.
- 2.24.4. HOWEVER IN THE EVENT THE SUCCESSFUL SUPPLIER'S / BIDDER'S VESSEL ARRIVES LATE AND IS BERTHED ON ARRIVAL WHICH AFFECTS BERTHING OF VESSEL OR VESSELS WHICH ARE ARRIVING ON SCHEDULE, THEN THE SUCCESSFUL SUPPLIER'S / BIDDER'S VESSEL WILL BE UN-BERTHED (WAITING TIME SHALL NOT BE COUNTED AS USED LAYTIME) TO ACCOMMODATE THE VESSEL OR VESSELS ARRIVING ON SCHEDULE OR CONTINUE TO DISCHARGE THE CARGO OF SUCCESSFUL SUPPLIER'S / BIDDER'S VESSEL PROVIDED THAT THE SUCCESSFUL SUPPLIER/ BIDDER SHALL AGREE TO BEAR THE DEMURRAGES ON THE SUBSEQUENT THREE VESSELS THAT ARRIVE ON SCHEDULE AND GETS DELAYED DUE TO THE PRESENCE OF SUCCESSFUL SUPPLIER/BIDDER VESSEL ON BERTH. LIABILITY FOR DEMURRAGES ON SUBSEQUENT VESSELS MENTION HEREIN ARE IN ADDITION TO THE RECOVERY OF DAMAGES OR LOSSES FOR CEYPETCO CHARGED UNDER SUB CLAUSE 2.13. (CLAIMS, DISPUTES AND RECOVERY OF DAMAGES OR LOSSES FOR CEYPETCO FOR LATE DELIVERY AND DELIVERY OF LESSER QUANTITY THAN AGREED).

MOREOVER, THE CEYPETCO RESERVES THE RIGHT TO BERTH THE VESSEL ONLY ON PIER AVAILABILITY BASIS AND BASED ON THE REQUIREMENT FOR THE PRODUCTS IN THE COUNTRY. FURTHERMORE, CEYPETCO SHALL NOT BE RESPONSIBLE FOR ANY DEMURRAGES INCURRED BY THE SUPPLIER'S VESSEL ARRIVING OUTSIDE THE CONTRACTUAL LAYCAN. HOWEVER, CEYPETCO SHALL ADMIT THE DEMURRAGE LIABILITY OF DELAYS ONLY DUE TO INFRASTRUCTURE FAILURES OF UNLOADING SYSTEM. CEYPETCO WILL TAKE EVERY ENDEAVOUR TO MINIMIZE THE OVERALL COMMERCIAL LOSSTO ALL PARTIES.

IN THE EVENT THE SUCCESSFUL BIDDER DOES NOT AGREE TO BEAR THE SUBSEQUENT DEMURRAGES (IF INCURRED) AND IN THE EVENT IF THE SUBJECT VESSEL COULD NOT COMPLETE THE DISCHARGING BEFORE THE ARRIVAL OF SUBSEQUENT VESSEL/S, CEYPETCO RESERVES THE RIGHT TO REMOVE THE SUBJECT VESSEL FROM THE BERTH IN ORDER TO ACCOMMODATE THE SUBSEQUENT VESSEL/S OF OTHER SUPPLIERS. IN SUCH A CASE, THE SUBJECT VESSEL WILL BE REBIRTHED ONLY AFTER THE COMPLETION OF THE DISCHARGING OF THE SUBSEQUENT VESSEL/S AND/OR ON THE PIER AVAILABILITY BASIS.

IN ANY CIRCUMSTANCES, CEYPETCO REQUIRES TO UNLOAD THE PRODUCT ONBOARD THE VESSEL AS PER THE PRODUCT REQUIREMENT TO ENSURE THE ENERGY SECURITY OF THE COUNTRY, CEYPETCO COMPELS TO DISCHARGE THE MINIMUM REQUIREMENT OF THE CARGO ONBOARD THE SUBJECT VESSEL AND ALL COST INVOLVEMENTS IN THIS EVENT SUCH AS DEMURRAGES OF THE SUBSEQUENT THREE VESSELS, COMMERCIAL LOSSES (IF ANY) SHALL BE BORNE BY THE SUCCESSFUL SUPPLIER.

IN ORDER TO MITIGATE ADVERSE IMPACT ON VESSELS ARRIVING LATER THAN THE STIPULATED CONTRACTUAL DELIVERY LAYCAN, SUCCESSFUL SUPPLIER/BIDDER SHALL PROVIDE A MOORING TUG AT HIS OWN COST WITH THE APPROVAL OF CEYPETCO WHILE PROVIDING A 24 HRS. ADVANCE NOTICE TO CEYPETCO FOR PLANNING PURPOSE. HOWEVER, THE BERTHING AT SPM MUTHURAJAWELA WILL BE FACILITATED GIVING PRIORITY FOR THE SUBSEQUENT VESSELS ARRIVING ON SCHEDULE.

2.24.5. DEMURRAGE RATE OF THE NOMINATED VESSEL SHALL BE DECLARED BY THE SUCCESSFUL SUPPLIER / BIDDER AT THE TIME OF VESSEL NOMINATION FOR EACH CARGO.

2.24.6. AFTER ACCEPTANCE OF THE NOMINATED VESSEL BY CEYPETCO, A CERTIFIED COPY OF THE APPLICABLE CHARTER PARTY OR A CERTIFIED COPY OF THE SIGNED FIXTURE NOTE / FIXTURE RECAP INCLUDING THE RATE OF DEMURRAGE SHALL BE SUBMITTED BY THE SUCCESSFUL SUPPLIER/ BIDDER. CEYPETCO PREFERS TO HAVE A CERTIFIED COPY OF THE SIGNED CHARTER PARTY.

2.25. FORCE MAJEURE

THE SUCCESSFUL SUPPLIER / BIDDER OR THE CEYPETCO SHALL NOT BE LIABLE FOR ANY LOSS, CLAIM OR DEMANDS OF ANY NATURE WHATSOEVER, OR BE DEEMED TO BE IN A BREACH OF THIS AGREEMENT BECAUSE OF ANY DELAYS OR FAILURE IN OBSERVING OR PERFORMING ANY OF THE CONDITIONS OR PROVISIONS HEREOF IF SUCH DELAY OR FAILURE WAS CAUSED BY OR AROSE OUT OF ANY CIRCUMSTANCES WHATSOEVER BEYOND THE SUCCESSFUL SUPPLIER'S / BIDDER'S OR CEYPETCO'S CONTROL INCLUDING (BUT WITHOUT LIMITING THE GENERALITY OF THE FOREGOING) DECLARED OR UNDECLARED WAR, SABOTAGE, BLOCKADE, PIRACY OR PIRATICAL SEIZURE OF VESSEL, REVOLUTION, POLICE ACTION, RIOT OR DISORDER, EMBARGO OR TRADE RESTRICTION OF ANY SORT GOVERNMENT OR QUASI GOVERNMENT ACTION, ACT OF GOD, FIRE, FLOOD, EARTHQUAKE, STORM, TIDE OR TIDAL WAVE, EXPLOSION, ACCIDENT, RADIATION, STRIKE, LOCKOUT OR OTHER LABOR DISPUTE.

2.26. OTHER REQUIREMENTS

THIS BID SHALL BE GOVERNED BY THE TERMS & CONDITIONS OF TRADE FOR TENDERERS REGISTERED WITH THE COMMERCIAL FUNCTION OF CEYPETCO.

2.27. SUBMISSION OF BIDS

2.27.1. IT IS MANDATORY TO SUBMIT THE FOLLOWING DOCUMENTS ALONG WITH THE BID WHICH SHALL BE PROPERLY SEALED/STAMPED AND INITIATED BY THE AUTHORIZED PERSON OR PERSONS SIGNING THE BID IN EACH PAGE;

2.27.1.1. FORM OF BID (ANNEX – 'E') DULY COMPLETED AND SIGNED BY THE AUTHORIZED PERSON INDICATING NAME OF AUTHORIZED PERSON WITH THE OFFICIAL SEAL OF THE BIDDER.

2.27.1.2. DULY FILLED ANNEX – 'E-1' FOR GASOLINE (92 UNL)

2.27.1.3. BID SECURITY GUARANTEE (ANNEX – 'A', SPECIMEN FORM ATTACHED)

2.27.1.4. A BOARD RESOLUTION / POWER OF ATTORNEY AUTHORIZING THE PERSON WHO SIGNS THE BID INDICATING NAME OF THE AUTHORIZED PERSON AND SIGNATURE OF THE AUTHORIZED PERSON OR A DOCUMENTED DECISION OF THE PARTNERS IN A PARTNERSHIP AS THE CASE MAY BE. THE AUTHORIZATION SHALL BE FOR THE PARTICULAR BIDOR FOR A DEFINITE PERIOD COVERING THE DATE OF SIGNING THE BID.

2.27.1.5. A LETTER OF AUTHORIZATION SIGNED BY THE AUTHORIZED PERSON INDICATING NAME OF THE AUTHORIZED PERSON WITH OFFICIAL SEAL OF THE BIDDER ENABLING THE LOCAL AGENT TO SUBMIT THE BID IN THE EVENT THE BIDS ARE SUBMITTED THROUGH THE LOCAL AGENTS.

2.27.1.6. PCA 3 FORM FURNISHED UNDER SECTION 6. OF PUBLIC CONTRACT ACT NO. 3 OF 1987

2.27.2. BIDDER SHALL SUBMIT BID AS PER THE SPECIFIED "FORM OF BID" GIVEN IN **ANNEX - 'E'** OF THIS PROCUREMENT DOCUMENT AND SHALL DULLY FILL THE TABLE UNDER THE **A. PRODUCT / PRICE** AND STATE THE COMPLIANCE TO THE TERMS& CONDITIONS OF THE PROCUREMENT DOCUMENT LISTED UNDER THE HEADING **B. TERMS & CONDITIONS** THEREIN. FURTHERMORE, BIDDER SHALL STATE THE COMPLIANCE TO THE SPECIFICATIONS IN ANNEX – 'E-1' FOR GASOLINE (92 UNL).

2.27.3. BIDDERS ARE REQUESTED TO INDICATE AUTHORIZED SIGNATURE ON EACH PAGE OF THE BID.

2.27.4. A "DUPLICATE" OF THE BID, WHICH CONTAINS ONE SET OF COPIES OF ALL THE ORIGINAL DOCUMENTS OF THE "ORIGINAL" BID SHALL ALSO BE SUBMITTED. THE "ORIGINAL" AND THE "DUPLICATE" OF THE BIDS SHALL BE SEALED IN SEPARATE ENVELOPES, DULY MARKING THE ENVELOPES AS "ORIGINAL" AND "DUPLICATE" AND SHALL BE MARKED **REF: BK/TERM/GASOLINE (92 UNL)/DTB-MUTHU/2027-A** ON EACH ENVELOPES. THE ENVELOPES SHALL THEN BE SEALED IN AN OUTER ENVELOPE AND SHALL BE MARKED **REF: BK/TERM/GASOLINE (92 UNL)/DTB-MUTHU/2027-A**.

2.27.5. ANY FORM OF ALTERNATIVE BIDS ALONG WITH THE ORIGINAL BID SHALL NOT BE PERMITTED. IN THE EVENT IF ALTERNATIVE BIDS HAVE BEEN SUBMITTED BY THE BIDDER, THE SECOND AND SUBSEQUENT ALTERNATIVE BIDS SHALL BE REJECTED. IF THE BIDDER HAS SUBMITTED ORIGINAL BID AND ALTERNATIVE BIDS USING THE SAME FORM OF BID AND BID SECURITY GUARANTEE, SHLPC RESERVES THE RIGHT TO REJECT ALL BIDS SUBMITTED BY THE BIDDER.

2.27.6. SUBMISSION OF BIDS BY FAX OR EMAIL IS NOT ENTERTAINED.

2.27.7. BIDDER SHALL CONFIRM THAT BIDDER WILL AGREE TO AND ABIDE BY THE ABOVE REQUIREMENTS/TERMS AND CONDITIONS OF PROCUREMENT DOCUMENT.

2.27.8. THE ENVELOPE SEALED AS ABOVE AND ADDRESSED TO THE CHAIRMAN, STANDING HIGH LEVEL PROCUREMENT COMMITTEE (SHLPC), COMMERCIAL FUNCTION BID OPENING ROOM, 4TH FLOOR, CEYLON PETROLEUM CORPORATION, NO. 609, DR. DANISTER DE SILVA MAWATHA, COLOMBO 09, SRI LANKA SHOULD BE DEPOSITED IN THE TENDER BOX KEPT AT THE AFORESAID ADDRESS **BEFORE 1300 HRS, SRI LANKA TIME ON 27TH OCTOBER 2027**.

2.28. VALIDITY OF THE OFFER

OFFERS CLOSE AT **1300 HRS, SRI LANKA TIME ON 27TH OCTOBER 2027** AND SHOULD BE HELD VALID FOR A PERIOD OF **SIXTY (60) DAYS** THEREFROM, EXTENDABLE UP TO SEVENTY FOUR (74) DAYS IF REQUESTED BY THE CHAIRMAN, SHLPC.

2.29. AGREEMENT

2.29.1. THE SUCCESSFUL SUPPLIER/BIDDER UNDER PAYMENT IN PAYMENT IN 30 DAYS THROUGH LC (OPTION – 01) AND/OR EX STORAGE MODALITY (OPTION – 02) WILL HAVE TO SIGN THE AGREEMENT STRICTLY IN ACCORDANCE WITH THE **ANNEX - 'F'**.

2.29.2. THE SUCCESSFUL SUPPLIER/BIDDER "**UNDER EX-STORAGE MODALITY (OPTION – 02)**" WILL HAVE TO SIGN THE AGREEMENT STRICTLY IN ACCORDANCE WITH THE **ANNEX - 'H'**.

2.29.3. BIDDERS ARE REQUESTED TO INDICATE IN THEIR OFFERS THAT THEY ARE IN AGREEMENT WITH THE ABOVE AGREEMENT/S.

2.29.4. IN THE EVENT THERE IS NO INDICATION IN THE OFFER THAT THE BIDDER IS IN AGREEMENT TO **ANNEX - 'F'** AND **ANNEX- 'H'** NO CLARIFICATIONS WILL BE MADE AFTER THE BID OPENING AND THEIR BID WILL BE REJECTED AS IT IS CONSIDERED TO BE A MAJOR DEVIATION.

2.29.5. THE OFFICER WHO SIGNS THE AGREEMENT (AUTHORIZED OFFICER) SHOULD HAVE PROPER AUTHORITY.

2.29.6. THE AUTHORITY SHALL BE IN THE FORM OF A BOARD RESOLUTION OR DOCUMENTED DECISION OF THE PARTNERS IN A PARTNERSHIP AS THE CASE MAY BE.

