



**Spot Cargo Terms & Conditions**  
**10 ppm ULSD**

TEST METHOD	PROPERTY	LIMITS
D-93	Flash Point Pensky Martens, °C	<b>Min 55</b>
D-2709	Water and sediment by centrifuge, % vol	<b>Max 0.05</b>
IP- 309	Cold filter plugging point, °C	<sup>1</sup> <b>Max -5</b> <sup>2</sup> <b>Max 0</b>
D-86	Distillation at 760 mmHg Recovered at 250C, vol % Recovered at 350C, vol % Recovered at 370C, vol %	<b>Max 65</b> <b>Min 85</b> <b>Min 95</b>
D-445	Kinematic Viscosity at 40 °C, cSt	<b>Min 2.00</b> <b>Max 4.50</b>
	Color	<b>Light Yellow</b>
D-482	Ash, % mass	<b>Max 0.01</b>
D-5453	Sulfur, PPM	<b>Max 10</b>
D-130	Corrosion Copper strip (3 hours at 50°C)	<b>Max 1</b>
D-613	Cetane Number	<b>Min 49</b>
D-976 or D-4737	Cetane Index	<b>Min 46</b>
D-524	Ramsbottom Carbon residue (on 10% residuum), % wt	<b>Max 0.3</b>
D4052	Density, kg/m <sup>3</sup>	<b>820-845</b>
D-2274	Oxidation Stability, g/m <sup>3</sup>	<b>Max 25</b>
EN-14078	FAME, vol%	<b>Max 7</b>

1- Winter: November-March Inclusive

2- Summer: April-October Inclusive

*FM* *A/E*

**Product:**

Diesel (ULSD) as per latest Lebanese Specifications

**Country of Origin**

Origin of goods can be from any origin except Israel

**Payment:** To be made by Irrevocable, Confirmed Letter of Credit, as per attached wording (Seller's bank charges and Confirmation fees are on seller's account).

**Taxes, Royalties and Duties:**

All taxes, royalties and duties imposed, levied, or derived from the bid in Lebanon shall be for the account of the Seller, including the stamp fees:

- 0.004 (4 per 1,000) (%) of the estimated value of the tender (quantity increased by 10% x price based on latest Platt's quotation available), payable on the registration of the bid at the Lebanese Ministry of Finance within 5 working days following the letter advised by the LOI .
- 0.004 (4 per 1,000) of the final amount of the invoice to be deducted from the letter of credit.

**Inspection at Port(s)/Berth(s) of Discharge:**

- The Ministry of Energy and Water – Oil Installations in Tripoli and Zahrani will nominate one or more independent inspection companies in order to survey the determination of quantity, quality and specifications compliance at Discharge Port(s)/Berth(s).
- Samples withdrawal and ullage measurements for Diesel Oil and free water content will be taken manually only. The Seller commits to inform the relevant authorities of the approval of opening of the tank's hatches.
- Composite samples are to be analyzed in any of two of the following three laboratories: Oil Installations in Tripoli, Oil Installations in Zahrani, or the Central Oil Laboratory in Beirut, as per the Lebanese Ministry of Energy and Water regulations, working on a schedule of 24 hours a day and seven days a week. Their results will be transmitted to the Seller.
- Costs and fees of inspection and analysis will be on Seller's account.
- The results will be considered as final and binding for both parties, preventing fraud and manifest error, unless Seller requests within two (2) working days after receipt of the results, that a second sampling and analysis take place.
- If a second sampling and analysis is requested by Seller, the Ministry of Energy and Water –Oil Installations in Tripoli and Zahrani will request from one (or more) independent inspection companies to survey a new quality determination of a new product sample. The Ministry of Energy and Water – Oil Installations in Tripoli and Zahrani will also appoint one (or more) laboratory in order to proceed with the analysis of the new samples. The



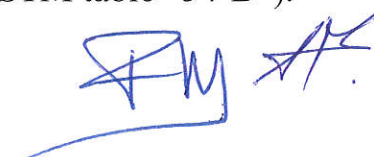
results of this analysis will be communicated to the Seller and considered as final and binding for both parties, preventing fraud and manifest error. The cost and fees of the second inspection and analysis will also be on the Seller's account.

