

HUSKY MARKETING AND SUPPLY COMPANY
GENERAL TERMS AND CONDITIONS
FOR
PETROLEUM PRODUCT PURCHASES/SALES

1. Composition of Agreement: Agreement date, reference number, Product, quality, quantity, parties, terms, price, location, period, measurement, payment terms and/or any other terms and conditions will be set out in a Sales Agreement between the parties and will be referred to by the parties as the "Special Provisions." The Special Provisions shall incorporate by reference these General Terms and Conditions for Petroleum Product Purchases/Sales (the "General Conditions"). The Special Provisions, together with these General Conditions and if applicable, Husky Marketing and Supply Company's Marine Provisions and/or Terminal Loading Agreement/Customer Access Agreement will constitute the entire agreement between the parties (the "Agreement").

2. Definitions: As used in these General Conditions.

"API" shall mean the American Petroleum Institute.

"API/ASTM Standard" shall mean the API and ASTM standard references as such are in effect as of the date hereof. In the event such standards are revised or modified during the term of this Agreement, the revised or modified standards shall apply after such revisions or modifications have been evaluated and accepted by the parties. Unless written notice is given within sixty (60) days after the issuance of revised or modified standards, acceptance of the new standards shall be deemed given.

"ASTM" shall mean the American Society for Testing Materials.

"Product" shall have the definition set forth in the Special Provisions.

All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Special Provisions.

3. Payment and Credit Terms: Payment and credit shall be made without discount, deduction, withholding, set-off or counterclaim in United States dollars by wire transfer, electronic funds transfer or check (as per payment term designated on Seller's invoice to Buyer) of immediately available funds on or before the payment due date, as set forth in the Special Provisions, to the bank and account designated by Seller, upon presentation to Buyer by Seller of an original hard copy, a telecopy or a telex of the invoice together with other documents expressly specified for presentation for payment in the Special Provisions. If the invoice is received after 12:00 p.m. CST, such invoice will be deemed received on the next day.

Seller shall have the right to assess finance charges at an annual percentage rate of 15%, which shall be applied to the total past-due balance, excluding any previously outstanding finance charges.

When payment due date falls on a Saturday or on a weekday, other than Monday, which is not a banking day in New York then any such payment shall be made on the nearest preceding New York banking day. In the event a payment due date falls on a Sunday or a Monday which is not a banking day in New York such payment shall be made on the next following banking day.

If sufficient credit for this transaction is not approved by Seller's credit department, Buyer shall either prepay the full amount owed to Seller at least two (2) banking days prior to scheduled ship date or shall secure payment by the issuance of an irrevocable non-transferable letter of credit ("Letter of Credit") which will be opened in a form and substance and at a bank acceptable to Seller in its sole discretion. The Letter of Credit(s) is to be received at least two (2) banking days prior to scheduled ship date. Any and all applicable taxes must be covered in the Letter of Credit unless Buyer provides Seller with certificate(s) evidencing Buyer's tax-exempt status three (3) days prior to scheduled delivery date. Failure by Buyer to timely make such required prepayment or timely issue the Letter of Credit shall constitute a breach of this Agreement and thereafter Seller shall have the right to cancel this Agreement and/or proceed against Buyer for damages incurred by the Seller due to Buyer's failure to perform.

4. Title and Risk of Loss: Title to, and all risk of loss of or damage to any Product delivered shall pass as follows: when by or into any vessel, at the flange between the vessel's permanent hose connection and the shore line; when into any truck, tank car or pipeline, as the Product enters the receiving equipment, or, if received by a common carrier, when accepted by the carrier for shipment; when into storage (other than from vessels), as the Product enters the tank; and when by book or stock transfer, on the effective date of the transfer. It is expressly understood that the passage of title and risk of loss as set forth above is not conditioned on delivery or receipt of any bills of lading.

5. Inspection and Measurement: API/ASTM Standards or the latest revisions thereof shall be complied with at all times. All volumes or quantities shall be adjusted per API/ASTM Standards. Metering systems shall conform to the API/ASTM Standards then in effect relative to meter calibration/accuracy. Either party shall have the right to witness all gauges, tests and measurements.

