CITGO PETROLEUM CORPORATION GENERAL TERMS AND CONDITIONS OF SALE – LUBRICANTS

These general terms and conditions of sale ("Agreement") together with CITGO Petroleum Corporation ("CITGO") commercial offer are the only terms that govern the sale of the finished lubricants, sold by CITGO under any of the CITGO brands; including, but not limited to, CITGO Lubricants, Mystik, and Clarion ("Product") to the buyer named on the reverse side of this Agreement ("BUYER"). This Agreement governs the relationship between CITGO and BUYER for the sale of Products to BUYER to the entire exclusion of any other terms and conditions. CITGO's offer will be deemed an offer to supply the Product subject to these terms and conditions. The placing of any order will be deemed to imply the irrevocable acceptance by BUYER of this Agreement. Notwithstanding anything herein to the contrary, if a written contract signed by both parties is in existence covering the sale of the Product covered hereby, the terms and conditions of said contract shall prevail to the extent they are inconsistent with this Agreement.

1. **TERMS OF PAYMENT:** BUYER shall pay each invoice for Product in accordance with the terms of the invoice, via Electronic Funds Transfer (EFT) or Automated Clearing House (ACH). BUYER's failure to pay any invoice within the terms set forth herein may result in the restriction of credit and shall constitute grounds for termination of this Agreement. Further, failure to make payment in accordance with CITGO's payment terms authorizes the imposition of finance charges in an amount equal to the lesser of (i) the maximum amount allowed by applicable law or (ii) one and one-half percent (1.5%) per month. If CITGO has reasonable grounds for insecurity with respect to BUYER's performance of any of BUYER's obligations under this Agreement, then, in addition to all other rights and remedies afforded to CITGO under this Agreement and applicable law, CITGO may request adequate assurances or take such legal action as CITGO deems reasonable. BUYER shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with CITGO, whether relating to CITGO's breach, bankruptcy, or otherwise.

2. DELIVERY AND TITLE TRANSFER: CITGO and BUYER will mutually agree upon the delivery terms, at the time of the order confirmation, using CITGO's standard methods for packaging and shipping such Products, including but not limited to delivery location(s), acceptable delivery hours, site safety rules, delivery driver personal protective equipment rules, proof of delivery documentation, delivery company insurance requirements, and delivery driver certifications. CITGO may refuse loading and delivery into any vehicle which, in its sole opinion, is (1) contaminated, (2) not suitable to carry Products, or (3) not in compliance with any applicable health, environmental, or safety regulation; and in such event, BUYER will be liable for all resulting costs, including demurrage. Risk of loss for Product transfers to BUYER upon delivery as set forth above. Title of the Product transfers to BUYER upon BUYER's full payment of the related invoice. No additional documents shall be necessary for the transfer of title. CITGO may, in its sole discretion, without liability or penalty, make partial shipments of Product to BUYER. Each shipment will constitute a separate sale, and BUYER shall pay for the units shipped whether such shipment is in whole or partial fulfillment of BUYER's order.

3. **TAXES**: Any and all taxes, fees, or other charges imposed or assessed by governmental or regulatory bodies, the taxable incident of which is the transfer of title or the delivery of Product hereunder, or the receipt of payment therefore, regardless of the character, method of calculation, or measure of the levy or assessment, shall be paid by the party upon whom the tax, fee, or other charge is imposed by law, except that BUYER shall reimburse CITGO for all federal, state, and local taxes, fees, or other charges that are imposed by law on CITGO. The importer or exporter of record shall be responsible for and shall pay all custom duties, import/export fees, environmental fund fees, and other assessments pertaining to the importation of the Product. If BUYER claims exemption from any of the aforesaid taxes, then BUYER must furnish CITGO with a properly completed and executed exemption certificate in the form prescribed by the appropriate taxing authority in lieu of payment of such taxes or reimbursement of such taxes to CITGO. Notwithstanding anything to the contrary contained herein, each party shall be responsible for its own income and franchise taxes.

