



TERMS AND CONDITIONS (LUBRICANTS)

These Terms and Conditions shall apply to the sale of any Chevron lubricant and/or coolant products ("**Products**") to Customers by Chevron Hong Kong Limited ("**Chevron**") unless Chevron and Customer have previously entered into a separate agreement covering the sale of Products by Chevron to Customer.

1. Purchase Orders. Chevron shall sell the Products to Customer and Customer shall purchase the Products from Chevron; provided, however, that nothing herein requires Chevron to sell any particular quantity of Products to Customer until Chevron has received a purchase order from Customer and confirmed that it is able to supply the Products ordered.
2. Price. The prices which Customer shall pay Chevron for the Products shall be Chevron's prices to Customer in effect at the time and place of each delivery for the particular Product, grade, quantity and type of delivery involved, as established by Chevron from time to time. Any variation from the minimum delivery requirement, lead times or method of delivery may require a new price. All Product prices are exclusive of taxes.
3. Payment and Credit. Unless otherwise agreed in writing by Chevron, payment is due thirty (30) days prior to the date on which Product is to be delivered to Customer's location.

If Chevron elects to extend credit to Customer, Chevron may, at its discretion, require past due amounts to bear interest at the rate of 1%. Chevron's credit terms are subject to change on notice at the discretion of Chevron. Chevron may set off any amounts owed to Customer against any amounts Customer owes to Chevron, at any time upon notice. Customer hereby represents, warrants and covenants that all information contained in any credit application, financial statement or other instrument provided to Chevron is true and correct as of the date submitted. The language contained in this section assumes the Customer meets Chevron's credit requirements. All amounts due to be paid by Customer to Chevron under this agreement for sale of Products are payable in the manner and to the bank account specified by Chevron from time to time.

Customer shall periodically provide to Chevron financial information or security deemed necessary by Chevron for any credit arrangement agreed on by Chevron. If at any time the financial capacity of Customer becomes impaired or unsatisfactory to Chevron in the sole judgment of Chevron, advance cash payment or security for granting credit (in form and substance) satisfactory to Chevron shall be given by Customer to Chevron on demand by Chevron and shipments/deliveries may be withheld until such payment or security is received by Chevron.

The acceptance of any payment by Chevron after the due date shall not waive any of Chevron's rights with respect to a prior breach for non-payment or any other rights hereunder nor shall the requirement of advance cash payment, suspension of deliveries or termination of this agreement for sale of Products affect any obligation of Customer hereunder.

Customer agrees on behalf of itself and its affiliates, that Chevron may use at any time, without prior demand on Customer, any or all security established under this or any other agreement between Customer or its affiliates and Chevron or its affiliates, to satisfy any indebtedness or other obligation to Chevron including, but not limited to, indebtedness arising from purchases under this agreement for sale of Products.

Customer agrees that, in the event Customer's account is placed for collection, it shall pay all costs and reasonable attorneys' fees associated with such collection proceedings if Chevron prevails.

If Chevron extends any credit to Customer under this agreement for sale of Products, Customer shall provide to Chevron such documentation as Chevron may reasonably consider necessary (including Customer's most current financial statements) to evaluate the financial condition of the Customer for Chevron's internal credit management purposes (including determining whether any credit extension should be given or continue to be given to Customer under this agreement for sale of Products).



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Customer agrees to notify Chevron, as appropriate, of any material changes or events relative to its corporate and financial status or condition, including notice of any change in its principal place of business, partnership or corporate structure or ownership, such as corporate reorganization, merger, acquisition or any other such structural change. Notice of such change or event shall be given to Chevron as soon as practicable and in no event, later than 2 weeks after the occurrence of such change or event. Customer also agrees to give Chevron, as appropriate, notice within 30 calendar days of any material liens or judgments filed against Customer.