NOTE

- I. BIDDERS ARE REQUESTED TO INDICATE AUTHORISED SIGNATURE ON EACH PAGE OF OFFERS.
- II. WHEN OFFERS ARE SUBMITTED THROUGH THE BIDDER'S LOCAL REPRESENTATIVES, BIDDERS ARE REQUESTED TO SUBMIT A LETTER FROM THE PRINCIPALS THAT THEIR LOCAL AGENT/REPRESENTATIVE IS AUTHORISED TO SUBMIT THE OFFER ON BEHALF OF THEM.
- III. PLEASE ALSO NOTE THAT ONLY THOSE WHO HAVE SUBMITTED OFFERS (OR THEIR LOCAL AGENTS) COULD BE PRESENT AT THE TIME OF BID OPENING. NO LOCAL AGENT IS PERMITTED TO BRING MOBILE PHONES.


COMMERCIAL MANAGER
25/09/2026

FORMAT FOR BID SECURITY GUARANTEE

[This Bank Guarantee form shall be filled in accordance with the instructions indicated in brackets]

..... *[insert issuing agency's name and address of issuing branch or office]*.....

Beneficiary : CEYLON PETROLEUM CORPORATION

Date *[insert (by issuing agency) date]*

BID GUARANTEE NO..... *[insert (by issuing agency) number]*

We have been informed that *[insert (by issuing agency) name of the Bidder; if a joint venture, list complete legal names of partners]* (hereinafter called "the Bidder") has submitted to you its bid dated *[insert (by issuing agency) date]* (hereinafter called "the Bid") for execution / supply *[select appropriately]* of *[insert name of contract]* under Invitation for Bids No..... *[insert IFB number]* ("the IFB")

Furthermore, we understand that, according to your conditions, Bids must be supported by a Bid Guarantee.

At the request of the Bidder, we..... *[insert name of issuing agency]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount in figures]* *[insert amount in words]* upon receipt by us of your first demand in writing accompanied by a written statement stating that the Bidder is in breach of its obligation(s) under the bid conditions, because the Bidder

- (a) has withdrawn its Bid during the period of bid validity specified; or
- (b) does not accept the correction of errors in accordance with the Instructions to Bidders (hereinafter "the ITB") of the IFB; or
- (c) having been notified of the acceptance of its Bid by the Ceylon Petroleum Corporation during the period of bid validity, (i) fails or refuses to execute the Contract Form, if required, or (ii) fails or refuses to furnish the Performance Security, in accordance with the ITB.

This Guarantee shall expire: (a) if the Bidder is the successful bidder, upon our receipt of copies of the Contract signed by the Bidder and of the Performance Security issued to you by the Bidder; or (b) if the Bidder is not the successful bidder, upon the earlier of (i) our receipt of a copy of your notification to the Bidder that the Bidder was unsuccessful, otherwise it will remain in force up to

[insert date, eighty eight (88) days from the date of closing of the bid (i.e. 19th September 2026)]

Consequently, any demand for payment under this Guarantee must be received by us at the office on or before that date

[signature(s) of authorized representative(s)]

**PER SHIPMENT CARGO QUANTITY
WITHOUT PLUS / MINUS FIVE PERCENT (+/-5%) TOLERANCE**

PRODUCT	PER SHIPMENT QUANTITY	TOTAL QUANTITY
GASOLINE (92 UNL)	300,000 BBLs	1,500,000BBLs
NO. OF SHIPMENTS	05	

NOTE:

1. BIDDERS ARE REQUESTED TO BID FOR THE TOTAL QUANTITIES AS GIVEN IN THE PROCUREMENT DOCUMENT .
2. ANY BIDDER WHO FAILS TO OFFER FOR THE TOTAL QUANTITIES AS GIVEN IN THE PROCUREMENT DOCUMENT WILL BE REJECTED.
3. BIDS SUBMITTED WITH REDUCED QUANTITIES WILL NOT BE EVALUATED.

SPECIFICATIONS FOR GASOLINE (92 UNL)

PROPERTY/TEST	TEST METHOD	SPECIFICATIONS
APPEARANCE		BRIGHT, CLEAR AND FREE FROM WATER, VISIBLE IMPURITIES & DYES (NOTE 1)
DENSITY @ 15 °C kg/m ³	ASTM D 1298 / ASTM D 4052	720 – 785
REID VAPOUR PRESSURE @ 37.8 °C kPa	ASTM D 323	45 – 60
RESEARCH OCTANE NUMBER (RON)	ASTM D 2699	MIN. 92
MOTOR OCTANE NUMBER (MON)	ASTM D 2700	MIN. 82
DISTILLATION	ASTM D 86	
IBP °C		REPORT
T 10 °C		45 – 70
T 50 °C		80 – 125
T 90 °C		MAX. 180
FBP °C		MAX. 210
RESIDUE, vol. %		MAX. 2.0
E150 vol. %		MIN 70
DOCTOR TEST OR MERCAPTAN SULPHUR, mg/kg	IP 30 /ASTM D 4952 ASTM D 3227/IP 342	SWEET OR MAX 15 ppm RSH
SULPHUR CONTENT mg/kg	ASTM D 4294 / ASTM D 5453 / ASTM D 2622	MAX. 150
LEAD CONTENT g/l	ASTM D 5059 / ASTM D 3237	MAX. 0.013 (NOTE 2)
UNWASHED GUMS mg/100 ml	ASTM D 381	MAX. 30
WASHED GUMS mg/100 ml	ASTM D 381	MAX. 5
OXYGENATE % v/v	ASTM D 4815	MAX. 15
OXYGEN CONTENT % m/m	ASTM D 4815	MAX. 2.7
OXIDATION STABILITY, Minutes	ASTM D 525	MIN. 480
COPPER CORROSION 3 h @ 50 °C	ASTM D 130	MAX. 1
BENZENE % v/v	ASTM D 3606 / ASTM D 5580	MAX. 2.5
TOTAL AROMATICS % v/v	ASTM D 5580	MAX 40
OLEFINS CONTENT % v/v	ASTM D 1319 / ASTM D 6730	MAX 18

NOTE 1 : SPECIFY TAGGING COMPONENTS, IF ANY

NOTE 2 : NO INTENTIONAL ADDITION OF LEAD COMPOUNDS.

IMPORTANT:

- THERE SHALL BE NO INTENTIONAL ADDITION OF METAL COMPOUNDS CONTAINING FERROUS, MANGANESE & PHOSPHOROUS.
- ADDITION OF ALCOHOLS ARE NOT PERMITTED.

REVISION-18 (21.03.2024)

FORMAT FOR PERFORMANCE SECURITY GUARANTEE

..... *[issuing Agency's Name and Address of issuing Branch or Office]*

Beneficiary : **CEYLON PETROLEUM CORPORATION**

Date :

PERFORMANCE SECURITY GUARANTEE NO :

We have been informed that *[name of Contractor/Supplier]* (hereinafter called "the Contractor") has entered into contract No *[reference number of the contract]* dated with you, for the *[insert "construction" / "Supply"]* of *[name of contract and brief description of works]* (hereinafter called "the Contract")

Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Contractor, we *[name of agency]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of USD *[amount in figures]* (United States Dollars) *[amount in words]*, such sum being payable in the types and proportions of currencies in which the Contract Price is payable, upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation(s) under the Contract, without your needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire, no later than the day of, 20.... *[insert date, ninety days beyond the scheduled contract completion date]* and any demand for payment under it must be received by us at this office on or before that date.

.....
[Signature(s)]

FORM OF BID

The Chairman, Standing High Level Procurement Committee,
 4th Floor, Commercial Function Bid Opening Room,
 Ceylon Petroleum Corporation,
 No. 609, Dr. Danister De Silva Mawatha,
 Colombo 09,
 Sri Lanka.
 Dear Sir,

INVITATION OF BIDS FOR THE SUPPLY OF SINGLE CARGOES OF GASOLINE (92 UNL) FOR DUAL BERTH DISCHARGE AT DOLPHIN TANKER BERTH, COLOMBO AND SPM MUTHURAJAWELA, COLOMBO FOR A PERIOD OF SIX (06) MONTHS FROM 01/01/2026 TO 30/06/2027

(PROCUREMENT DOCUMENT REF: BK/TERM/GASOLINE (92 UNL)/DTB-MUTHU/2027-A)

I/We the undersigned read and fully acquainted myself / ourselves with the contents of the Conditions of the terms and Contract and all other Conditions pertaining to the above Bid do hereby undertake to supply the Petroleum Products with the specifications and quantities as specified in the PROCUREMENT DOCUMENT .

A. PRICE / PAYMENT

Product	Contractual cargo quantities	Compliance	Price Base	Premium / Discount on (USD per Bbl)		
				FOB basis	DAP Colombo basis	
					Payment in 30 days through LC after the first day of the two day delivery laycan	Payment prior to the date of quantity drawn(100% Ex-Storage Modality)
					Option – 01	Option – 02
Gasoline (92Unl)	1,500,000 Bbls +/-5%	Comply / Not comply	FOB Singapore Price (MOPS) of Gasoline 92 Unl (PGA000)		*	*
Agent, representative or nominee for or on behalf of any tenderer and Local Agent and Local Agency Commission (USD) (if any)					**	

B. TERMS & CONDITIONS

BID DOCUMENT CLAUSE REFERENCE	COMPLIANCE
1.8. Bid Security Guarantee (Annex – 'A')	Comply / Not comply
2.2. Contractual cargo quantities (Annex – 'B')	Comply / Not comply
2.3. Delivery	Comply / Not comply
Delivery period – 01/01/2027 – 30/06/2027	Comply / Not comply
2.4. Important	Comply / Not comply

2.5. Third Party Cargo	Comply / Not comply
2.6. Quality (Compliance to each parameter and notes in Annex – ‘E-1’ is mandatory)	Comply / Not comply
2.7. Source of supply	Comply / Not comply
2.8. Mode of Loading	Comply / Not comply
2.9.1. Inspection at Load port	Comply / Not comply
2.9.2. Inspection at Discharge port	Comply / Not comply
2.10. Recovery of damages or losses for CEYPETCO due to unacceptable quality	Comply / Not comply
2.11. Out-turn loss	Comply / Not comply
2.12. Price / Payment	Comply / Not comply
2.12.1. Payment in thirty (30) days through LC - under Option -01	Comply / Not comply
2.12.2. Payment Prior to the date of quantity drawn (100% Ex- Storage) under Option -02	Comply / Not comply
2.13. PCA3 Form, Agent, Representative or Nominee For or on Behalf of Any Tenderer & Local Agency Commission	Comply / Not comply
2.14. Title and Risk	Comply / Not comply
2.15. Performance Security Guarantee (Annex – ‘D’)	Comply / Not comply
2.16. Claims, disputes and recovery of damages or losses for CEYPETCO for late delivery and delivery of lesser quantity than agreed	Comply / Not comply
2.17. Acceptance of the bid	Comply / Not comply
2.18. Delivery of Product at Colombo	Comply / Not comply
2.18.1. Delivery of products for single berth at Dolphin Tanker Berth, Colombo	Comply / Not comply
2.18.2. Delivery of products for single berth at SPM Muthurajawela, Colombo	Comply / Not comply
2.18.3. Delivery of products for dual berth discharge at Dolphin Tanker Berth, Colombo & SPM Muthurajawela, Colombo	Comply / Not comply
2.19.1. Laytime for discharge at Dolphin Tanker Berth, Colombo	Comply / Not comply
2.19.2. Laytime for discharge at SPM Muthurajawela, Colombo	Comply / Not comply

2.19.3. Laytime for dual berth discharge at Dolphin Tanker Berth, Colombo & SPM Muthurajawela, Colombo	Comply / Not comply
2.20. Notice of arrival at Colombo	Comply / Not comply
2.21.1. Requirements of tankers for discharging of product via Dolphin Tanker Berth, Colombo	Comply / Not comply
2.21.2. Requirements of tankers for discharging of product via SPM Muthurajawela, Colombo	Comply / Not comply
2.22. Line flushing at Dolphin Tanker Berth, Colombo	Comply / Not comply
2.23. Line flushing at SPM Muthurajawela, Colombo	Comply / Not comply
2.24. Demurrage	Comply / Not comply
2.25. Force Majeure	Comply / Not comply
2.26. Other requirements	Comply / Not comply
2.27. Submission of Bids	Comply / Not comply
2.27.1.1. & 2.27.1.2. Submission of ANNEX - 'E', ANNEX-'E-1'	Comply / Not comply
2.27.1.4. Submission of a Board resolution authorizing the person who signs the bid or a documented decision of the partners in a partnership as the case may be	Comply / Not comply
2.27.1.5. A letter of Authorization enabling the local agent to submit the bid	Comply / Not comply
2.27.8. Proper authority to the officer who signs the bids (authorized officer) from the respective bidder or the principal for signing all documents related to the bid	Comply / Not comply
2.28. Validity of the offer	Comply / Not comply
2.29. Agreement	Comply / Not comply
Agreement to Amendment Notice(s) [if any]	Comply / Not comply

It should be noted that as described in 2.12.1 and 2.12.2 Bidders are informed that,

* The premium quoted for the product shall be fixed throughout the Six (06) months contract period commencing from 01/01/2027 - 30/06/2027.

**The Local Agency Commission (USD) (if any) shall be fixed throughout the Six (06) months contract period commencing from 01/01/2027 - 30/06/2027.

- I/We confirm that the bid shall remain open for acceptance as mentioned above under validity of bid and that it will not be withdrawn or revoked prior to that date.
- I/We attach hereto the following documents as part of my/our Bid (If any);
- I/We understand that you are not bound to accept the lowest or any other Bid and that you reserve the right to reject any or all Bids or to accept a Bid in full or in part without assigning any reasons therefore.
- I/We undertake to deliver the quantity of Petroleum products referred to above.