4. WARRANTIES; REMEDIES: CITGO warrants that, at the time of delivery, the Product will meet the specifications provided by CITGO, the packaging of the Product, and/or the Product Information Sheets. CITGO's liability and BUYER's sole remedies, in the event of a breach of the foregoing warranty, shall be limited to replacement of the non-conforming Product and payment of the costs directly associated with the removal of the Product. CITGO MAKES NO OTHER WARRANTIES WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE, WHICH EXTEND BEYOND THOSE DESCRIBED IN THIS SECTION. CITGO EXPRESSLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

5. **CLAIMS AND ADJUSTMENTS:** BUYER shall inspect the Product upon receipt. BUYER will be deemed to have accepted the Product unless it notifies CITGO in writing of any claim of defect within thirty (30) days of delivery ("Notice"). CITGO shall be furnished samples adequate to test such Product claimed to be defective and shall be afforded the opportunity to take its own samples. For claims related to packaging components, CITGO shall be furnished with details supporting the claim, which may include shipping documents and photographic evidence adequate to investigate the claim. Any and all claims not made within the time or in the manner herein provided, shall be deemed waived and released by BUYER and BUYER shall indemnify and hold CITGO harmless from and against any and all claims and damages related to such Product. Except as provided under this Section, all sales of Product to BUYER are made on a one-way basis and BUYER has no right to return Product purchased under this Agreement to CITGO. CITGO shall not be liable for a breach of the warranties set forth in Section 4 if: (i) BUYER makes any further use of such Product after giving Notice; (ii) the defect arises because BUYER failed to follow CITGO's written instructions as to the storage, installation, commissioning, use or maintenance of the Product; or (iii) BUYER alters such Product without the prior written consent of CITGO. Any claim arising out of or related to this Agreement, which is not asserted as a claim, counterclaim, defense, or set-off in a judicial proceeding instituted within two (2) years after the cause of action arose, will be forever waived and ared.

6. FORCE MAJEURE: No failure or delay by either party to carry out or to observe any of its obligations under the Agreement shall give rise to any claim or be deemed a breach of the Agreement (other than the obligation to pay for Product already shipped) if such failure or delay arises from causes reasonably beyond the control of the affected party. Such causes include, but are not limited to, the following: floods, fires, extreme heat or cold, earthquakes, hurricanes, and other natural disasters; explosions and power shortages; transportation difficulties, strikes, lockouts, or other industrial disturbances; wars, acts of terrorism, or sabotage; accident or breakage of equipment or machinery not due to failure to maintain the same; failure of transporters to furnish transportation; failure of suppliers to furnish supplies; and any law, rule, order, or action of any court or instrumentality of the federal or any state government

7. **COMPLIANCE WITH LAWS**: BUYER agrees to comply with all applicable laws, rules, regulations and other requirements of any federal or local government or agency of the United States of America and any other governmental authority including those laws related to (i) export and import such as Export Administration Regulations and International Traffic in Arms Regulations, (ii) sanctions and embargoes under Office of Foreign Asset Control, (iii) antimoney laundering laws, anti-bribery and anti-corruption laws and regulations arising under Foreign Corrupt Practices Act (FCPA), and (iv) data protection, privacy, and confidentiality of personal information, including the California Consumer Privacy Act of 2018.

8. **PRODUCT HAZARDS**: BUYER acknowledges familiarity with the Product, including its handling, transportation, use, storage, and disposal. BUYER further acknowledges its separate and independent knowledge of the risks known in BUYER's industry to be associated with the handling, transportation, use, storage, and disposal of the Product and assumes those risks upon purchase of the Product. BUYER acknowledges that it has been adequately warned by CITGO of such risks, including, without limitation, those risks set forth in CITGO's Safety Data Sheet for the Product ("SDS") which BUYER affirms it has received and understands. BUYER warrants its compliance with all applicable governmental requirements concerning the

Product, including without limit all requirement related to safety, health, environmental, recycling and disposal and agrees to take such steps (including dissemination of pertinent information in the SDS) as are reasonable and practicable to inform BUYER's employees, agents, contractors, and customers of all risks associated with the Product.

9. **INDEMNIFICATION**: BUYER AGREES TO DEFEND, INDEMNIFY, AND HOLD HARMLESS CITGO, ITS PARENTS, AFFILIATES AND SUBSIDIARIES, AND ITS AND THEIR AGENTS, OFFICERS, DIRECTORS, EMPLOYEES, CONTRACTORS, AND REPRESENTATIVES (COLLECTIVELY, "CITGO INDEMNITEES") FROM AND AGAINST ALL CLAIMS, DEMANDS, SUITS, LOSSES, DAMAGES, CAUSES OF ACTION, AND LIABILITY OF ANY TYPE AND CHARACTER, WITHOUT REGARD TO AMOUNT, ARISING AFTER DELIVERY OF THE PRODUCT.