4. Lead Time. Unless otherwise agreed between the Parties, lead time shall be no less than two (2) business days, excluding Saturdays, Sundays and public holidays at the plants where orders are fulfilled. The lead time starts the day the written order is accepted by Chevron, so long as the written order is received no later than 3:00 p.m. Hong Kong time.
5. Title and Risk of Loss. Unless otherwise agreed in writing by Chevron, title and risk of loss shall transfer from Chevron to Customer at: (a) Chevron's loading point (if Customer is responsible for picking up the Products); and (b) at Customer's facility (if Chevron is responsible for delivery of Products).
6. Termination. Chevron shall have the right to terminate its relationship with Customer at any time. The termination shall be without prejudice to either party's accrued rights. Upon termination, any sums due and owing by Customer to Chevron shall be credited against any sums owed by Chevron to Customer, if any. In addition to any other remedies available to it, Chevron may apply any or all of the rights accorded to Chevron (including rights under any security given to Chevron) under this agreement for sale of Products toward satisfaction of any remaining amounts owed by Customer to Chevron.
7. Warranty. Chevron warrants that the Products will correspond with their specifications and the relevant industrial standard at the time of delivery. In all instances, it is Customer's responsibility to verify that the selected Products are suitable for Customer's intended use and are consistent with the Customer's maintenance practices, regardless whether such Product(s) is/are selected by Customer based on the recommendation of Chevron, its agent or representative. Subject to the foregoing, Chevron, to the extent permitted by law, neither makes nor authorizes any agent or representative to make any warranty or representation, express or implied in fact or by law, or fitness for a particular purpose, condition or otherwise, concerning the Products whether used alone or in conjunction with any other material.
8. Force Majeure; Shortage of Supply. There shall be no obligation (except for the obligation to pay money when due) to sell or deliver or to receive or use the Products when and while, and to the extent that, the receiving or using or manufacture or making deliveries in the customary manner is prevented or hindered by act of God, fire, riot, labor disturbances (whether involving employees of the party affected or of others and regardless of whether the disturbance could be settled by acceding to the demands of a labor group), accident, war or the acts of any government (whether foreign or domestic, Federal, state, county or municipal) or any causes beyond the reasonable control of the party affected, whether or not similar to any of the foregoing causes. In cases of partial or total interruption, loss or shortage of transportation facilities or supplies, shortage of Products deliverable hereunder, or a decision by Chevron that the costs of some raw materials and/or lubrication products which might be available are unreasonable, Chevron may allocate deliveries of available Products among Customer, Chevron's other customers, including Chevron's Affiliates, and Chevron for its own use, on any basis which in Chevron's sole judgment is fair and reasonable, allowing for such priorities as Chevron deems appropriate. Allocation hereunder is fair and reasonable even if it is based on a shortage in the then contemplated sources of supply or a general shortage in Chevron's system or on historical or planned deliveries. "Chevron's system" means the supply system of Chevron's parent company, Chevron Corporation, and its subsidiaries and affiliated companies. No such reduction need be made up. As used in these Terms and Conditions, "Affiliate" means a corporation controlling, controlled by or under common control with Chevron. For purposes of this definition, "control" shall



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be measured by direct or indirect ownership of at least 50 percent of the shares entitled to vote at a general election of directors.

9. Limitation of Liability. A claim by Customer which is based on any defect in quality or condition of the Products or their failure to correspond with specification shall (whether or not delivery is refused by Customer) be notified to Chevron in writing within seven days from the date of delivery or (where the defect or failure was not apparent on reasonable inspection) within 7 days after discovery of the defect or failure. Customer's only recourse against Chevron arising from or related to the Products shall be limited to, at Chevron's option, (a) the replacement of the non-conforming Product with a conforming Product at no extra charge; or (b) the refund of the purchase price of the Product. In no event shall Chevron be liable for any special, incidental, indirect or consequential, loss or damage or for loss of profit (whether direct, indirect, anticipated or otherwise), loss of business (including loss or reduction of goodwill), loss of the use of money, loss of expected savings, opportunity costs, or damage to reputation, howsoever arising, or punitive or exemplary damages, whether under tort (including negligence), contract, strict liability, statute or otherwise, arising out of or related to the sale of the Products by Chevron to Customer.
10. Charge or Tax. Any tax, duty, toll, fee, impost, charge or other exaction or the amount equivalent thereto, and any increase thereof now or hereafter imposed, levied or assessed by any governmental authority upon, measured by, incident to or as a result of the transactions herein provided for (other than local, state and Federal net income taxes measured by the net income of Chevron from all sources), shall, if collectible or payable by Chevron, be paid by Customer on demand by Chevron. Any such payments shall be in addition to the prices otherwise herein provided for.
11. Brand Protection. Customer agrees that (a) Chevron (and/or its Affiliates) owns the intellectual property rights in all Chevron trademarks and brand names used in connection with the Products covered by this agreement for sale of Products; (b) nothing in this agreement for sale of Products shall be construed as granting the Customer a licence or any other interest in the Chevron trademarks and brand names.
12. Conflict of Terms. If Chevron and Customer have previously entered into a separate agreement ("Previous Agreement") covering the sale of Products by Chevron to Customer, the terms and conditions of Previous Agreement shall prevail in the event of any conflict between the terms and conditions of Previous Agreement and the Terms and Conditions herein.

Chevron's delivery of Products against a purchase order that contains terms and conditions inconsistent with, additional to or different from those set forth herein, shall not constitute acceptance of such terms and Customer agrees that all such terms and conditions shall be deemed rejected by Chevron. Chevron reserves the right to refuse service to Customer (whether or not Products have already been delivered or released) if it submits purchase orders with terms and conditions inconsistent with, additional to or different from these Terms and Conditions.

13. Conflicts of Interests. (i) Conflicts of Interest. No member of Customer's group will, in connection with this agreement for sale of Products, (1) enter into any business arrangement with any director, employee, or agent of Chevron or any of its Affiliates without Chevron's prior written consent, or (2) give to or receive from any director, employee, or agent of Chevron or any of its Affiliates anything of more than nominal value. Customer shall ensure that all members of Customer's group comply with these Terms and Conditions (ii) Improper Influence. No member of Customer's group may, directly or indirectly, offer or make any payment, or offer or give anything of value to any official or immediate family member of an official of any government, public international organization, or political party (including any officer or employee of any department, agency, or instrumentality of any government or public organization), or to any candidate for public office to influence their or its act or decision, or to gain any other advantage for Chevron, its Affiliates, Customer's group, or any of them arising out of this agreement for sale of Products. (iii) Pre-Contract Violations and Reporting. Customer



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warrants that no event has occurred prior to the date of the purchase order issued for the purchase of the Products, which if it had occurred after this date, would be a violation of sub-paragraphs 13(i) or 13(ii) above. Customer shall immediately notify Chevron of any violation of sub-paragraphs 13(i), 13(ii), or 13(iii). Nothing in these Terms and Conditions requires Customer or members of Customer's group to comply with applicable laws, if such requirement would be inconsistent with U.S. laws, including U.S. anti-boycott laws.