### **Quality determination**

- Quality is to be confirmed at the port(s)/berth(s) of discharge by the nominated inspection company (in addition to the analysis of the vessel's composite sample taken on its arrival).
- If the results of the analysis conclude that the cargo does not meet the required specifications, Buyer has the option to reject the cargo and claim from the Seller the payment of damage(s) caused by this event, including but not limited to analysis expenses at discharge port(s)/berth(s) and L/C expenses. Buyer can also, at its discretion, demand delivery of a substitute cargo at the earliest date, to be agreed upon by both parties. Seller shall compensate Buyer by paying a penalty of 15,000 USD per day until arrival of the substitute cargo up to a maximum of 150,000 USD.
- Price calculation shall be made on the basis of escalation/de-escalation basis density of 0,845.
- Buyer will not be liable for any of the Seller's expenses, vessel expenses, inspection and analysis expenses, L/C expenses, or any expenses of whatsoever kind in case a cargo is rejected.
- The Seller shall bear full responsibility in case of bacteria presence in the product at or after receipt in shore tanks.
- The maximum accepted result for ASTM Color as per Method ASTM D1500 is 2.5 before product dying and as per Oil Installations in Tripoli or Oil installation in Zahrani Labs based on a non-dyed sample, the lab results shall be submitted to the nominated inspection company on a separate results sheet without any modifications to the official results sheet.  
In case the results exceeded 2.5 or the product was dyed at manufacturing point and cannot be tested for ASTM Color, the Seller has to pay a penalty of 1 USD per metric ton received in shore tanks by wire transfer to Buyer's account without any alteration to L/C Terms and Conditions.

### **Quantity determination**

- Net outturn quantity in Metric Tons due is the net in air quantity received in shore tanks at port(s)/berth(s) of discharge as confirmed by the inspection company by applying density shown in the laboratory analysis and by assessing the receiving shore tanks 8 hours after discharging.
- Actual water and sediment content percentages shown by the analysis results at discharge port(s) / berth(s) will be deducted from the quantity due to the conversion of volumes from actual temperature to standard temperature is based on the latest tables' available (ASTM table "54-B").



### **Nomination of vessel and special conditions**

Vessel is to be nominated by seller. Buyer's approval of the vessel shall not be unreasonably withheld. The Buyer can reject a vessel nominated but the vessel shall not be unreasonably rejected. Vessel must not be on Arab boycott list and must not be calling (or have called) at any Israeli port during her voyage

The Vessel nomination shall include the following information:

vessel name and specifications

port of loading

Laycan

approximate quantity to be loaded

estimated time of arrival to the Lebanese territorial waters

Charter-party details including daily demurrage

Certificate of Registration

Classification Records

Before start discharging and after completion of the Diesel cargo, ship must open the sea chest valve to flush the cargo line by sea water for at least 45 minutes. This is to be agreed by charter party.

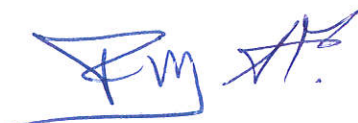
Seller has to submit 90 days after B/L date a Certificate issued by the carrier confirming that the vessel is not Israeli and is not calling at any Israeli ports during her voyage. And in case of late receipt of this Certificate, a penalty shall apply from the period starting 90 days after B/L date and ending on date of remittance of document. Interests will be calculated at a rate of 9% p.a.

### **Laytime of Cargo**

- Laytime is 36 hours SHINC and will start counting after NOR tendered at first discharge port or from all fast, whichever occurs first, plus 6 hours and will end counting after disconnection of discharging hoses at last discharge port.
- Time not to count:
  - On bad weather conditions.
  - When spent on new analysis requested by Seller.
  - If due to unsatisfactory performance of the vessel during discharge
  - As result of force majeure.
- In case the discharge time exceeded (36 hrs + 6 hrs – time not to count) the buyer has to pay the demurrage claim for the time exceeded as per the Demurrage Clause of his contract.

### **Notifications**

Bill of lading date for the cargo should be communicated to Buyer by fax and email(s) to [operations-oilinst@dgo.gov.lb](mailto:operations-oilinst@dgo.gov.lb) and [tenders-oilinst@dgo.gov.lb](mailto:tenders-oilinst@dgo.gov.lb) to be



sent latest on the next working day (in country of loading) immediately following B/L date, at 12.00 hrs noon time (country of loading time).