Yours Faithfully,

Name of the Authorized person for signature:

Authorized signature & the official seal of the Bidder :

Name of the Bidder :

Address :

Telephone No. :

Fax No. :

E-mail :

Date :

SPECIFICATIONS FOR GASOLINE (92 UNL)

PROPERTY/TEST	TEST METHOD	SPECIFICATIONS	COMPLIANCE
APPEARANCE		BRIGHT, CLEAR AND FREE FROM WATER, VISIBLE IMPURITIES & DYES (NOTE 1)	Comply / Not comply
DENSITY @ 15 °C kg/m ³	ASTM D 1298 / ASTM D 4052	720 – 785	Comply / Not comply
REID VAPOUR PRESSURE @ 37.8 °C kPa	ASTM D 323	45 – 60	Comply / Not comply
RESEARCH OCTANE NUMBER (RON)	ASTM D 2699	MIN. 92	Comply / Not comply
MOTOR OCTANE NUMBER (MON)	ASTM D 2700	MIN. 82	Comply / Not comply
DISTILLATION	ASTM D 86		Comply / Not comply
IBP °C		REPORT	Comply / Not comply
T 10 °C		45 – 70	Comply / Not comply
T 50 °C		80 – 125	Comply / Not comply
T 90 °C		MAX. 180	Comply / Not comply
FBP °C		MAX. 210	Comply / Not comply
RESIDUE, vol. %		MAX. 2.0	Comply / Not comply
E150 vol. %		MIN 70	Comply / Not comply
DOCTOR TEST OR MERCAPTAN SULPHUR, mg/kg	IP 30 /ASTM D 4952 ASTM D 3227/IP 342	SWEET OR MAX 15 ppm RSH	Comply / Not comply
SULPHUR CONTENT mg/kg	ASTM D 4294 / ASTM D 5453 / ASTM D 2622	MAX. 150	Comply / Not comply
LEAD CONTENT g/l	ASTM D 5059 / ASTM D 3237	MAX. 0.013 (NOTE 2)	Comply / Not comply
UNWASHED GUMS mg/100 ml	ASTM D 381	MAX. 30	Comply / Not comply
WASHED GUMS mg/100 ml	ASTM D 381	MAX. 5	Comply / Not comply
OXYGENATE % v/v	ASTM D 4815	MAX. 15	Comply / Not comply
OXYGEN CONTENT % m/m	ASTM D 4815	MAX. 2.7	Comply / Not comply
OXIDATION STABILITY, Minutes	ASTM D 525	MIN. 480	Comply / Not comply
COPPER CORROSION 3 h @ 50 °C	ASTM D 130	MAX. 1	Comply / Not comply
BENZENE % v/v	ASTM D 3606 / ASTM D 5580	MAX. 2.5	Comply / Not comply
TOTAL AROMATICS % v/v	ASTM D 5580	MAX 40	Comply / Not comply
OLEFINS CONTENT (%v/v)	ASTM D 1319/ ASTM D 6730	MAX. 18	Comply / Not comply
NOTE 1 : SPECIFY TAGGING COMPONENTS, IF ANY			Comply / Not comply
NOTE 2 : NO INTENTIONAL ADDITION OF LEAD COMPOUNDS			Comply / Not comply
IMPORTANT:			
• THERE SHALL BE NO INTENTIONAL ADDITION OF METAL COMPOUNDS CONTAINING FERROUS, MANGANESE & PHOSPHOROUS.			Comply / Not comply
• ADDITION OF ALCOHOLS ARE NOT PERMITTED.			Comply / Not comply

REVISION-18 (21.03.2024)

FORMULA FOR SELECTION OF THE MOST VIABLE PRICING OPTION

$$P = \{A + (A \times B) + (A \times C) + (A \times D-1) + (A \times D-2) + (A \times D-3) - [A \times E \times (F/360)]\} \times \text{Import Quantity}$$

P: Ranking Score (lower the better)

A: FOB + Premium

B: LC Opening Commission [i.e. 0.0525% per quarter and part of there on (on value) for payment Option -01

C: Bank Acceptance rate [i.e. 0.0375% on value (one time) for usance bills for payment Option -01

D: LC Payment Commission

D-1 : Sight - 0.05% on value (one time) for payment Option -01

D-2 : Term – 0.01% on value if settled through USD for payment Option -01

D-3 : 0.05% if settlement through Sri Lanka Rupees for payment Option -01

E: Bank interest – 7.5% P.A.

F: Credit period as declared in below Note 1, Note 2

NOTE:

1. THE 7.5% P.A. SHALL BE CONSIDERED FOR THIRTY (30) DAYS UNDER PAYMENT IN THIRTY (30) DAYS LC AFTER THE FIRST DAY OF THE TWO DAY DELIVERY LAYCAN - OPTION -01.
2. THE 7.5% P.A. SHALL BE CONSIDERED FOR FIFTEEN (15) DAYS UNDER PAYMENT PRIOR TO THE DATE OF QUANTITY DRAWN – (100% EX-STORAGE MODALITY) – OPTION –02.

**PURCHASE - SALE OF SINGLE CARGOES OF
GASOLINE (92 UNL) UNDER 30 DAYS LC AND/OR EX-STORAGE MODALITY**

REF: BK/TERM/GASOLINE (92 UNL)/DTB-MUTHU/2027-A

**TERM CONTRACT
01ST JANUARY 2027 – 30TH JUNE 2027**

BETWEEN

CEYLON PETROLEUM CORPORATION

AND

.....

TERM CONTRACT BETWEEN
CEYLON PETROLEUM CORPORATION AND

FOR THE PURCHASE OF FIVE (05) NUMBERS OF SINGLE CARGOES OF
GASOLINE (92 UNL)

REF: BK/TERM/GASOLINE (92 UNL)/DTB-MUTHU/2027-A

This AGREEMENT is entered into between the CEYLON PETROLEUM CORPORATION a Corporation duly established by an Act of Parliament Act No: 28 of 1961 whose Head Office is at No. 609, Dr. Danister De Silva Mawatha, Colombo – 09 Sri Lanka (hereinafter referred to as the “Buyer”) of the One Part and having its place of business at (hereinafter referred to as the “Seller”) of the Other Part.

WHEREBY it is agreed between the parties hereto as follows:

1. PERIOD OF CONTRACT :

This Agreement shall commence on 01st January 2027 and subject to the provisions hereof shall remaining force for a period of Six (06) months ending 30th June 2027.

2. BUYER : Ceylon Petroleum Corporation (CEYPETCO),
No. 609, Dr. Danister De Silva Mawatha,
Colombo – 09,
Sri Lanka.

3. SELLER :
.....
.....

4. SCOPE :

During the period of the Agreement, the Seller shall sell and deliver and the Buyer shall purchase and pay for and take or cause to be taken Gasoline (92 Unl) dual berth delivery at Dolphin Tanker Berth, Colombo and SPM Muthurajawela, Colombo for a period of Six (06) months commencing from 01st January 2027 to 30th June 2027, where not in conflict with the terms contained herein, Incoterms 2010 to apply.

5. QUANTITY :

Product	Quantities to be delivered / purchased		No. of shipments
	Total contractual quantity	Per shipment quantity	
Gasoline (92 Unl)	1,500,000Bbls +/-5%	300,000 Bbls +/-5%	05

6. QUALITY :

Specifications of Gasoline (92 Unl) shall be as per **Annex – ‘A’**.

7. INSPECTION AT LOAD PORT

- 7.1. The Buyer shall nominate an Independent Inspector (ITS Caleb Brett / Geo-Chem/ SBC Asia - Saybolt / Bureau Veritas /CCIC / Amspec/Tank Oil) acceptable to the Seller to sample, test and certify the quality of product for inconformity with the contractual specifications and the quantity for inconformity with the conditions of PROCUREMENT DOCUMENT . They should present at the time of loading of the cargo to carry out/witness the inspection and to prepare the quality and quantity certificates and any other documents specified.
- 7.2. The Buyer reserves the right to nominate a second inspection company at its sole discretion to witness the quality and quantity of the products at load port as and when required at **its own cost**.
- 7.3. It is the responsibility of the Seller to ensure the presence of the Independent Inspector at the time of sampling, testing and loading of the cargo at the load port. The Seller shall co-operate and liaise with the Independent Inspector to ensure that the inspection is carried out to the satisfaction of the Buyer. Under no circumstances the quality of the cargo shall be tested at the laboratory at the load port or the cargo loaded on to the vessel at the load port without the presence of the independent inspector appointed as per sub clause 7.1. and the second inspector if nominated by the CEYPETCO as per sub clause 7.2.
- 7.4. In case the Buyer requests, the independent inspector at load port is also responsible to send a ship's composite sample with sufficient quantity at the earliest possible time after loading the vessel to be reach Ceylon Petroleum Storage Terminals Limited (CPSTL) laboratory at Colombo via air freight. In this case, all related cost shall be under the Buyer's Account.
- 7.5. The Buyer shall furnish full particulars of the respective cargo to be purchased to the Independent Inspector under advice to the Seller. The quality and quantity of the product shall be tested in accordance with good industry standards and practices and using internationally accepted sampling and analytical/testing methods stipulated in relevant specification sheet as per **Annex - ‘A’**.
- 7.6. Shore tank quality certificate issued by the Seller's Terminal and signed by the mutually agreed Independent Inspector, shall be forwarded/communicated to the Deputy General Manager (Commercial & Supply Chain) or Commercial Manager of the Buyer through e-mail, before commencement of loading.
- 7.7. The Seller shall ensure that vessel loads only the product(s) that meet(s) each, every and all specifications as specified by CEYPETCO in the contract. The independent inspector nominated by the Buyer and accepted by the Seller shall also ensure that the vessel loads only products that are on specifications.

If the load port quality certificates of the product(s) does/do not meet the CEYPETCO contractual specification/s, the Buyer shall communicate the rejection of such product(s) with reasons within a reasonable time period after the Seller has sent the quality certificates through e-mail.

Under no circumstances the loading shall be delayed, if all the parameters of load port quality certificates for all products are on specifications.

- 7.8. The Seller shall send the quality certificates to dgm.commercial@ceypetco.gov.lk / dmgr.commercial@ceypetco.gov.lk / ishani.m@ceypetco.gov.lk / asela.s@ceypetco.gov.lk for the said purpose.
- 7.9. The Seller shall load the cargo complying with CEYPETCO specification of the Procurement Document at their own risk.
- 7.10. The Seller shall be bound to provide a tank cleanliness & dry certificate signed by the Independent Inspector certifying the inspection and witnessing, ensuring dry and cleanliness of the vessel's tanks & lines before loading and vessel's tanks facilities such as pipelines, pumps and strainers to be cleaned, dry and suitable for Gasoline (92 Unl) through the independent inspector.
- 7.11. It is extremely important to submit the above certificate to the Buyer by the independent inspector prior to commencement of loading. The Seller shall be responsible to load the cargo into the clean and dry tanks of the vessel as certified by the independent inspector.
- 7.12. In the event product is loaded from different shore tanks, independent inspector shall provide quality certificates in respect of each and every shore tank.
- 7.13. The cost of inspection at load port shall be shared equally between the Buyer and the Seller.
- 7.14. Quantities mentioned in the Bills of Lading (B/Ls) at respective load ports shall be binding on both parties.
- 7.15. In the event that the Seller does not agree to the nominated Independent Inspector by the Buyer as per the clause 7.1., the Seller is permitted to nominate an alternative Independent Inspector from companies listed under the said clause under no circumstances the Seller shall be permitted to change such alternative nomination thereafter.

8. INSPECTION AT DISCHARGE PORT

- 8.1. Discharge Port independent inspector shall be different to that at the load port.
- 8.2. The quality at Discharge Port Colombo shall be determined by CPSTL laboratory and witnessed by the Independent Inspector (ITS Caleb Brett / Geo-Chem / SBC Asia – Saybolt / Bureau Veritas / CCIC South Asia (Pvt) Ltd, Colombo/Tank Oil) at Colombo and one representative if nominated by the Seller. Such determinations shall be based on the recognized cargo analysis carried out by the CPSTL laboratory. The certificate of quality issued by CPSTL laboratory as witnessed by the independent inspector at Colombo based on such recognized cargo analysis shall be binding on both parties.

The Buyer shall reserve the right to deploy its own representative/s to witness the sampling / testing performed at the vessel / CPSTL laboratory.

- 8.3. A ship tank composite samples with adequate quantities **for the product** will be drawn from the ship's tanks according to ASTM standard method of sampling by a mutually agreed independent inspector at discharge port witnessed by the Buyer / CPSTL representatives and representative if nominated by the Seller. Samples shall be properly sealed and authenticated by the independent inspector, vessel's master or representative of the master and representatives of the Buyer / CPSTL and representative if nominated by the Seller.

Such sample/s shall be analyzed at the Ceylon storage terminals limited (CPSTL) laboratory according to contractual specification and shall be witnessed by the mutually agreed independent inspector. The result of the analysis shall be the recognized cargo analysis and shall be binding on both parties.

- 8.4. Under no circumstances a representative of the seller from an inspection company and an employee of the inspection company as mentioned under sub clause 8.2. will be allowed.
- 8.5. Under no circumstances a protective inspector will be allowed to the seller other than the mutually agreed independent inspector.
- 8.6. The Seller shall declare in the bid that the certificate of quality at discharge port **for the product** shall be on the basis of ship tank composite sample taken on arrival of the vessel at discharge port as per the sub clause 8.3.
- 8.7. In the event the first composite sample does not meet the contractual specifications, the independent inspector will be requested to draw a second set of samples from vessel's individual tanks in the presence of representatives from Buyer (CEYPETCO/CPSTL), a representative from the Seller's cargo insurer, two representatives from the Seller and one representative from the protection & indemnity insurance (P&I club).

Such individual sample will be analyzed at the laboratory of CPSTL according to the contractual specifications and shall be witnessed by the mutually agreed independent inspector. The results of these analysis based on the samples drawn from vessel's individual tanks shall be the recognized cargo analysis and shall be binding on both parties. All representatives' witness this test required to be signed each of the full test certificates issued by CPSTL laboratory.

- 8.8. If the specification of any or all of the product/s deviated from the CEYPETCO standard specifications, the Buyer reserves the right to reject any or all of such product/s.
- 8.9. Under no circumstance further samples shall be drawn from ship's tanks other than the samples proposed under sub clause 8.7. to determine the quality of cargo at discharge port. Furthermore, under no circumstances any testing results from any other laboratories other than the CPSTL laboratory shall be entertained for final determination of the quality of the subject cargo.
- 8.10. In the event of the Buyer deciding to accept a part cargo on board the vessel based on the test results of the second test for the individual tanks, the part cargo shall be discharged at the sole discretion of the Buyer. In case it is decided to accept part cargo discharge, then laytime and

demurrage to be pro-rated in line with the quantity of cargo discharged. The time period between first rejection of the cargo or part cargo and recommencement of the laytime for the part cargo shall not be counted as used laytime.

- 8.11. The quality certificate at discharge port, Colombo shall be issued by the independent inspector based on the test report of CPSTL laboratory.
- 8.12. Discharge of vessel shall commence only after the certificate of quality at discharge port, as issued by independent inspector based on the test report/s of CPSTL laboratory countersigned by Buyer's representative is in the possession of the Seller.
- 8.13. The quantity of products at the discharge port Colombo shall be determined by an independent inspector (ITS Caleb Brett / Geo-Chem/ SBC Asia – Saybolt / Bureau Veritas/ CCIC South Asia (Pvt) Ltd, Colombo/Tank Oil) at Colombo. Such determinations shall be reported on the certificate of quantity.

In the event that the out-turn loss (out-turn quantity vs. B/L quantity) is in excess of 0.5% and/or there is any free flowing product left on board as reported and certified by the independent inspector at discharge port, the Seller shall deduct the excess loss and/or free flowing product left on board from the bill of lading quantity for invoice purposes.

