



REGULATIONS GOVERNING CONSIGNMENT STOCK – OIL, GAS & COAL ACCOUNTS

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The English version is the legally binding \ language that will be enforced by laws and all jurisdictions will refer to it regarding all translations.

A – OIL, GAS AND COAL ACCOUNTS REGULATIONS

1. **Validity Oil, Gas and Coal account regulations**

The regulations governing oil/gas accounts apply to all **Bonny Light Crude Oil (BLCO)** – to be refined for specific specifications Low Petro Gas, Unleaded Petrol, Leaded Petrol, Illuminating Kerosene, Diesel, Fuel Oil, etc. and/or **Liquefied Natural Gas (LNG)** and/or **Liquefied Petroleum Gas (LPG)** is a clear, colourless and non-toxic liquid which forms when natural gas is cooled to -162°C/260°F (burnt for heat or to generate electricity) and/or **Low Pour Fuel Oil (LPFO)** to be refined for specific specifications by the different grades of fuel oil depend on their volatility and degree which they burn and volatility (used to run boilers / furnaces), and/or **Thermal Coal (TC)** specific specifications by the different grades of medium-quality type (between 5100 and 6100 cal/gram) depend on their volatility and degree which they burn and volatility (used to run boilers / furnaces / power plans) which are administered in account form by **Canaf Petro-Chemicals Refinery™** (hereinafter **CPCR**).

2. **Oil, Gas and Coal weight accounts**

The weight accounts are kept in barrels, cubic meter, kilograms, metric tonnes.

3. **Account holder's entitlement**

The Oil, Gas and Coal deposits of the single account holders are not stored separately. The account holder owns jointly with **CPCR** said Oil, Gas and Coal which is part of the global stock present at **CPCR** and corresponds to the relative amount of Oil, Gas and Coal on the specific account compared to the global stock of the other account holders.

The account holder may claim delivery of the quantity of Oil, Gas and Coal shown on his account, given the observance of **CPCR's** retention of title. For physical deliveries the customer is charged with manufacturing costs. Place of delivery is **Netherland / China / India** or wherever **CPCR** resides. By arrangement, **CPCR** will deliver the Oil, Gas and Coal to another destination at the expense and risk of the account holder, provided this is practicable and in compliance with the laws in force at the desired delivery point.

4. **Duty to observe due care on the part of CPCR**

CPCR undertakes to keep, register and manage the assets of the account holder with the same care as it does its own assets.

5. **Type of accounts**

Following account types are held:

- (Bank) Oil, Gas and Coal accounts
- Industrial weight accounts

Industrial weight accounts cannot bear a negative balance. In

order to avoid such situation, the customer entitles **CPCR** to compensate eventual differences automatically through the (bank) Oil, Gas and Coal accounts.

6. **Right of retention**

CPCR retains title to the refined fuels of all Oil, Gas and Coal or consignment stocks of the Customer, whether booked on an account or not. The title of retention covers existing or future commitments with **CPCR**, as well as negative balances on Oil, Gas and Coal accounts, unpaid delivery invoices or other contractual rights competing to **CPCR** ('debtor statements').

CPCR is entitled to exploit the right of retention, if the Customer hasn't balanced within the due terms his debtor statements. In this case the negative balance of available Oil, Gas and Coal stock is invoiced, sold to third parties or purchased at the daily quotation by **CPCR**. The equivalent serves to balance open invoices or to cover other guaranteed commitments of the customer. Reserve funds are formed for other not fallen due, latent or suspense conditional rights, within the sphere of the foreseeable amounts including the relative costs.

7. **Interest / overdrafts**

No credit interest is paid on Oil, Gas and Coal accounts. Overdrafts are only permitted on bank Oil, Gas and Coal accounts as part of an explicit credit agreement.

8. **Fees, taxes and other duties**

All taxes (e.g. VAT) and other duties in connection with the physical delivery of Oil, Gas and Coal and the maintaining of Oil, Gas and Coal weight accounts shall be borne by the account holder care as it does its own assets.

9. **Oil, Gas and Coal weight account statements**

The balance of the Oil, Gas and Coal weight accounts are recorded on periodic statements sent to the account holder. Differences have to be communicated in writing to **CPCR** within 10 days, otherwise the reported balance shall apply.

10. **Exclusive subject of right**

For all matters concerning the Oil, Gas and Coal accounts, the Customer's right of disposal as well as **CPCR's** right of retention, **CPCR** is entitled to follow exclusively the instructions of the account holder without having to respect legal ties to third parties of the latter. Deposits which are made on behalf of the Customer by third parties, are considered as deposits of the Customer.

11. **General Terms of Delivery**

The **General Terms of Delivery** prevail upon the present regulations, which shall supplement the provisions of the **General Terms of Delivery**. In case of incongruence between the different versions of these regulations, the English version shall overrule.