14. Severability. If the whole or any part of these Terms and Conditions is void, unenforceable or illegal in a jurisdiction, it is severed for that jurisdiction. The remainder of these Terms and Conditions has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This clause has no effect if the severance alters the basic nature of these Terms and Conditions or is contrary to public policy.
15. Governing Law. This agreement for sale of Products shall be governed by and construed in accordance with the laws of Hong Kong (without reference to its conflict of law principles) and the parties submit to the exclusive jurisdiction of the Hong Kong courts.
16. Modification, Waivers. No modification of these Terms and Conditions, and no waiver of any provision hereof, shall be binding on a party unless in writing and signed by such party. No failure or delay on the part of Chevron in exercising any of its rights under these Terms and Conditions shall operate as a waiver of such rights. No single or partial exercise of any rights under these Terms and Conditions shall preclude any other or further exercise of such rights or the exercise of any other rights under these Terms and Conditions or otherwise under law.
17. Confidentiality. All the information contained in this agreement for sale of Products is provided in good faith to Customer exclusively for the purpose of this agreement only. Customer must not disclose contents of this agreement for sale of Products or any non-public information obtained by it in the course of performing this agreement for sale of Products to any third party without the prior written consent from Chevron.
18. Assignment. The parties' rights and obligations under this agreement for sale of Products shall not be transferred, assigned or novated by either party without the written consent of the other, which consent shall not be unreasonably withheld; provided, however, that, without the consent of Customer, (a) Chevron may transfer, novate or assign its rights and obligations hereunder in whole or in part to an affiliate, provided such entity shall be bound by the terms hereof, and (b) Chevron may transfer, novate or assign its rights and obligations hereunder in whole or in part pursuant to any merger, consolidation, restructuring or otherwise by operation of law. This agreement for sale of Products will be binding upon and will inure to the benefit of each party's authorised successors and assigns.
19. Rights of Third Parties. Each party intends that this agreement for sale of Products will not create any right or cause of action in or on behalf of any entity other than Chevron, Chevron's affiliates or Customer. Any other entity who is not a party may not enforce any of its terms under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 Laws of Hong Kong).
20. Compliance with Law; Necessary Permits. Customer shall ensure that all members of Customer group comply with applicable law, authorizations, concessions, and clearances, and that all members of Customer group obtain, maintain, and comply with all required licenses, permits, consents, approvals, registrations and other authorizations. Noting in these Terms and Conditions requires a party to comply with any applicable law if compliance could subject the party or its affiliates to liabilities or penalties under the U.S. laws including U.S. anti-boycott laws.
21. No Processing of Personal Data. Chevron and Customer agree that it is not anticipated that any personal data shall be processed by Customer on behalf of Chevron under or as a result of this agreement for sale of Products (other than as contained within the terms of this agreement for sale of Products). If Customer begins



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to process personal data on behalf of Chevron, Customer shall immediately notify Chevron and the parties shall incorporate appropriate data protection provisions into this agreement for sale of Products.

22. Record and Inspection. Up until 24 months from the end of the calendar year in which this agreement for sale of Products is completed or terminated, (A) Customer shall ensure that all members of Customer's group retain all records related to this agreement for sale of Products (or until expiry of the statute of limitations for taxes or import or export charges) and (B) Chevron may inspect at any time all records to confirm that the requirements of these Terms and Conditions are met.
23. Trade Compliance. (i) Customer represents and warrants that it is not subject to economic sanctions or trade restrictions imposed by the U.S. government; debarred or excluded or declared ineligible to participate in U.S. government contracts, or contracts, grants, or other programs financed in whole or part by the U.S. government; or listed by the U.S. Department of Commerce or State as an entity with which U.S. Persons may not engage in export or re-export related transactions (collectively, "Restricted Parties"). (ii) Customer's personnel performing any activities related to this agreement for sale of Products must not be Restricted Parties or citizens or permanent residents of countries subject to comprehensive U.S. trade sanctions without Chevron's prior written consent. (ii) Customer acknowledges that Chevron is a subsidiary or Affiliate of Chevron Corporation, a United States company, and that the Products being sold hereunder are subject to U.S. export controls and trade regulations. Customer shall not, directly or indirectly, offer any Products for resale, sale or shipment to any Restricted Party, or destined for countries that are subject to any comprehensive United States trade sanctions. Chevron has the right, in its sole discretion, to terminate this agreement for sale of Products if and to the extent Chevron's performance hereunder would conflict with such export controls and trade regulations.