- 8.14. In the event if the out-turn loss is proved to be due to Buyer's fault including but not limited to discharging pipe line leakage, causing an out-turn loss in excess of 0.5%, such excess loss shall not be deducted from the B/L quantity for invoice purposes.
- 8.15. The cost of inspection, including cost for testing of second composite sample payable to independent inspector at discharge port, shall be shared equally between the Buyer and the Seller.

9. RECOVERY OF DAMAGES OR LOSSES FOR CEYPETCO DUE TO UNACCEPTABLE QUALITY

- 9.1. If the quality of any or all of the product/(s) at the discharge port does (do) not meet/comply with the contractual specifications specified under **Annex - 'A'** with respect to any of the parameters indicated therein, subject to Sub Clause 8.7., the Buyer reserves the right to reject the full consignment on board the vessel or part of the consignment as the case may be.

In such a case the Seller is obliged to provide a replacement cargo at the request of the Buyer without any additional cost to the Buyer within the first twenty (20) days from the date of rejection of the original cargo no any additional cost will be charged by the Buyer from the Seller. Determination of the new laycan will be at the discretion of the Buyer. However, the Buyer shall not unreasonably delay the allocation of an alternative delivery laycan. If the replacement cargo is supplied by the Seller after the first twenty (20) days from the date of rejection of the original cargo, the Seller is liable for a penalty payment of zero point zero five (0.05%) of the DAP "value of the rejected cargo" per day pro-rata basis by the Seller to the Buyer for the period commencing from 2400 hrs. of the twentieth (20th) day from the date of rejection of the cargo until the replacement cargo is delivered at Colombo (i.e. up to the Notice of Readiness (NOR) tendered time) during the new laycan without any additional cost to the Buyer. Value of the rejected cargo shall

be determined, based on the B/L quantity, and the respective monthly average price of the month that first day of the agreed two day delivery laycan of the rejected cargo and as per the pricing clause of the procurement document.

The consent for the supply of replacement cargo shall be communicated in writing by the Seller to the Buyer within forty eight (48) hours of such request by the Buyer.

- 9.2. In the event of rejection of the final cargo resulting in the delay of replacement cargo under this term contract, the Seller shall be bound to extend the validity of the Performance Security Guarantee up to the date determined by the Buyer as required.
- 9.3. The pricing of the replacement cargo should be determined as per the monthly average price of the month belongs to the first day of the two day delivery laycan of the replacement cargo at Colombo plus premium/discount. The calculation of the value of the replacement cargo shall be as per the Clause 11. under the heading "**DAP Colombo Price/Payment**".
- 9.4. In the event, failure by the Seller to provide a replacement cargo, the Buyer reserves the right to terminate the contract and to call on the Performance Security Guarantee.
- 9.5. For the replacement cargo, the same terms and conditions of this agreement shall be applicable in all aspects including quality, delivery and recovery of damages or losses for CEYPETCO.
- 9.6. In the event, the Buyer deciding, at its sole discretion, not to request a replacement cargo, as per clause 9.1. for any or all product/s, the Seller is not liable to pay any damages or losses to the Buyer.

10. OUT-TURN LOSS

In the event that the out-turn loss (out-turn quantity vs. B/L quantity) is in excess of 0.5% and / or there is any free flowing product left on board as reported by Independent Inspectors at discharge port, Colombo the Seller shall deduct the excess loss and / or free flowing product left on board from the B/L quantity for invoice purposes.

11. DAP COLOMBO PRICE / PAYMENT

11.1. PAYMENT IN THIRTY (30) DAYS AFTER THE B/L DATE THROUGH L/C – OPTION -1

DAP COLOMBO PRICE FOR GASOLINE (92 UNL) SHALL BE CALCULATED AS FOLLOWS:

Price offered for Gasoline (92 unl) in USD per barrel on **DAP Colombo Basis (Incoterms 2010)** shall be the monthly average of the **Mean of Platts Singapore Price (PGA000)** of Gasoline 92 Unl published under the heading "**Platts Asia and Middle East Gasoline Assessments**", in Platts Market Scan over the month belongs to the first day of the two day delivery laycan at Colombo plus a fixed premium/discount.

The FOB basis, if quoted by the bidders, will be used for reference purpose only.

- 11.1.1. Letter of Credit (L/C) to be established by the Ceypetco through its bankers by **Bank of Ceylon** based on the terms and conditions acceptable to both successful supplier/bidder and Ceypetco, **at least twelve (12) calendar days** for any non-sanctioned port in Middle East or Far East and at least forty (40) calendar days for any non-sanctioned port in Europe or Russia prior to the first day of the two day delivery laycan at Colombo.
- 11.1.2. The successful supplier / bidder shall be responsible to trace and verify thereceipt of the L/C through their corresponding bank. The successful supplier / bidder shall be responsible to send all required details including Performa Invoice for the establishment of the L/C by Ceypetco within **three (03) business days** after receipt of the nomination for each and every cargo under this term contract.
- 11.1.3. Premium for the product shall be fixed throughout the six (06) months for contract period.
- 11.1.4. If the payment due date falls on a Saturday or non-Monday bank holiday in New York, USA, payment shall be effected on the last preceding banking day in New York, USA. If the payment due date falls on a Sunday or Monday bank holiday in New York, USA, payment shall be effected on the first following banking day in New York, USA.
- 11.1.5. Final unit price for the product shall be expressed to three decimal places by rounding up the third decimal place if the fourth decimal place is five (5) or greater.
- 11.1.6. Payment will be made thirty (30) days after the first day of the two day delivery laycan [first day of the two day delivery laycan is to count as day zero (0)] by an irrevocable, non-assignable, non-transferable & unconfirmed documentary letter of credit (L/C) established through Bank of Ceylon, Colombo. All bank charges outside Sri Lanka, if any, will be to the account of the successful supplier / bidder. Confirmation charges of L/C shall be to the beneficiary's account.
- 11.1.7. L/C established by Ceypetco will call for the following original documents.
 - 11.1.7.1. Manually signed original commercial invoice based on the corresponding quantity in barrels and metric ton in air.
 - 11.1.7.2. Full set of 3/3 original 'clean on board 'bill of lading issued or endorsed to' Ceylon Petroleum Corporation and showing freight payable as per charter party. Each original B/L to be manually signed by the master of the vessel or owners or signed on behalf of the master as agents.
 - 11.1.7.3. Certificate of quality ex shore tanks at load port issued or endorsed by the independent inspector, confirming that the product shipped conform to the contractual specifications.
 - 11.1.7.4. Certificate of quantity ex shore tanks at load port issued or endorsed by the independent inspector.
 - 11.1.7.5. Certificate of origin issued by seller or terminal or any authority or local body or chamber of commerce such certificate shall not be issued by countries which comes under sanction imposed by United States / United Nations/ European Union.
 - 11.1.7.6. Tank cleanliness & dry certificate issued by the independent inspector, confirming that the ship's tanks are clean and dry prior to loading.

11.1.7.7. Certificate of quality at discharge port, Colombo issued or endorsed by the independent inspector based on the report of tests conducted by Ceylon Petroleum Storage Terminals Limited, confirming that the product shipped conform to the contractual specifications.

11.1.7.8. Certificate of ship arrival quantity and out-turn quantity at discharge port, Colombo issued or endorsed by the independent inspector.

11.1.7.9. The negotiation of letter of credit (L/C) upon presentation of letter of indemnity (LOI) in lieu of above original shipping documents is permitted for the successful supplier / bidder subject to;

11.1.7.9.1. Presentation of beneficiary's manually signed original commercial invoice.

11.1.7.9.2. Presentation of ship arrival quantity report issued by the independent inspector at discharge port, Colombo.

11.1.7.9.3. Presentation of tank cleanliness & dry certificate issued by the independent inspector, confirming that the ship's tanks are clean & dry prior to loading.

11.1.7.9.4. Presentation of quality and out-turn quantity report issued by the independent inspector at discharge port, Colombo.

11.1.7.9.5. Obtaining prior approval of Ceypetco for such LOI format.

11.1.8. Validity of the L/C should be up to maximum of ninety (90) days from the date of establishment of the L/C.

11.2. PAYMENT PRIOR TO THE DATE OF QUANTITY DRAWN (100% EX-STORAGE MODALITY) – OPTION 02

DAP COLOMBO PRICE FOR **GASOLINE (92 UNL)** SHALL BE CALCULATED AS FOLLOWS:

Price offered for **Gasoline (92 Unl)** in USD per barrel on DAP Colombo Basis (Incoterms 2010) shall be the monthly average of the **Mean of Platts Singapore Price (PGA00)** of Gasoline 92 Unl published under the heading **“Platts Asia and Middle East Gasoline Assessments”**, in platts market scan over the month belongs to the first day of the two day delivery laycan at Colombo plus a fixed premium/discount.

Under the ex-storage modality total cargo quantity shall be withdrawn within 30 days from the first day of the two day delivery laycan [first day of the two day delivery laycan is to count as day zero (0)].

The FOB basis, if quoted by the bidders, will be used for reference purpose only.

11.2.1. INVOICING FOR PAYMENT

Based on the availability of funds the quantity required to be drawn shall be informed to the successful supplier / bidder by Ceypetco & the relevant payment will be made based on the respective invoice raised by the successful supplier / bidder indicating the quantity in US Barrels, the unit price in **United States Dollars (USD) per barrel (bbl)** and the subtotal of the respective invoice.

The final invoice shall be raised by the successful supplier / bidder in such a way that the cumulative quantity of all invoices does not exceed the B/L quantity indicated in the respective B/L(s) subject to clause 10.

- 11.2.2. Payment will be made prior to the date of quantity drawn, by telegraphic transfer (TT) through Bank of Ceylon, Colombo. All bank charges outside Sri Lanka, if any, will be to the account of the successful supplier/bidder.
- 11.2.3. Telegraphic transfer (TT) to be made by the Ceypetco through its bankers either by Bank of Ceylon based on the terms and conditions acceptable to both successful supplier/bidder and Ceypetco.
- 11.2.4. The successful supplier/bidder shall be responsible to trace and verify the receipt of the payment through their corresponding bank. The successful supplier/bidder shall be responsible to send all required details for the payment through telegraphic transfer by Ceypetco within three (03) business days after the acceptance of the bid.
- 11.2.5. If the payment due date falls on a Saturday or non-Monday bank holiday in New York, USA, payment shall be effected on the last preceding banking day in New York, USA. If the payment due date falls on a Sunday or Monday bank holiday in New York, USA, payment shall be effected on the first following banking day in New York, USA.
- 11.2.6. Final unit price for each product shall be expressed to three decimal places by rounding up the third decimal place if the fourth decimal place is five (5) or greater.
- 11.2.7. Payment to be made through telegraphic transfer (TT) by Ceypetco will call for the following original documents.
 - a) Manually signed original commercial invoice based on the B/L quantity in barrels and metric ton in air.
 - b) Full set of 3/3 original 'clean on board' bill of lading issued or Endorsed to 'Ceylon Petroleum Corporation' and showing freight payable as per the charter party. Each original B/L to be manually signed by the master of the vessel or owners or signed on behalf of the master as agents.
 - c) Certificate of quality ex shore tanks at load port issued or endorsed by the independent inspector, confirming that the products shipped conforms to the contractual specifications.
 - d) Certificate of quantity ex shore tanks at load port issued or endorsed by the independent inspector.
 - e) Certificate of origin issued by seller or terminal or any authority or local body or chamber of commerce such certificate shall not be issued by countries which comes under sanction imposed by United States / United Nations/ European Union.
 - f) Tank cleanliness & dry certificate issued by the independent inspector, confirming that the ship's tanks are clean and dry prior to loading.

g) Certificate of quality at discharge port, Colombo issued or endorsed by the independent inspector based on the report of tests Ceylon Petroleum Storage Terminals Limited (CPSTL) laboratory, confirming that the products shipped conform to the contractual specifications.

h) Certificate of ship arrival quantity and out-turn quantity at discharge port, Colombo issued or endorsed by the independent inspector.

12. LOCAL AGENT & LOCAL AGENCY COMMISSION

The local agent's commission of USD Per Bbl (or MT) or lump sum will be deducted from the total DAP Colombo value and paid in Sri Lanka rupees/No local agency commission is payable.

13. TITLE AND RISK

Title and risk/property of the products supplied under the terms of this contract shall pass on to the Buyer at the discharge port when product passes the Seller's vessel's permanent hose/discharging arm connection.

14. CLAIMS, DISPUTES AND RECOVERY OF DAMAGES OR LOSSES FOR CEYPETCO BY LATE DELIVERY AND DELIVERY OF LESSER QUANTITY THAN AGREED

- a. Any claim whatsoever arising between the parties to this agreement, under the terms of this agreement shall be lodged in writing within sixty (60) days of receipt of product by the Buyer or in the case of the cargo is not delivered to the Buyer within sixty (60) days of the last date of the two day delivery laycan as notified by the Buyer. Otherwise any such claim shall be deemed to have been waived.
- b. Every endeavor shall be made to settle any difference or dispute arising from any transaction between the Buyer and the Seller arising from any transaction by mutual negotiations, failing which such differences or disputes shall be settled by arbitration.
- c. The place of arbitration shall be Colombo, Sri Lanka.
- d. The Buyer and the Seller agree that any dispute arising out of or in connection with this contract including any question regarding its existence, validity or termination shall be finally settled under the rules of arbitration of the United Nations Commission on International Trade Law (UNCITRAL) procedures.
- e. The language of arbitration shall be English. The arbitration tribunal shall consist of three arbitrators, one to be appointed by the Seller, one by the Buyer and the two arbitrators thus appointed shall choose the third arbitrator.
- f. Arbitration shall be a condition precedent to the institution of any legal action by either party against the other.

- g. This PROCUREMENT DOCUMENT shall be governed by and construed in accordance with the Laws of Sri Lanka excluding any conflict of laws and rules.

15. DELIVERY OF PRODUCTS AT COLOMBO

The two day delivery laycan shall be commenced from 0001 hrs. of the first day of the delivery laycan up to the 2400 hrs. of the second day of the delivery laycan.

15.1. Delivery of products for single berth at Dolphin Tanker Berth, Colombo

- 15.1.1. For each shipment, a two day delivery laycan at Dolphin Tanker Berth, Colombo will be notified by the Buyer to the Seller, thirty (30) days before the first day of the delivery laycan. It is imperative that each shipment is delivered in Colombo during the delivery laycan notified by the Buyer in one tanker in one lot. However, under special circumstances the Seller shall take every endeavor to deliver a cargo even notice of less than thirty (30) days prior to the first day of the two day delivery laycan. The Seller to mutually discuss and agree with the delivery dates if notice is less than thirty (30) days.
- 15.1.2. Delivery of products should be made on DAP Colombo basis (incoterms 2010) in total average cargo size of 300,000 +/-5% Bbls at the two day delivery laycan indicated by the Buyer to the Seller, thirty (30) days ahead of the date of delivery or the first day of the delivery laycan.
- 15.1.3. The Buyer reserves the right to order even two cargoes per month. If two cargoes are requested in a particular month, notice shall be given forty (40) days prior to the first day of the two day delivery laycan of the second cargo enabling the Seller to arrange the cargo and the vessel for delivery at Colombo.