Changes of the Oil, Gas and Coal account regulations



CPCR reserves the right to make changes to these regulations at any time. Such changes shall be communicated to the account holder in writing or in another suitable manner one month before becoming effective.

B – CONSIGNMENT STOCK REGULATIONS

1. *Validity Consignment Stock regulations*

The Consignment Stock Regulations shall apply to the safekeeping of all oil/gas/coal accounts apply to all **Bonny Light Crude Oil (BLCO)** – to be refined for specific specifications Low Petro Gas, Unleaded Petrol, Leaded Petrol, Illuminating Kerosene, Diesel, Fuel Oil, etc. and/or **Liquefied Natural Gas (LNG)** and/or **Liquefied Petroleum Gas (LPG)** is a clear, colourless and non-toxic liquid which forms when natural gas is cooled to -162°C/260°F (burnt for heat or to generate electricity) and/or **Low Pour Fuel Oil (LPFO)** to be refined for specific specifications by the different grades of fuel oil depend on their volatility and degree which they burn and volatility (used to run boilers / furnaces), and/or **Thermal Coal (TC)** specific specifications by the different grades of medium-quality type (between 5100 and 6100 cal/gram) depend on their volatility and degree which they burn and volatility (used to run boilers / furnaces / power plans) which are administered in account form by **Canaf Petro-Chemicals Refinery™** (hereinafter **CPCR**).

2. *Consignment Stock*

The consignment stock accounts are kept in barrels, cubic meter, kilograms, metric tonnes. Warranty deliveries are registered according to the Customer's indications with the mention "weight, number, fine weight as per declaration, not verified"

3. *Duty to observe due care on the part of CPCR*

CPCR undertakes to keep, register and manage the consignment stock assets of the account holder with the same care as it does its own assets.

4. *Consignment Stock Account holder's entitlement*

The Oil, Gas and Coal stock of the individual account holders is stored separately and inventory can be made anytime during normal business hours. Delivery place for withdrawals from the consignment stock account is **Netherland / China / India** or wherever **CPCR** resides. By arrangement, **CPCR** will deliver the Oil, Gas and Coal to another destination at the expense and risk of the account holder, provided this is practicable and in compliance with the laws in force at the desired delivery point.

5. *Right of retention*

CPCR retains title to the oil/gas of all Oil, Gas and Coal accounts of the Customer, whether booked in a deposit or not. The title of retention covers existing or future commitments with **CPCR**, as well as negative balances on Oil, Gas and Coal accounts, unpaid delivery invoices or other contractual rights competing to **CPCR** ('debtor statements').

CPCR is entitled to exploit the right of retention, if the Customer has not balanced within the due terms his debtor statements. For this purpose, the oil/gas subject to right of retention is refine. The refined oil/gas amount is invoiced according to the existing negative balance, sold to third parties or purchased at the daily quotation by **CPCR**. The equivalent serves to balance open

invoices or to cover other guaranteed commitments of the customer.

Reserve funds are formed for other not fallen due, latent or suspense conditional rights, within the sphere of the foreseeable amounts including the relative costs.

6. *Fees, taxes and other duties*

All taxes (e.g. VAT) and other duties in connection with the physical delivery of refined fuels and the maintaining of consignment stock accounts shall be borne by the account holder.

7. *Statements*

The balance of the consignment stock accounts is recorded on periodic statements sent to the account holder. Differences have to be communicated in writing to **CPCR** within 10 days, otherwise the reported balance shall apply.

8. *Exclusive subject of right*

For all matters concerning the Oil, Gas and Coal accounts, the Customer's right of disposal as well as **CPCR's** right of retention, **CPCR** is entitled to follow exclusively the instructions of the account holder without having to respect legal ties to third parties of the latter.

9. *General Terms of Delivery*

The General Terms of Delivery prevail upon the present regulations, which shall supplement the provisions of the General Terms of Delivery. In case of incongruence between the different versions of these regulations, the English version shall overrule.

Changes of Regulations Governing Consignment Stock – Oil, Gas & Coal Accounts

CPCR reserves the right to make changes to these regulations at any time. Such changes shall be communicated to the account holder in writing or in another suitable manner one month before becoming effective. In case of incongruence between the different versions of these regulations, the English version shall overrule.

Concluding Provisions

All other aspects of the legal relations between **CPCR** and the Client shall be governed by the [General Terms and Conditions / Scope](#) and by the applicable Swiss law.

The [General Terms and Conditions / Scope](#) shall complement the [Regulations Governing Consignment Stock – Oil, Gas & Coal Accounts](#). However, in case of discrepancies or conflicts, the [Regulations Governing Consignment Stock – Oil, Gas & Coal Accounts](#) shall prevail and supersede the [General Terms and Conditions / Scope](#).

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