10. **INSURANCE**: BUYER, at its own expense, shall maintain Commercial General Liability Insurance including coverage for Contractual Liability, Products Liability, and Personal and Advertising Injury Liability with limits of not less than \$1,000,000 combined single limit bodily injury and property damage per occurrence. This policy shall be endorsed to name CITGO as an Additional Insured and expressly waive any right to subrogation against CITGO. The Insurance shall be primary to any and all other valid and collectible insurance. CITGO may request a certificate of insurance, at any time, to evidence the BUYER's compliance with this Section.

11. **DEFAULT**: If BUYER defaults in performance of any material provision of this Agreement, CITGO, in addition to any other remedies available, may do any or all of the following: (1) offset damages arising from BUYER's default by withholding delivery of Product, material, or services, relating to this Agreement or any other agreement or transaction that CITGO has with BUYER, its subsidiaries or affiliates; (2) suspend deliveries until amounts for all indebtedness by BUYER have been paid in full or default is cured; (3) treat such default as a breach of the Agreement and, if such default is not cured within a reasonable time stated in the notice thereof, terminate the Agreement; or (4) terminate the Agreement immediately.

12. **LIMITATION OF LIABILITY**: EXCEPT FOR CLAIMS ARISING UNDER SECTION 9, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY LOST OR PROSPECTIVE PROFITS OR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, OR INDIRECT LOSSES OR DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT THE PARTIES HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. THE AGGREGATE LIABILITY OF CITGO WITH RESPECT TO THE AGREEMENT OR IN ANY ACTION IN CONNECTION HEREWITH, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, SHALL NOT EXCEED THE PURCHASE PRICE OF THE PRODUCT FOR WHICH A CLAIM IS MADE, UNLESS SUCH LIABILITY RESULTS FROM CITGO'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

13. GENERAL PROVISIONS:

- a. <u>Confidentiality</u>. All non-public, confidential or proprietary information of CITGO, including but not limited to, specifications, samples, documents, data, business operations, pricing, discounts, or rebates, disclosed by CITGO to BUYER, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated, or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by CITGO in writing. Upon CITGO's request, BUYER shall promptly return all documents and other materials received from CITGO. CITGO shall be entitled to injunctive relief for any violation of this Section.
- b. <u>Governing Law, Forum Selection, and Recovery of Fees</u>. This Agreement shall be governed by the laws of the state of Texas, without giving effect to its conflicts or choice of law rules. The parties specifically agree that jurisdiction for any claims or legal actions arising hereunder shall be brought and defended only in the federal or state courts located in Harris County, Texas. The parties will make good-faith efforts to mutually agree upon a form of alternative dispute resolution prior to instituting any court action. In any proceeding by which one party either seeks to enforce its rights under this Agreement or seeks a declaration of any rights or obligations under this Agreement, the prevailing party shall be awarded its reasonable attorneys' fees, and costs and expenses incurred.
- c. <u>Waiver</u>. No waiver by either party of any breach by the other party of any of the covenants or conditions of this Agreement shall be construed as a waiver of any succeeding breach of the same or any other covenants or conditions contained herein.
- d. <u>Entirety of Agreement</u>. This Agreement shall supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. This Agreement shall prevail over any of BUYER'S general terms and conditions of purchase regardless of whether or when BUYER has submitted its purchase order or such terms. Fulfillment of BUYER'S order does not constitute acceptance of any of BUYER'S terms and conditions and does not serve to modify or amend this Agreement. Any modification of this Agreement shall be by written instrument duly executed by authorized representatives of both parties.
- e. <u>Headings</u>. Paragraph headings are for convenience only and shall not limit or change the subject matter or construction of this Agreement.
- f. Intellectual Property. All intellectual property rights in the Product are and remain the property of CITGO. All uses of CITGO's logos, trademarks, or other proprietary intellectual property must have CITGO'S prior written approval.
- g. <u>Enforceability</u>. Any provision of this Agreement which is determined by a court of competent jurisdiction or governmental body to be invalid or unenforceable shall be ineffective only to the extent of such determination and shall not affect the validity or enforceability of any other provision, nor shall such determination apply in any circumstance or to any party not controlled by such determination.
- h. <u>Relationship of the Parties</u>. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.