15.2. Delivery of products for single berth at SPM Muthurajawela, Colombo

- 15.2.1. For each shipment, a two day delivery laycan at SPM Muthurajawela, Colombo will be notified by the Buyer to the Seller, thirty (30) days before the first day of the delivery laycan. It is imperative that each shipment is delivered in Colombo during the delivery laycan notified by the Buyer in one tanker in one lot. However, under special circumstances the Seller shall take every endeavor to deliver a cargo even notice of less than thirty (30) days prior to the first day of the two day delivery laycan. The seller to mutually discuss and agree with the delivery dates if notice is less than thirty (30) days.
- 15.2.2. Delivery of products should be made on DAP Colombo basis (incoterms 2010) in total average cargo size of 300,000 +/-5% Bbls at the two day delivery laycan indicated by Buyer to the Seller, thirty (30) days before the first day of the said delivery laycan.
- 15.2.3. The Buyer reserves the right to order even two cargoes per month. If two cargoes are requested in a particular month, notice shall be given forty (40) days prior to the first day of the two day delivery laycan of the second cargo enabling the Seller to arrange the cargo and the vessel for delivery at Colombo.

15.3. Delivery of products for dual berth discharge at SPM Muthurajawela, Colombo and Dolphin Tanker Berth, Colombo

- 15.3.1. For each shipment, a two day delivery laycan for dual berth discharge at SPM Muthurajawela and Dolphin Tanker Berth, Colombo will be notified by the Buyer to the Seller, thirty (30) days before the first day of the delivery laycan. It is imperative that each shipment is delivered in Colombo during the delivery laycan notified by the Buyer in one tanker in one lot. However, under special circumstances the Seller shall take every endeavor to deliver a cargo even notice of less than thirty (30) days prior to the first day of the two day delivery laycan. The seller to mutually discuss and agree with the delivery dates if notice is less than thirty (30) days
- 15.3.2. Delivery of products should be made on DAP Colombo basis (incoterms 2010) in total average cargo size of 300,000 +/-5% Bbls at the two day delivery laycan indicated by the Buyer to the Seller, thirty (30) days before the first day of the delivery laycan.
- 15.3.3. The Buyer reserves the right to order even two cargoes per month. If two cargoes are requested in a particular month, notice shall be given forty (40) days prior to the first day of the two day delivery laycan of the second cargo enabling the Seller to arrange the cargo and the vessel for delivery at Colombo.

16. LAYTIME FOR DISCHARGE AT COLOMBO

16.1. Laytime for discharge at Dolphin Tanker Berth, Colombo

Laytime for the discharge of total average cargo quantity of single cargo of 300,000 +/-5% Bbls in full at Dolphin Tanker Berth, Colombo shall be **96 hrs**, and the commencement of laytime shall be determined in the following manner.

- 16.1.1. Notice of Readiness (NOR) should be tendered between 0700 and 1700 hrs during delivery laycan agreed upon. If NOR is tendered after 1700 hrs, for all purposes it will be considered that NOR has been tendered at 0700 hrs on the following day and laytime shall commence six (6) hrs. thereafter or at the time of mooring, whichever is earlier.
- 16.1.2. If NOR is tendered before the commencement of the delivery laycan agreed upon, it will be considered that NOR has been tendered at 0700 hrs on the first day of the laycan. Laytime shall in such case commence six (6) hrs. thereafter or at the time of mooring, whichever is earlier.
- 16.1.3. If the vessel is moored prior to the delivery laycan agreed upon, at the request of the Seller the laytime shall commence at 0700 hrs on the first day of the laycan.
- 16.1.4. If NOR is tendered after 1700 hrs of the second day of the delivery laycan agreed upon, for all purposes it will be considered that NOR has been tendered at 0700 hrs. on the following day and laytime shall commence six (6) hrs. thereafter or at the time of mooring, whichever is earlier.
- 16.1.5. If NOR is tendered after the second day of the delivery laycan agreed upon, laytime shall commence at the time of berthing subject to the condition that the laytime shall cease to count if the vessel shall be un-berthed to allow berthing of other vessels arriving on agreed delivery laycan or berthing of other vessels on product availability basis of the country. Under these circumstances, the actual time utilised by the vessel at the berth shall only be considered as used laytime.

16.2. Laytime for discharge at SPM Muthurajawela, Colombo

Laytime for the discharge of total average cargo quantity of single cargo of 300,000 +/-5% Bbls in full at SPM Muthurajawela, Colombo shall be **96 hrs.** and the commencement of laytime shall be determined in the following manner.

- 16.2.1. NOR should be tendered between 0600 and 1500 hrs during delivery laycan agreed upon. If NOR is tendered after 1500 hrs, for all purposes it will be considered that NOR has been tendered at 0600 hrs on the following day and laytime shall commence six (6) hrs. thereafter or at the time of mooring, whichever is earlier.
- 16.2.2. If NOR is tendered before the commencement of the delivery laycan agreed upon, it will be considered that NOR has been tendered at 0600 hrs on the first day of the laycan. Laytime shall in such case commence six (6) hrs. thereafter or at the time of mooring, whichever is earlier.
- 16.2.3. If the vessel is moored prior to the delivery laycan agreed upon, at the request of the Seller the laytime shall commence at 0600 hrs on the first day of the laycan.
- 16.2.4. If NOR is tendered after 1500 hrs of the second day of the delivery laycan agreed upon, for all purposes it will be considered that NOR has been tendered at 0600 hrs. on the following day and laytime shall commence six (6) hrs. Thereafter or at the time of mooring, whichever is earlier.
- 16.2.5. If NOR is tendered after the second day of the delivery laycan agreed upon, laytime shall commence at the time of berthing subject to the condition that the laytime shall ceased to count if the vessel shall be un-berthed to allow berthing of other vessels arriving on agreed delivery laycan or berthing of other vessels on product availability basis of the country. Under these circumstances, the actual time utilised by the vessel at the berth shall only be considered as used laytime.
- 16.2.6. Berthing of tankers at SPM Muhturajawela, Colombo is governed by the builders (SBM-IMODCO) recommendations especially with regard to the safety limits of weather/sea conditions. Any delay in mooring due to weather and/or sea conditions to be counted as half laytime (CONOCO weather clause).

16.3. Laytime for dual berth discharge at Dolphin Tanker Berth, Colombo and SPM Muthurajawela,Colombo

Laytime for the dual berth discharge of total average cargo quantity of single cargo of 300,000 +/-5% Bbls products at Dolphin Tanker Berth, Colombo or SPM Muthurajawela, Colombo shall be **96 hrs.** andthe commencement of laytime shall be determined in the following manner.

- 16.3.1. If the first berth is Dolphin Tanker Berth, Colombo laytime starts as per clause 16.1. given above and if the first berth is SPM Muthurajawela, Colombo laytime starts as per clause 16.2. given above.
- 16.3.2. Sailing time either from SPM Muthurajawela to Dolphin Tanker Berth, Colombo or vice versa shall not be counted as used laytime.

- 16.3.3. Berthing of tankers at SPM Muthurajawela, Colombo is governed by the builders (SBM-IMODCO) recommendations especially with regard to the safety limits of weather/sea conditions. Any delay in mooring due to weather and/or sea conditions to be counted as half laytime (CONOCO weather clause).

17. NOTICE OF ARRIVAL AT COLOMBO

Master of vessel should advise estimated time of arrival (ETA) at Colombo 3/2/1 days and 12 hrs. in advance to the Commercial Manager, CEYPETCO tel no. +94-11-7296115 fax nos. +94-11-2106768 e-mail: mgr.commercial@ceypetco.gov.lk, The Manager (Shipping), CEYPETCO tel no. +94- 11- 7296300 fax no. +94-11-2106768 e-mail: mgr.shipping@ceypetco.gov.lk, The Actg. Manager (Operations), CEYPETCO fax no. +94-11-5455432 e-mail: dgm.ts@ceypetco.gov.lk, The Manager(Operations) at Oil Facilities Office, CPSTL, Colombo tel no. +94-11-2422388 / fax +94-11-2434273, The Manager (Bulk movements and bulk products), CPSTL, Colombo tel/fax no. +94-11-2572324 and the Manager (Operations), Muthurajawela tel no. +94-11-5769519 fax no. +94-11-5353352 via vessel agent at Colombo.

18. VESSEL REQUIREMENTS

18.1. Requirements of tankers for discharging of product via Dolphin Tanker Berth, Colombo

Vessel nominated

18.1.1. should meet following Colombo port restriction:

Type of hull	-	Double hull
SDWT	-	60,000 metric tons max.
LOA	-	210 meters max.
Beam	-	32.2 meters max.
Draft	-	11.8 meters max.
Distance from sea level to centre manifold	-	14 meters max.
Manifold size	-	6" diameter
Manifold type	-	ANSI 150 class
Arrival manifold height from sea level	-	11.5 meters max.

18.1.2. Shall not exceed 20 years of age. Under no circumstances vessels over 20 years of age will be accepted. Acceptable CAP rating of the vessel is 0 or 1 for hull and machinery.

18.1.3. Should be a clean tanker which has carried clean petroleum products on the last three voyages.(OBO carriers are not acceptable).

18.1.4. Should be capable of discharging a cargo of Gasoline (92 Unl) simultaneously through two adjoining manifolds at a minimum discharging rate of 270 m³ per hour and 400 m³ per hour through two lines of 10 inch and 12 inch diameter respectively while maintaining pressure at vessel's manifolds from 10.0 kg/cm² to 12.5 kg/cm² respectively. Two numbers manifold connections will be provided for the discharge of products simultaneously through two numbers 6 inch loading / discharging arms.

- 18.1.5. Should be capable of flushing both 10 inch & 12 inch lines each having, 7,000 meter length, discharge line with minimum of 5.0 kg/cm² pressure at manifold, with sea water about four (4) hours each before commencement and after completion of discharge of each product.
- 18.1.6. Should be equipped with double valve segregation which will have to be confirmed by the independent inspectors.
- 18.1.7. Availability of continuous pressure monitoring and recording / reporting facilities shall be preferred.
- 18.1.8. Should have all valid certificates required under the international and national rules & regulations applicable & should be ISM code certified or whose owners or operators should hold an ISM code document of compliance.
- 18.1.9. Should have cargo tanks/ pipe lines/ pumps/ strainers clean and dry prior to commencement of loading.
- 18.1.10. A document from vessel owners confirming that the vessel complies with all the above requirements from sub clause 18.1.1. to sub clause 18.1.9. and the lasted updated questionnaire 88 should be furnished at the time of vessel nomination.
- 18.1.11. In the event of a delay in discharging the cargo at Colombo due to vessel's non-compliance with the above requirements from sub clause 18.1.1. to sub clause 18.1.10. the Seller will be held liable for all consequential losses.
- 18.1.12. Accommodation/meals
 - 18.1.12.1. Following personnel would stay on board throughout the period of tanker made fast at Dolphin Tanker Berth.
 - 18.1.12.1.1. two loading masters
 - 18.1.12.1.2. one sample collector (crew)
 - 18.1.12.1.3. one independent inspector (junior officer)
 - 18.1.12.1.4. one internal auditor from CPSTL
 - 18.1.12.2. Proper accommodation on officers' deck should be arranged for loading masters, independent inspectors and internal auditor from CPSTL.
 - 18.1.12.3. Meals for loading masters, independent inspectors and internal auditor from CPSTL should be served in officers' dining saloon.
- 18.1.13. There shall be no inspections/survey on board while discharging.
- 18.1.14. After acceptance of the nominated vessel by seller a certified copy of the applicable charter party or a certified copy of the signed fixture note / fixture recap including the rate of demurrages shall be submitted by the Seller.

18.2. Requirements of tankers for discharging of product via SPM Muthurajawela, Colombo

Vessel nominated

- 18.2.1. Should meet following restrictions at SPM Muthurajawela, Colombo (Dual Path Buoy)
- | | | |
|--------------------|---|------------------------------|
| Type of Hull | - | Double Hull |
| SDWT | - | 60,000 MT max |
| LOA | - | 228 meters max. |
| Beam (Moulded) | - | 34.9 meters max. |
| Depth (Moulded) | - | 18.2 meters max. |
| Draft 100% Loaded | - | 12.5 meters max. |
| Draft 20% Loaded | - | 4.6 meters min. |
| Manifold Size/Type | - | 12" diameter/ANSI 150 Class. |
- 18.2.2. Shall not exceed 20 years of age. Under no circumstances vessels over 20 years of age will be accepted. Acceptable CAP Rating of the vessel is **0 or 1** for Hull and Machinery.
- 18.2.3. Should be a clean tanker, which has carried clean Petroleum products on the last three voyages(OBO carriers are not acceptable).
- 18.2.4. Should be capable of discharging Gasoline (92 Unl) through 12 inch port manifold at a minimum discharge rate of 750 m³ per hour through 12 inch floating hose, while maintaining pressure at vessel's manifolds from 5.0 kg/cm².
- 18.2.5. Should be capable of flushing the 18 inch, 7,000 meter length, discharge line with minimum of 5.0 kg/cm² pressure at manifold, with sea water about four (4) hours each before commencement and after completion of discharge of product.
- 18.2.6. Should be equipped with double valve segregation which will have to be confirmed by the independent inspectors.
- 18.2.7. Availability of continuous pressure monitoring and recording / reporting facilities shall be preferred.
- 18.2.8. Should have all valid certificates required under the international and national rules and regulations applicable and should be ISM Code certified or whose owners or operators should hold an ISM Code document of compliance.
- 18.2.9. Should have cargo tanks/ Pipe lines/ Pumps/ Strainers clean and dry prior to commencement of loading.
- 18.2.10. A document from vessel owners confirming that the vessel complies with all the above requirements from Sub Clause 18.2.1. to Sub Clause 18.2.9. and the questionnaire 88 should be furnished at the time of vessel nomination.

18.2.11. In the event of a delay in discharging the cargo at Colombo due to vessel's non-compliance with the above requirements from Sub Clause 18.2.1. to Sub Clause 18.2.10. the Seller will be held liable for all consequential losses.

18.2.12. Vessel Mooring equipment and Manifolds should conform to OCIMF Standards.

18.2.13. Manifold

Manifold location - Midship (port side)

Manifold connection - One 12 inch studded Camlock Flange ANSI Class 150

18.2.14. Details of Derrick at Manifold location

Derrick should have minimum safe working load of 10 MT and should be in good operational condition.