This notification shall also include:

- quantity loaded
- approximate price per metric ton based on the last publication of Platt's European Market Scan available on the date of notification
- expected time of arrival (ETA) in Lebanon
- ETA messages shall also be sent 72 / 48 / 24 / 12 hours before vessels arrival to discharging port(s).
- Any ETA variation more than 2 hours within 24 hours of arrival to discharge port should be reported to the port authority and/or receivers.

### **Demurrage**

Demurrage that is due on Buyer, if any, will be paid on a pro rata basis as per vessel's charter party rate to be informed to the Buyer at the time of vessel nomination, with a maximum of US\$ 18,000 (eighteen thousand U.S. Dollars) per day.

### **Pricing:**

The unit price per metric ton, basis DAP at one discharge port/berth, will be equivalent to the average of the mean of Eleven Quotations for 10 ppm ULSD as published in Platt's European Market scan of Mediterranean cargoes under the heading "FOB Med (Italy)" being the B/L date, **Five consecutive quotations preceding B/L date and Five consecutive quotations** following B/L date (or six consecutive quotations following B/L date if no quotation is available on B/L date) plus a premium / minus a discount of US \$/MT ....

In case Buyer requests discharge at a second additional port/berth, the unit price of the bid will **be increased by US\$ 0.5 per metric ton.**

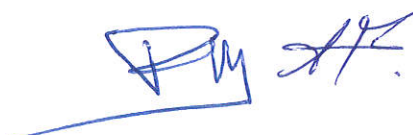
### **Delivery Delay / (Liquidated Damages)**

In the event of delay to supply the Product within the delivery window advised by the buyer; the seller shall pay the buyer for each late delivery, a penalty of US \$ 15,000.- (US Dollars Fifteen Thousand Only) per day of delay, starting the day after the end of the laycan (delivery window) and up to 10 calendar days and up-to US\$ 150,000.- (US Dollars One Hundred Fifty Thousand Only); on the eleventh day the seller shall be deemed to have defaulted.

The time of delay to be considered is from the latest day of laycan (delivery Window) and upon vessel berthing as stated by the statement of facts document advised by the ship agent.

This shall apply unless the Seller can prove that such delay to supply the cargo(es) is due to a force majeure event.

Delivery Default shall be deemed to have occurred if the Seller's vessel does not tender notice of readiness (NOR) at the first port of discharge (Zahrani or



Tripoli Terminal) within 10 (Ten) calendar days after the last day of the agreed laycan.


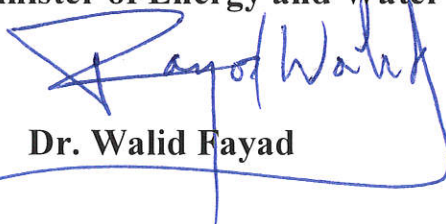
In such case, the Buyer will reserve its rights to cancel the concerned cargo without any liability whatsoever to the seller and to purchase the required quantity from other sources without any prior written notice and without need to obtain judicial order.

**Force Majeure:**

- If the performance by either Party hereto of its respective obligations under this Agreement is delayed , or totally or partially handicapped by Acts of Force Majeure according to the definition of the International Chamber of Commerce including (but without limiting the generality of the foregoing) declared or undeclared war, sabotage, blockade, revolution, civil disturbance, embargo, international sanctions, trade restrictions, decisions by any government or governmental or civil authority, strike, go-slows, lockout or other labor dispute, riot or disorder, Acts of God, fire, floods, earthquakes, storms, terrorism, acts or attempted acts of piracy, tides or tidal waves, explosions, accidents, radiation, or diseases, Such party shall be released of the execution of the delayed or prevented obligations caused by such occurrence without liability on them of any kind.
- Each Party shall use its utmost efforts to minimize the duration and consequences of any failure of or delay in performance resulting from force majeure.
- The party rendered unable to perform due to the above force majeure, shall promptly notify the other party in writing, with the beginning date, the circumstances of the force majeure occurrence, and its end date, together with the supporting documents.

**Award of Prompt Cargo(es):**

Lowest bid proposal meeting best requirements conditions.