18.2.15. Mooring equipment, mooring and towing arrangement

18.2.15.1. Tanker should be fitted with a central bow stopper (chain stopper) of 100 Tonnes SWL for OCIMF chafe chain "b"

18.2.15.2. Tanker should be fitted with a central bow fair lead (bull ring) measuring at least 600 mmx 450 mm

18.2.15.3. Position of pedestal roller fairlead/winch drum

18.2.15.3.1. Should be a continuation of the direct lead line between the bow fairlead (bull ring) and bow chain stopper.

18.2.15.3.2. Should be not less than 4.5 meters directly behind the bow chain stopper.

18.2.15.3.3. Should be at such a height that fairlead rollers will enable an unrestricted line pull to be achieved.

18.2.15.4. Pedestal fairlead should be fitted for lead to winch/windlass.

18.2.15.5. Should have a messenger line of circumference 4 inch/5 inch x 500 ft. long, one end connected to an empty mooring rope winch drum.

18.2.15.6. Tanker should have a "Panama" lead right aft on its center line.

18.2.15.7. A good tow rope (polypropylene) of 10" Circm or above in size and length (approx. 650 ft.) to be kept ready at the stern. if necessary, two rope coils may be joined to obtain length of 650 ft.

18.2.15.8. Mooring masters should have free access to navigational charts and equipment's required for mooring operation.

- 18.2.15.9. Wheel house to be kept open throughout the period the tanker made fast to the buoy.
- 18.2.15.10. A fore-castle watchman to be made available by the tanker throughout the period the tanker made fast to the buoy.
- 18.2.15.11. All tools required for connection/disconnection of cargo hose to be supplied by the tanker.
- 18.2.15.12. Connection/disconnection of hose is the responsibility of ship's staff under the supervision of a ship's officer on the instructions of Buyer's officials on board the tanker.
- 18.2.15.13. Tanker's main engine should be kept ready throughout the period of stay at the buoy for maneuvering promptly on notice.
- 18.2.16. Inert gas system
Tanker should have an operational inert gas plant capable of maintaining tank atmosphere of less than 8 pct. oxygen content and positive pressure in cargo tanks within safe limits at all stages of discharge.
- 18.2.17. Communication equipment

Tanker should have VHF channel 09,16,68,71 facilities for communication with shore facility. Tanker's cargo control room should have facility to maintain a continuous watch on VHF channel 71 for operational requirements.
- 18.2.18. Accommodation/meals
- 18.2.18.1 Following personnel would stay on board throughout the period of tanker made fast to the buoy.
- 18.2.18.1.1. Two mooring masters (senior master mariners)
- 18.2.18.1.2. One cargo receiver
- 18.2.18.1.3. One loading master
- 18.2.18.1.4. One sample collector (crew)
- 18.2.18.1.5. One independent inspector (junior officer)
- 18.2.18.1.6. One internal auditor from CPSTL
- 18.2.18.2 Proper accommodation on officers' deck should be arranged for loading masters, independent inspectors and internal auditor from CPSTL.
- 18.2.18.3 Meals for loading masters and independent inspectors should be served in officers' dining saloon.
- 18.2.19. A document from tanker owners confirming that the tanker complies with all the above requirements.
- 18.2.20. There shall be no inspection / survey on board while discharging.

- 18.2.21. After acceptance of the nominated vessel by the Buyer, a certified copy of the applicable charter party or a certified copy of the signed fixture note / fixture recap including the rate of demurrage shall be submitted by the Seller.

19. LIQUIDATED DAMAGES

- 19.1. The Seller is fully responsible to deliver the cargo within the agreed delivery date/laycan. Failure to comply with the agreed delivery date/laycan will make the Seller liable for liquidated damages of zero point two five percent (0.25%) of the DAP value per day pro-rata for each day of delay after 2400 hrs. of the last day of the two day delivery laycan until vessel tender NOR at discharge port at Colombo. If the delay exceeds six days after the last date of the agreed delivery laycan without obtaining prior approval, the Buyer will reserve the right to terminate the contract.
- 19.2. The Seller is fully responsible to deliver the agreed quantity of cargo under each shipment. In the event of failure to deliver the agreed quantity below minus five percent (-5%) for Gasoline (92 Unl)(contractual per shipment quantity vs. B/L quantity), will make the Seller liable for the payment of damages or losses to the Buyer at the rate of USD 10,000 per each 1,000 MT of short loaded quantity or part thereof on pro-rata basis.
- 19.3. Such claim in respect of the liquidated damages must be notified to the Seller in writing within sixty (60) days of the date of disconnection of hoses of Seller's nominated vessel at discharge port, Colombo with full supporting documentation that the Seller may reasonably require. Any such documentation not then available shall be provided to the Seller within seventy five (75) days of the disconnection of hoses of Seller's nominated vessel at discharge port, Colombo. If the Buyer fails to give such notice or provide such documentation within the above respective time limits, then the Buyer's claim shall be deemed to have been waived and any liability of the Seller shall be extinguished.
- 19.4. If the Seller fails to deliver any full shipment unless agreed for an alternative in writing, buyer will reserve the right to encash the Performance Security Guarantee.

20. TERMINATION

This agreement may be terminated;

- 20.1. By mutual consent of both parties.

- 20.2. In the event of product specifications are not in conformity with the requirements given in Annex – 'A' and the Seller fails to perform as per the remedy under Clause 9. the Buyer reserved the right to terminate the contract at its own discretion.
- 20.3. If the delay exceeds six (06) days after the last date of the agreed delivery laycan without obtaining prior approval from the Buyer.
- 20.4. In the event that either the Seller or the Buyer is in breach of any of the terms and conditions of the contract.
- 20.5. In the event the Buyer is unable to purchase agreed quantities as per the Procurement Document before the expiry of the contract on 30/06/2027, extension of the contract to purchase balance quantities is permitted only upon mutual consent, expressed in writing, provided the Buyer has obtained the approval of the Board of Directors for such extension. In the event that either party does not agree for extension of the contract, the contract shall be automatically terminated.

21. LINE FLUSHING AT DOLPHIN TANKER BERTH, COLOMBO

The vessel nominated by the Seller should be capable of flushing the 10 inch and 12 inch, 7,000 Meter length, discharge line with minimum of 5.0 Kg/cm² pressure at manifold, with sea water about four (4) hours each before commencement and after completion of discharge of Gasoline (92 Unl) according to the following sequence,

- 21.1. On arrival before discharging, vessel shall flush the discharge line with sea water for four (4) hours
- 21.2. Then commence discharging Gasoline (92 Unl).
- 21.3. On completion of discharging Gasoline (92 Unl) discharge line will be once again flushed with sea water for four hours.
- 21.4. The Seller shall make sure giving proper instructions to the master of the performing vessel to use Cargo Pumps for line flushing operations while avoiding Stripping Pumps for line flushing. All delays due to low rate of line flushing shall be the responsibility of the Seller.

22. LINE FLUSHING AT SPM MUTHURAJAWELA, COLOMBO

The vessel nominated by the Seller should be capable of flushing the 18 inch, 7,000 Meter length, discharge line with minimum of 5.0 kg/cm² pressure at manifold, with sea water about four (4) hours each before commencement and after completion of discharge of Gasoline (92 Unl) according to the following sequence.

- 22.1. On arrival before discharging, vessel shall flush the discharge line with sea water about four (4) hours.
- 22.2. Then commence discharging Gasoline (92 Unl).
- 22.3. On completion of discharging Gasoline (92 Unl) discharge line will be once again flushed with sea water for four (4) hours.
- 22.4. The Seller shall make sure giving proper instructions to the master of the performing vessel to use Cargo Pumps for line flushing operations while avoiding Stripping Pumps for line flushing. All delays due to low rate of line flushing shall be the responsibility of the Seller.

23. DEMURRAGE

- 23.1. All claims for demurrage shall be accompanied by the respective charter party or a certified copy of the signed fixture note / fixture recap. The Buyer shall not be bound by the terms and conditions of the charter party or a certified copy of the signed fixture note / fixture recap except to the extent such terms and conditions have been communicated to the Buyer and expressly agreed to by the Buyer in writing.
- 23.2. In case of vessel arriving outside laycan agreed upon, laytime to start counting from the time of berthing as per Sub Clauses 16.1.5. and 16.2.5.
- 23.3. If the total laytime to complete the entire cargo discharge exceeds the laytime allowed as per Clause 16. Buyer will be liable to pay the demurrage to the Seller.
- 23.4. However, in the event the seller's vessel arrives late and is berthed on arrival which affects berthing of vessel or vessels which are arriving on schedule, then the Seller's vessel will be un-berthed (waiting time shall not be counted as used laytime) to accommodate the vessel or vessels arriving on schedule or continue to discharge the cargo of the Seller's vessel

provided that the Seller shall agree to bear the demurrages on the subsequent three vessels that arrive on schedule and gets delayed due to the presence of Seller's vessel on berth. Liability for demurrages on subsequent vessels mentioned herein are in addition to the recovery of damages or losses for CEYPETCO charged under Clause 19. (Liquidated Damages).

Moreover the Buyer reserves the right to berth the vessel only on pier availability basis and based on the requirement for the products in the country. Furthermore Buyer shall not be responsible for any demurrages incurred by the Seller's vessel arriving outside the contractual laycan. However, the Buyer shall admit the demurrage liability of delays only due to infrastructure failures of unloading system. The Buyer shall take every endeavor to minimize the overall commercial loss to all parties.

In the event the Seller does not agree to bear the subsequent demurrages (if incurred) and in the event if the subject vessel could not complete the discharging before the arrival of subsequent vessel/s, the Buyer reserves the right to remove the subject vessel from the berth in order to accommodate the subsequent vessel/s of other suppliers. In such a case, the subject vessel will be rebirthed only after the completion of the discharging of the subsequent vessel/s and/or on the pier availability basis.

In any circumstances, the Buyer requires to unload the product on board the vessel as per the product requirement to ensure the energy security of the country, the Buyer compels to discharge the minimum requirement of the cargo on board the subject vessel and all cost involvements in this event such as demurrages of the subsequent three vessels, commercial losses (if any) shall be borne by the Seller.

In order to mitigate adverse impact on vessels arriving later than the stipulated contractual delivery laycan, the Seller shall provide a mooring tug at his own cost with the approval of the Buyer while providing a 24 hrs. advance notice to the Buyer for planning purpose. However, the berthing at SPM Muthurajawela will be facilitated giving priority for the subsequent vessels arriving on schedule.

- 23.5. Demurrage rate of the nominated vessel shall be declared by the Seller at the time of vessel nomination for each cargo.
- 23.6. After acceptance of the nominated vessel by the Buyer, a certified copy of the applicable charter party or a certified copy of the signed fixture note / fixture recap including the rate of demurrage shall be submitted by the Seller. Buyer prefers to have a certified copy of the signed Charter party.

24. FORCE MAJEURE

The Seller or the Buyer shall not be liable for any loss, claim or demands of any nature whatsoever, or deemed to be in a breach of this agreement because of any delays or failure in observing or performing any of the conditions or provisions hereof if such delay or failure was caused by or arose out of any circumstances whatsoever beyond the Seller's or Buyer's control including (but without limiting the generality of the foregoing) declared or undeclared war, sabotage, blockade, piracy or

piratical seizure of vessel, revolution, police action, riot or disorder, embargo or trade restriction of any sort government or quasi government action, act of god, fire, flood, earthquake, storm, tide or tidal wave, explosion, accident, radiation, strike, lockout or other labour dispute.

25. CONFIDENTIALITY

The information contains in this agreement and all information exchanged relating to it are confidential between the Buyer and the Seller. Neither the Buyer nor the Seller shall, without the other's prior written consent, disclose such information to any person outside its own organization except to the extent that disclosure may be legally compulsory to any Government Authority.

26. ASSIGNMENT

The rights and contractual responsibilities pertaining to this contract are not assignable to any third party.

27. TAXES, DUTIES AND FEES

All taxes, duties and fees related to the importation of the products imposed by the government of Sri Lanka are for Buyer's account.

28. OTHER REQUIREMENTS

All other requirements are as per the Invitation of bids (Ref: BK/TERM/GASOLINE (92 UNL)/DTB-MUTHU/2027-A) **ACTG.COMMERCIAL MANAGER** dated 25/09/2026 and CEYPETCO Standard terms and conditions available with the Seller.

29. SELLER'S CONTACTS

Correspondence Address:

.....
.....,
.....,

Seller -
Contact Person -
Telephone -
Facsimile -
E-mail -

30. BUYER'S CONTACTS

Correspondence Address:

Ceylon Petroleum Corporation (CEYPETCO),
No. 609, Dr. Danister De Silva Mawatha,
Colombo 09,
Sri Lanka.

Buyer - Ceylon Petroleum Corporation
Contact Person - Actg. Commercial Manager
Telephone - +94 11 7 296123
Facsimile - +94 11 2 106768
E-mail - mgr.commercial@ceypetco.gov.lk

Contact Person - K.K.A. Jayawickrama – Deputy General Manager (Commercial & Supply Chain)
Telephone - +94 11 7 296122
Facsimile - +94 11 5 455406
E-mail - dgm.commercial@ceypetco.gov.lk

SPECIFICATIONS FOR GASOLINE (92 UNL)

PROPERTY/TEST	TEST METHOD	SPECIFICATIONS
APPEARANCE		BRIGHT, CLEAR AND FREE FROM WATER, VISIBLE IMPURITIES & DYES (NOTE 1)
DENSITY @ 15 °C kg/m ³	ASTM D 1298 / ASTM D 4052	720 – 785
REID VAPOUR PRESSURE @ 37.8 °C kPa	ASTM D 323	45 – 60
RESEARCH OCTANE NUMBER (RON)	ASTM D 2699	MIN. 92
MOTOR OCTANE NUMBER (MON)	ASTM D 2700	MIN. 82
DISTILLATION	ASTM D 86	
IBP °C		REPORT
T 10 °C		45 – 70
T 50 °C		80 – 125
T 90 °C		MAX. 180
FBP °C		MAX. 210
RESIDUE, vol. %		MAX. 2.0
E150 vol. %		MIN 70
DOCTOR TEST OR MERCAPTAN SULPHUR, mg/kg	IP 30 /ASTM D 4952 ASTM D 3227/IP342	SWEET OR MAX 15 ppm RSH
SULPHUR CONTENT mg/kg	ASTM D 4294 / ASTM D 5453 / ASTM D 2622	MAX. 150
LEAD CONTENT g/l	ASTM D 5059 / ASTM D 3237	MAX. 0.013 (NOTE 2)
UNWASHED GUMS mg/100 ml	ASTM D 381	MAX. 30
WASHED GUMS mg/100 ml	ASTM D 381	MAX. 5
OXYGENATE % v/v	ASTM D 4815	MAX. 15
OXYGEN CONTENT % m/m	ASTM D 4815	MAX. 2.7
OXIDATION STABILITY, Minutes	ASTM D 525	MIN. 480
COPPER CORROSION 3 h @ 50 °C	ASTM D 130	MAX. 1
BENZENE % v/v	ASTM D 3606 / ASTM D 5580	MAX. 2.5
TOTAL AROMATICS % v/v	ASTM D 5580	MAX 40
OLEFINS CONTENT (%v/v)	ASTM D 1319/ASTM D 6730	MAX. 18

NOTE 1 : SPECIFY TAGGING COMPONENTS, IF ANY

NOTE 2 : NO INTENTIONAL ADDITION OF LEAD COMPOUNDS.

IMPORTANT:

- THERE SHALL BE NO INTENTIONAL ADDITION OF METAL COMPOUNDS CONTAINING FERROUS, MANGANESE & PHOSPHOROUS.
- ADDITION OF ALCOHOLS ARE NOT PERMITTED

REVISION-18 (21.03.2024)

MODALITY AGREEMENT

THIS AGREEMENT is made and entered into at Colombo in the Democratic Socialist Republic of Sri Lanka on this day ofTwo Thousand and Twenty-Six (.../.../2027) (hereinafter referred to as the “Agreement”)

BETWEEN

....., a private company with limited liability duly organized and registered under the laws of Singapore (registration number) and having its registered office at , (hereinafter referred to as the “Seller” which term or expression as herein used shall where the context requires or admits mean and include the said and its successors,) of the first party.

AND

CEYLON PETROLEUM CORPORATION duly established by Ceylon Petroleum Act No.28 of 1961 as amended and having its Head office at No. 609, Dr. Danister De Silva Mawatha, Colombo 09, Sri Lanka. (hereinafter referred to as the 'CPC' which term or expression as herein used shall where the context requires or admits mean and include the said Ceylon Petroleum Corporation, its successors and permitted assigns) hereinafter referred to as the Second Party.

WITNESSED

WHEREAS:

- A. CPC is a corporation established by the Ceylon Petroleum Corporation Act, No. 28 of 1961 as amended which provides exclusive rights to CPC to import export, sell, supply or distribute petrol, Kerosene, Diesel oil, Jet A-1 and Furnace oil etc.
- B. The Seller has represented to CPC that it has the requisite expertise and capacity to supply the Product as per the terms of this agreement.
- C. Considering the scarcity of the forex and the difficulty to make the 100% prepayment by CPC before discharge the vessel at discharge port Colombo, the seller has agreed to supply the Product (as defined below) and store such Product at the storage facilities of Ceylon Petroleum Storage Terminals Limited (CPSTL) at the Oil Terminals located at Muthurajawela and/or Kolonnawa (Under Ex-storage modality)
- D. With the recommendation of STEC and the approval of SHLPC, the term contract Ref. BK/TERM/GASOLINE (92 UNL)/DTB-MUTHU/2027-A has been awarded to onfor the supply of 1,500,000BBL +/-5% of Gasoline (92 Unl) each having 300,000 bbls Gasoline (92 Unl) shipments with the Payment prior to the date of quantity drawn – (100% ex-storage modality) on DAP Colombo basis (Incoterms 2010).
- E. CPC has agreed to purchase and store the Product subject to the terms and conditions set out herein.

IT IS HEREBY AGREED as follows:

1. DEFINITIONS/ INTERPRETATIONS

Except where the context requires otherwise, the following words and expressions shall have the following meanings;

<i>Agreement / this Agreement</i>	Shall mean and include this Agreement, read together with subsequent award letters and all term & conditions of Procurement Document of which shall be read and construed as an integral part of this Agreement. In case of inconsistencies or discrepancies between this agreement & the annexures thereto, the former shall prevail.
<i>Shipment Ref.</i>	• BK/...../2027 • Supplier • Letter of award dated
<i>CPC</i>	Shall mean and include Ceylon Petroleum Corporation established by Ceylon Petroleum Corporation Act, No. 28 of 1961 as amended its successors and permitted assigns
<i>CPSTL</i>	Ceylon Petroleum Storage Terminal a company duly incorporate under Companies Act No. 07 of 2007, in terms of section 2(1) of the Conversion of Public Corporations or Government owned Business Undertakings into Public Companies Act, No. 23 of 1987, more fully described in the government Gazette Extraordinary bearing No. 1310/8 dated 13 th October 2003 having it registered business place at Oil Installation, Kolonnawa, Wellampitiya in the Democratic Socialist Republic of Sri Lanka.
<i>Storage Facility</i>	Storage facilities owned and operated by the CPSTL at the Oil Terminals located at Muthurajawela and/or Kolonnawa
<i>Independent Inspector</i>	A globally reputed independent inspecting company which will be jointly appointed by the seller and buyer to monitor the stock & discharging of total cargo from the vessel & partial quantities from time to time from CPSTL storage tanks strictly as per this agreement and to issue the quality report at the discharge port.

<i>Seller</i>	 a private company with limited liability duly organized and registered under the laws of Singapore (registration number) and having its registered office at
<i>Party/Parties</i>	shall mean CPC and the Seller and their respective successors and permitted assigns when referred to herein in plural and shall mean either CPC or Seller when herein referred in the singular as the context may require.
<i>Month/Calendar Month</i>	Month Shall mean any consecutive period of 30 day whilst “Calendar Month” shall mean a consecutive period of 30 days which immediately follows the 1 st day of any month in the Calendar.
<i>MOPS</i>	Shall Mean of Platt’s Singapore
<i>USD</i>	United States Dollars
<i>LKR</i>	Sri Lankan Rupees
<i>Year/Calendar Year</i>	“Year” shall mean any consecutive period of 365 day whilst “Calendar Year” shall mean a consecutive period of 365 days immediately from the 1 st day of the month of January in any year to the 31 st day of December in that year inclusive of both days
<i>Term</i>	Shall mean the term commencing from the date of the entering in to this agreement until making the payment of the total DAP value of the Product quantity discharged to Oil Terminals belongs to CPSTL located at Muthurajawela and/or Kolonnawa equivalent to the out turn quantity declared in the out turn quantity report issued by the mutually agreed Independent inspector at the time of discharging the cargo from the imported vessel under shipment ref. No. BK/...../.....
<i>Product</i>	Shall mean the of Gasoline (92 Unl) cargo arrived under shipment ref. No. BK/...../2027
<i>Quality Test Report</i>	Shall mean all laboratory tests conducted by the Independent inspector at CPC/CPSTL to ascertain the quality of the Product.

<i>Business Day</i>	Shall mean a day in which banks are open for business in Colombo, Sri Lanka and excludes a Saturday, Sunday and all public holidays in Colombo, Sri Lanka
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2. TERMS

Shall mean the term commencing from the date of entering in to this agreement until making the payment of the total DAP Colombo value (Incoterms 2010) of the Product quantity discharged to Oil Terminals located at Muthurajawela and/or Kolonnawa equivalent to the out turn quantity declared in the out turn quantity report issued by the mutually agreed Independent Inspector at the time of discharging the cargo from the imported vessel under shipments reference **BK/..../2027**.

3. PRINCIPLE & CONSIDERATION

- 3.1 Product will be imported to Sri Lanka by CPC as the consignee as per the terms and conditions of the contract reference **BK/..../2027** with testing of the cargo being carried out both at the load port and the discharge port and the cargo supplied on DAP Colombo basis (Incoterms 2010). CPC shall be liable for the additional cost incurred by the seller subject to the terms and condition in the PROCUREMENT DOCUMENT ref: BK/..../2027. CPC shall not be liable for the delays occurred due to negotiation of the signed Standard Ex-Storage Modality Agreement provided to the seller by CPC for discharge of cargo under Ex-Storage Modality.
- 3.2 The Seller shall provide the Gasoline (92 Unl) cargo at the MOPS plus Premium of USD per barrel as agreed under the contract reference **BK/..../2027** which is more fully described in clause 8 of this agreement and it shall be considered as the cost of the consignment. CPC will pay all regulatory levies and other port and customs payments at discharged port related to the Product as shipment is consigned to CPC.
- 3.3 The Payment entitled to the Seller shall be limited to the value in United States Dollars (USD) based on corresponding Invoicing Quantity.
- 3.4 Upon discharge of the Product at Colombo Port;
 - a) The title to the Product and all associated risks, including but not limited to the risk of any loss or damage to the Product shall pass to CPC; and
 - b) The CPC shall forthwith execute a mortgage in the form annexed herewith as Annex-B, pledging the Product to the Seller until such time that payment of DAP Colombo (Incoterms 2010) price calculated as per clause no. 3 & 8 of this agreement is made in full.
 - c) Pledging agreement shall be signed by CPC within 5 (five) working days following the date when the Outturn Quantity Certificate is issued by the independent Inspector,
- 3.5 The quantity of the Product discharged at the Colombo Port shall be certified by the mutually appointed Independent Inspector and shall there upon be stored at the storage facilities owned and operated by the CPSTL at the Oil Terminals located at Muthurajawela and/or Kolonnawa ("Storage Facility") and will be discharged adopting the usual distribution and operational procedures of CPSTL/CPC subject to the adherence of usual quantity measurement and other regular standards applicable during terminal operations used in the current supply chain. For the avoidance of doubt each withdrawal of the Product from the Storage Facility shall be subject to Clause 3.6 and shall require the prior written approval of the mutually appointed Independent Inspector and the Seller.

- 3.6 Prior to withdrawing the Product from the Storage Facility, CPC shall inform the Seller of the quantity which would be withdrawn and effect payment in full in respect of the said quantity of withdrawal in US Dollars by way of Telegraphic Transfer to the below mentioned bank account of the Seller.

BANK:
FAVORING:
ACCOUNT NO.
SWIFT Code:
USD CORRESPONDENT BANK:

- 3.7 Receipt by the Seller of the full price for the Product withdrawal quantity from CPC as well as the approval of the mutually appointed Independent Inspector shall be conditions precedent to the relevant withdrawal from the Storage Facility.
- 3.8 The Payment entitled to the Seller shall be limited to the value in USD based on corresponding Invoicing Quantity.
- 3.9 Outturn quantity will be reported by the Independent inspector in the Certificate of Quantity issued at the Discharge Port. Such Payment shall be made prior to any quantity been discharged from the storage.

4. PRODUCT

- 4.1. The Product shall be as per the specification.
- 4.2. CPC shall hold the custody of the Product received from the Seller at the Storage Facility owned by the CPSTL at its cost until sales are completed and will not transfer the nominated quantity to any other storage facility unless received written official permission from the Seller.
- 4.3 CPC shall be responsible for the Seller for any loss or damage to the Product cargo while in CPSTL storage tanks until the agreement will be terminated as per the terms in this agreement.

5. QUALITY AND DELIVERY

The Parties agree that the delivery of the Product and Quality shall be in accordance with the express provisions.

6. RIGHTS AND OBLIGATIONS OF BUYER

CPC (Buyer) (*hereinafter referred to as the "CPC or "Buyer" which term or expression as herein used shall where the context requires or admits mean and include the said Ceylon Petroleum Corporation, its successors and permitted assign*) shall;

- i. Obtain the necessary provisions/approvals to discharge and store the relevant product/s in the "Storage Facility".

- ii. Store the Product received from the Seller in accordance with Clause 4.2 and be responsible for any loss or damage to the Product cargo while in CPSTL/CPC storage tanks until the agreement will be terminated as per any of the provisions as per the terms in this agreement.
- iii. Maintain, on its own account, an inventory of the Product at levels which are appropriate and adequate for CPC to meet all deliveries and service requirements in relation to the Product.
- iv. Allow the Seller to access only for the records maintained for the Product stock and sales.
- v. Subject to the availability of space / ullage in the storage tanks, the Buyer has the right to store same respective Product type imported/purchased on its own in the same storage tanks as and when required.
- vi. Buyer has the right to store Gasoline (92 Unl) Imported /purchased from any third-party sellers in the same storage tanks as and when required.
- vii. Buyer shall draw the quantity of the product from the storage tanks upon (1) receipt of the payment on the Seller's nominated bank account of the value equivalent to the quantity to be drawn and (2) written approval by email from the Seller.
- viii. The buyer has the right to draw the quantity of products up to the quantity declared in the out-turn quantity report issued/produced by the mutually agreed independent inspector after discharging of the Product from the imported onboard the respective vessel.
- ix. The final invoice shall be raised by the supplier in such a way that the cumulative quantity of all invoices does not exceed the B/L quantity indicated in the respective B/L (s) as indicated in clause 2.11 of the Procurement Document.
- x. Carry out lab tests of the Product at CPSTL and/or CPC laboratory in the presence of the Independent Inspector before the unloading of the cargo at the Colombo Port and to make available the test results to the seller without any delay.
- xi. Buyer shall have the right to reject the full consignment or part of the consignment on Board the vessel as the case may be, if the Quality of the Product at the Discharge Port does not meet/comply with the specifications.
- xii. CPC is not allowed to create or cause to be created any other liens/ pledges/ mortgages or other encumbrances over the Product pertaining to ref. **BK/.../2027** in favor of any third party including CPSTL apart those created in favor of the Seller hereunder.
- xiii. CPC shall indemnify the Seller for all damages and costs incurred by the latter due to the loss and/or damage to the Product while it is in transit or at the Storage Facility as well as any loss resulting from the undue performance or omission by CPC to the extent of the value of the remaining portion the cargo during the fulfillment of its obligations under this Agreement.

7. RIGHTS AND OBLIGATIONS OF THE SELLER

The Seller shall;

- i. Undertake to discharge the Product as per the quality standards in Exhibit A requested by CPC reference to **BK /.../2027**.

- ii. Make available Seller's representative at the Storage Facility with the approval of CPC when measurements are taken of the storage tanks before and after storing of the Product & drawing a quantity by buyer. A prior written approval of CPC to be sent to terminal before the discharge of the cargo at the terminal.

Seller agreed to release the quantity of Product equivalent to the value of the payment made to the seller and receipt at the Seller's nominated bank account based on the price agreed in the contract soon after the transmission of the buyer's bank confirmation to the seller.

- iii. All rights of the seller to the quantity of Product in the storage tanks will cease to exist soon after CPC make payment & withdraw the equivalent total quantity declared in the out-turn report issued by the mutually agreed independent inspector after discharging of the Product from the respective vessel.
- iv. The final invoice shall be raised by the supplier in such a way that the cumulative quantity of all invoices does not exceed the B/L quantity indicated in the respective B/L (s) as indicated in clause 2.11 of the Procurement Document.
- v. Seller has the obligation to import the agreed quantity of the product as per the Letter of Award issued by CPC and the terms entered into with CPC and make available the tanker at Colombo clearing the agreed date range/ laycan to discharge to the storage tanks at CPC/CPSTL.