  
**Minister of Energy and Water**  
  
**Dr. Walid Fayad**

N.B: - Terminal requirements are attached.  
- Letter of credit format are attached

**OIL INSTALLATIONS IN TRIPOLI**  
**TERMINAL REQUIREMENTS FOR PRODUCT DELIVERY VESSEL**

1. The discharge berth is an open sea berth. C.B.M.
2. Vessel to be able to keep 25% of its deadweight as ballast and be ready to move under her own power at all times.
3. Vessel's length not to be less than **600 Feet**.
4. Vessel to be equipped with centrifugal pumps capable of maintaining a steady manifold ship's pressure of **120 PSI ( 8, 4 KGS / CM2 )**
5. Maximum draught loaded **60 Feet**.
6. Seven tons derrick SWL.
7. Eight mooring ropes **120 fathoms each**.
8. Port and starboard anchors to have a minimum of ten shackles each.
9. Midship connections (**Portside 1 x 12 " inch 150 ASA )** .
10. Pumping is against a head of **300 Feet**.
11. Cargoes loaded on top of slops are not acceptable and an appropriate Dry and Clean Certificate to be issued by loading terminal.



**OIL INSTALLATIONS IN ZAHRANI**  
**ZAHRANI PORT REGULATIONS**

Zahrani Terminal is an open sea berth; only one berth in operation.  
Berth # 2; only Motor Tankers are accepted.

**TANKERS SIZES & CARGO LIMITATIONS**

**Winter Season: (From November 15 Till April 30)**

Tankers arriving to Oil Installations in Zahrani to Discharge its Cargo, Their D.W.T. Must Not Exceed 80.000 Tons & Carrying a Maximum Cargo of 50.000 Tons .

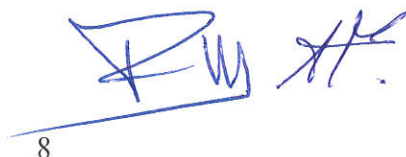
- a ) Maximum Draft on Her Arrival 38 Feet Even keel .
- b) Tanker's Manifold must be located at a Distance Not Exceeding 435 Feet from the Stern.

**Summer Season: ( from May 1 Till November 15 )**

Tankers Arrive to Oil Installations in Zahrani discharge its Cargo. Their D.W.T. Maximum 100.000 Tons & carrying a Maximum Cargo of 60.000 Tons. Also Maximum 40 Feet even keel.

**TANKERS REQUIREMENTS**

- 1) Tankers Must Have S.B.T. (Segregated Ballast Tank )  
Or she Can Discharge Her Cargo & Take Ballast Simultaneously Without Any Contamination. As Per IMO Regulation, Quantity of Ballast 1/3 of her Deadweight.
- 2) Tankers Over 60.000 Tons, Must Have 12 European Anchors on Each Bow.
- 3) Tanker Must Have on Her Port Side Manifold a 10 Tons Derrick .
- 4) Connection on port Side Manifold one Hose Diameter 12 Inch A.S.A.
- 5) The Vessel Must Have Enough Deckcrew (Minimum 7 Seamen ) to Handle & Fasten The Tanker in a proper & Safe Manner .
- 6) Tankers Must Be Equipped With Centrifugal Pumps & to Reach a Pressure At Ship's Manifold of 7.5 KG/ Cm2 During Unloading Operation .





- 7) Tankers Carrying Fuel Oil Cargo Must be Able to Heat Up The Cargo To a Temperature Between 125 F (50 C) & 150 F (65 C) Maximum.
- 8) Reciprocated Pumps Are Rejected > During This Operation May Cause The Hoses To Float & Buckle.

### **ZAHRANI MOORING SYSTEM**

Refer to The sketch attached To The Port Regulations:

Berth #2 IS An open Sea Berth .It IS AN M.B.M. ( Multiple Buoys Mooring ) 7 Cylindrical Buoys .

Tankers Must Be Equipped With The Following Mooring Systems.

- 1) A winch in Front of The Bridge Aft To Heave Up No. 1 & 7 Mooring Ropes which Are The Beam Ropes .
- 2) Must have Minimum (12) Good Ropes, Proper Size & Standard Length 120 Fathoms Each.
- 3) Poop Mooring
  - a) 2 Winches with Wires
  - b) 5 Bitts

#### **N.B.**

- 1) No Overage Tankers are accepted At Z .O. Inst Tankers Over 20 Years are rejected.
- 2) No **O.B.O.** (Oil Bulk Ore) Accepted At Z .O. Inst .