8. PAYMENT & INVOICING

8.1 Price of the Product

The price of Product shall be on the average of the MOPS price for Gasoline (92 Unl) Published in Platts Singapore Market Scan under the heading "Platts Asia and Middle East Gasoline Assessments" in platts market scan over the month belongs to the first day of the two day delivery laycan at Colombo plus a fixed premium of United States Dollars per barrel as agreed under the Procurement Document /Contract reference BK/.../2026 and the letter of award dated

8.1.1 under the ex-storage modality total cargo quantity shall be withdrawn within 30 days from the first day of the two day delivery laycan [first day of the two day delivery laycan is to count as day zero (0)].

8.2 Invoicing

Based on the availability of funds the quantity required to be drawn shall be informed to the supplier by Ceypetco & the relevant payment will be made based on the respective invoice raised by the supplier indicating the quantity in us barrels, the unit price in United States Dollars (USD) per barrel (Bbl) and the subtotal of the respective invoice.

Payment will be made prior to the date of quantity drawn, by telegraphic transfer (TT) through Bank of Ceylon 'Colombo. All bank charges outside Sri Lanka, if any, will be to the account of the supplier.

The final invoice shall be raised by the supplier in such a way that the cumulative quantity of all invoices does not exceed the B/L quantity indicated in the respective B/L(s) subject to clause 2.11 of the Procurement Document.

9. NOTICES

- 9.1. Any communications (including without limitation statements of account) by either Party to the other shall, unless otherwise provided herein, be sufficiently made if sent by post (which shall be by airmail where airmail is possible), postage paid by telegraph, transmission to the address hereinafter specified and shall, unless otherwise provided herein, be deemed to have been given to the other Party on the day on which such communications ought to have been delivered in due course of e-mail, postal, telegraphic, telex or facsimile communication.
- 9.2. Unless otherwise specified by not less than 15 days' notice in writing by the party in question, the addresses to which communication shall be sent:

To Seller

.....,

.....,

.....

.....

To Buyer Ceylon Petroleum Corporation
609 Dr. Danister De Silva Mawatha Colombo 09,
Sri Lanka
By Phone +94115455405/ +94115455113
By Facsimile +94115455406
By Email mgr.commercial@ceypetco.gov.lk

10. ASSIGNMENT

Neither Party hereto shall assign any of their respective rights or obligations under this Agreement to any other person or entity without the express prior written consent of the other Party.

11. FORCE MAJEURE

The Seller or CPC shall not be liable for any loss, claim or demands of any nature whatsoever, or be deemed to be in a breach of this Agreement because of any delays or failure in observing or performing any of the conditions or provisions hereof, if such delay or failure was caused by or arose out of any circumstances whatsoever beyond the Seller's or CPC's control including (but without limiting the generality of the foregoing) declared or undeclared war, sabotage, blockade, piracy or piratical seizure of vessel, revolution, police action, riot or disorder, embargo or trade restriction of any sort government or quasi government action, act of God, fire, flood, earthquake, storm, tide or tidal wave, explosion, accident, radiation, strike, lockout or other labor dispute.

12. AMENDMENTS

No amendments, changes, alterations or modifications to any provision of this Agreement shall be effective unless such changes, alterations or modifications are agreed upon by both Parties in writing and are signed by the authorized officers of the Parties hereto.

13. SEVERABILITY

If any provision of this Agreement is invalid, unenforceable or prohibited by the applicable laws, this Agreement shall be considered divisible as to such provision and such provision shall be inoperative and shall not be part of the consideration moving from either party hereto to the other, and the remainder of this Agreement shall be valid, binding and of like effect as though such provision was not included herein. The Parties further agree that they shall make every effort to change and/or amend such illegal, invalid, void and or unenforceable provision by way of a duly executed addendum to this Agreement, to make the same legal, valid and binding.

14. NON-WAIVER

No failure or delay of any Party (including their employees and agents) to exercise any right or power under the Agreement or at law shall operate as a waiver thereof, except as provided in the Agreement, nor shall any single or partial exercise of any such right or power preclude any other or further exercise thereof or the exercise of any other right or power under the Agreement, and no waiver of any Party of any provision or part of any provision of the Agreement shall be binding unless expressly confirmed in writing.

15. CONFIDENTIALITY

Each Party hereto shall maintain strict confidentiality and secrecy in respect of all information and documentation received by such Party directly or indirectly pursuant to this Agreement and neither Party hereto or their respective directors, employees, servants or agents shall disclose, reveal or divulge any confidential information howsoever acquired pursuant to this Agreement to any third party without the written consent of the other Party, unless required under any law, or unless disclosed to either Party's auditors, insurers, carriers (including ship-owners), financing bank(s) and/or consultants.

The duty of confidentiality shall survive the termination of this Agreement and shall extend to a further period of three (03) years from the date of termination or sooner determination of this Agreement.

16. WARRANTY BY THE SELLER

The Seller hereby warrants and confirms that it has and will for the duration of this Agreement maintain all necessary licenses permits and approvals and all commercial, technical and financial resources necessary to effectively supply the Product in the manner set out herein. The Seller shall indemnify, defend and hold CPC harmless from and against any and all actually incurred losses, liabilities, damages, and claims, arising out of or otherwise in respect of inaccuracy or any breach of the aforesaid warranty.

17. GOVERNING LAW AND DISPUTE RESOLUTION

17.1 The agreement shall be governed by and interpreted pursuant to the laws of Sri Lanka.

- 17.2 Any claim whatsoever arising between the Seller and CPC to this Agreement, under the terms of this Agreement shall be lodged in writing within ninety (90) days of receipt of the Product by CPC and in the event the cargo is not delivered to CPC within ninety (90) days of the last date of two-day delivery laycan as notified by CPC. Otherwise any such claim shall be deemed to have been waived.
- 17.3 Every endeavor shall be made to settle any difference or dispute between CPC and Seller arising from any transaction here under by mutual negotiations, failing which such differences or disputes shall be settled by arbitration.
- 17.4 In the event of the failure to amicably settle any difference or dispute, the Parties shall refer all differences or disputes arising out of or in connection with this Agreement for final settlement by arbitration to be conducted under the rules of arbitration of the United Nations Commission on International Trade Law (UNCITRAL). The arbitral tribunal shall consist of three arbitrators. The seat of arbitration shall be Colombo, Sri Lanka and the language of arbitration shall be English.
- 17.5 In the event that either Party deems it necessary to seek injunctive relief, such should be obtained from a court of competent jurisdiction pending the constitution and/or determination of the Arbitrators in accordance with Clause 17.4.
- 17.6 Terms of this agreement supersedes and replaces all other prior letters. Arrangements and /or agreements between the parties hereto.

18. TERMINATION

This agreement will terminate;

- a) By mutual consent of both parties (buyer and seller)
- b) Automatically once the total quantity equivalent to the B/L quantity will be withdrawn by CPC from the storage tanks "Storage Facility".
- c) Automatically, once the total DAP value of the Product quantity discharged to "Storage Facility" equivalent to the out turn quantity declared in the out turn quantity report issued by the mutually agreed Independent inspector at the time of discharging the cargo from the imported vessel is paid to the seller by CPC.
- d) The Seller shall be entitled to unilaterally early terminate this Agreement with a 20-day written notice to CPC in case the delivered Product is not paid by CPC within four (4) months from the day of its discharge at port Colombo, Sri Lanka. And the Seller will be entitled to collect the entire balance amount owed by CPC for the Product unsold by CPC within 15 days from the date of issuing the final settlement invoice.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement and another of the same tenor and date as these presents to be executed at Colombo in the Democratic Socialist Republic of Sri Lanka on this Two Thousand and Twenty-Six.

..... **CEYLON PETROLEUM CORPORATION**

1.NAME : 1. NAME :

DESIGNATION : DESIGNATION :

SIGNATURE : SIGNATURE :

2.NAME : 2. NAME :

DESIGNATION : DESIGNATION :

SIGNATURE : SIGNATURE :

WITNESSED BY

1)

2)

WITNESSED BY

1).....

2).....

DEED OF PLEDGE

.../.../2027

THIS DEED OF PLEDGE IS MADE BETWEEN:

.....,
.....,
.....,
.....,

AND

CEYLON PETROLEUM CORPORATION (CPC)

NO. 609, DR. DANISTER DE SILVA MAWATHA,
COLOMBO 09, SRI LANKA.

WHEREAS CEYLON PETROLEUM CORPORATION (CPC) AND ENTERED INTO AN AGREEMENT DATEDTH 2026 FOR THE SUPPLY BY GASOLINE (92 UNL) BY TO CEYLON PETROLEUM CORPORATION (CPC) ON DAP COLOMBO BASIS (INCOTERMS 2010) (THE “**AGREEMENT**”); AND

WHEREAS ACCORDING TO THE AGREEMENT THE (OUT TURN QUANTITY) BBL (OUT TURN QUANTITY MT) OF GASOLINE (92 UNL) IS DISCHARGED AND STORED AT STORAGE FACILITIES OWNED AND OPERATED BY THE CPSTL AT THE OIL TERMINALS LOCATED AT MUTHURAJAWELA AND/OR KOLONNAWA (“STORAGE FACILITIES”); AND

WHEREAS THE CONSIGNEE OF GASOLINE (92 UNL) UNDER THE AGREEMENT IS CPC AND CPC OBTAINS THE TITLE TO GASOLINE (92 UNL) UPON ITS DISCHARGE AT THE COLOMBO PORT; AND

WHEREAS AS A COLLATERAL FOR THE PAYMENT FOR GASOLINE (92 UNL), AND CPC AGREED THAT THE TITLE TO THE GASOLINE (92 UNL) DISCHARGED AT COLOMBO PORT AND STORED AT THE STORAGE FACILITIES SHALL BE PLEDGED IN FAVOR OF UNTIL SUCH TIME WHEN RECEIVES PAYMENT IN FULL FOR THE DISCHARGE OF GASOLINE (92 UNL) FROM THE COLOMBO PORT BY CPC;

NOW THEREFORE, THE PARTIES HAVE AGREED AS FOLLOWS:

PLEDGE

AS A GENERAL AND CONTINUING CO-LATERAL SECURITY FOR THE PAYMENT BY CPC TO OF THE PURCHASE PRICE FOR THE GASOLINE (92 UNL) UNDER THE AGREEMENT, CPC HEREBY IN ACCORDANCE WITH THE PROVISIONS OF THE LAWS OF SRI LANKA DOES HEREBY PLEDGE AND CHARGE TO AND IN FAVOR OF, HEREUNTO PRESENT AND ACCEPTING THE TITLE AND PROPERTY TO THE GASOLINE (92 UNL) DELIVERED BY TO CPC UNDER THE AGREEMENT AS DEFINED HERE ABOVE.

GASOLINE (92 UNL) IS PHYSICALLY LOCATED AT THE STORAGE FACILITIES AT THE FOLLOWING ADDRESSES:

OIL INSTALLATION

MUTHURAJAWELA AND KOLONNAWA.

CPC HEREBY UNDERTAKES:

1. TO HOLD THE GASOLINE (92 UNL) [IN TRUST] FOR THE ORDER OF AND NOT TO RELEASE, SELL OR OTHERWISE DISPOSE GASOLINE (92 UNL) TO ANY THIRD PARTY AND NOT TO ISSUE OR SURRENDER ANY STORAGE WARRANT OR OTHER (NEGOTIABLE) INSTRUMENT IN RESPECT OF GASOLINE (92 UNL) WITHOUT A PRIOR WRITTEN INSTRUCTION OF INSTRUCTIONS SHALL BE SENT VIA FAX OR EMAIL AS MENTIONED IN CLAUSE 9.2 IN THE AGREEMENT.
2. NOT TO CREATE ANY PLEDGE, CHARGE OR OTHER KIND OF ENCUMBRANCE OVER GASOLINE (92 UNL) PERTAINING TO **BK/.../2026**; AND
3. GOVERNING LAW AND DISPUTE RESOLUTION

- 3.1 THE AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED PURSUANT TO THE LAWS OF SRI LANKA.
- 3.2 ANY CLAIM WHATSOEVER ARISING BETWEEN THE SELLER AND CPC TO THIS AGREEMENT, UNDER THE TERMS OF THIS AGREEMENT SHALL BE LODGED IN WRITING WITHIN NINETY (90) DAYS.
- 3.3 EVERY ENDEAVOR SHALL BE MADE TO SETTLE ANY DIFFERENCE OR DISPUTE BETWEEN CPC AND SELLER ARISING FROM ANY TRANSACTION HEREUNDER BY MUTUAL NEGOTIATIONS, FAILING WHICH SUCH DIFFERENCES OR DISPUTES SHALL BE SETTLED BY ARBITRATION.
- 3.4 IN THE EVENT OF THE FAILURE TO AMICABLY SETTLE ANY DIFFERENCE OR DISPUTE, THE PARTIES SHALL REFER ALL DIFFERENCES OR DISPUTES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT FOR FINAL SETTLEMENT BY ARBITRATION TO BE CONDUCTED UNDER THE RULES OF ARBITRATION OF THE UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW (UNCITRAL). THE ARBITRAL TRIBUNAL SHALL CONSIST OF THREE ARBITRATORS. THE SEAT OF ARBITRATION SHALL BE COLOMBO, SRI LANKA AND THE LANGUAGE OF ARBITRATION SHALL BE ENGLISH.
- 3.5 IN THE EVENT THAT EITHER PARTY DEEMS IT NECESSARY TO SEEK INJUNCTIVE RELIEF, SUCH SHOULD BE OBTAINED FROM A COURT OF COMPETENT JURISDICTION PENDING THE CONSTITUTION AND/OR DETERMINATION OF THE ARBITRATORS IN ACCORDANCE WITH CLAUSE 3.4.

THE PLEDGE WILL BE LIFTED UPON RECEIPT BY OF THE PAYMENT IN FULL OF THE PURCHASE PRICE FROM CPC TO BANK ACCOUNT FOR THE QUANTITY CERTIFIED AT THE PORT OF DISCHARGE BY THE INDEPENDENT INSPECTOR. THE VALUE OF THE PLEDGE WILL REDUCE AS AND WHEN PAYMENTS ARE MADE BY CPC FOR EACH WITHDRAWAL OF GASOLINE (92 UNL) IN ACCORDANCE WITH CLAUSE 3.5 OF THE AGREEMENT.

EACH PARTY REPRESENTS THAT ALL NECESSARY CORPORATE ACTIONS AND FORMALITIES HAVE BEEN TAKEN TO ENABLE IT TO ENTER INTO THIS DEED OF PLEDGE.

IN WITNESS WHERE OF THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT AND ANOTHER OF THE SAME TENOR AND DATE AS THESE PRESENTS TO BE EXECUTED AT COLOMBO IN THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA ON THIS 2026.

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CEYLON PETROLEUM CORPORATION

1.NAME :
DESIGNATION :
SIGNATURE :

1. NAME :
DESIGNATION :
SIGNATURE :

2.NAME :
DESIGNATION :
SIGNATURE :

2. NAME :
DESIGNATION :
SIGNATURE :

WITNESSED BY
3)
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1).....
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