Marine Vessels: Unless otherwise agreed, inspection and measurement of Product delivered hereunder shall be made by an independent petroleum inspector, the cost of which shall be borne equally by Buyer and Seller. At the designated point of custody and title transfer, a mutually acceptable independent inspector shall hand gauge and record static shore tank measurements immediately before and immediately after delivery of the Product to determine the volume of Product delivered. If relevant shore tank gauge measurements are not possible, then properly certified meter measurement is acceptable. If neither static shore tank measurement nor certified meters are available then determination of the volumes will be agreed to by the parties.

Pipelines: Quantities delivered into or out of pipelines shall be measured by pipeline meters if available.

Tank Truck/Cars: Quantities delivered into or out of tank trucks/cars shall be based on meters or shore tanks or scales located at or near the delivery point.

Seller shall permit Buyer to review and copy relevant meter proving records and witness proving tests as requested. Samples of Product transferred hereunder shall be retained for ninety (90) days.

6. Warranty: The Seller warrants:

- A. that the Product conforms to the specifications set forth in the Special Provisions;
- B. that the Seller has free and clear title to the Product manufactured and delivered under the Agreement; and
- C. that such Product shall be delivered free from lawful security interests, liens, taxes and encumbrances.

THE SELLER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT, REGARDLESS OF NEGLIGENCE, SHALL EITHER PARTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES.

All warranties made under the Agreement shall survive acceptance of or payment for the Product by the Buyer.

7. Financial Responsibility: If either party's payments or deliveries to the other party shall be in arrears, or the financial responsibility of either party becomes impaired or unsatisfactory in the reasonable opinion of the other party, advance cash payment or satisfactory security shall be given upon demand, and shipments may be withheld until such payment or security is received. If such payment or security is not received within two (2) days from written demand therefor, the party demanding such payment or security may immediately terminate this Agreement upon written notice to the other party. In the event either party becomes insolvent, makes an assignment or any general arrangement for the benefit of creditors or if there are instituted by or against either party proceedings in bankruptcy or under any insolvency law or law for reorganization, receivership or dissolution, the other party may withhold shipments and/or immediately terminate this Agreement upon written notice to the other party. The exercise by either party of any right reserved under this Section 7 shall be without prejudice to any claim for damages or any other right under this Agreement or applicable law.

The Buyer grants to the Seller and its affiliates the right to set off and to apply any money, accounts payable or Product balance owed by Seller and its affiliates to the Buyer or any collateral of every description held by Seller and its affiliates to secure any indebtedness or obligation owed by Buyer to the Seller and its affiliates against any unpaid money or accounts receivable owed to Seller and its affiliates by Buyer.

The Buyer shall be liable for 100% of the Product made available to it by Seller pursuant to the Special Provisions, including Product available but not taken by Buyer. In the event that any Product not taken is sold to a third party at a price below Buyer's agreed upon price, the Buyer shall be liable for the difference between the price received by Seller and the Buyer's agreed upon price. If the Product not taken is not sold during the month of intended delivery, the

Buyer shall be liable for the full agreed upon price for the month the Product is not taken. Buyer shall also be liable to Seller for administrative costs and other expenses or penalties the Seller incurs as a result of obtaining another buyer for the Product for which Buyer contracted. Buyer shall pay all amounts due hereunder within seven (7) calendar days after notification thereof by Seller.

8. Notices: All notices required hereunder may be sent by facsimile, electronic means, registered mail, overnight courier service or hand delivered.

Notice shall be given when received on a business day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent electronically or by facsimile shall be deemed to have been received upon the sending party's receipt of confirmation of a successful transmission; if the day on which such electronic or facsimile Notice is received is not a business day or is after five p.m. on a business day, then such Notice shall be deemed to have been received on the next following business day. Notice by overnight mail or courier shall be deemed to have been received on the next business day after it was sent or such earlier time as is confirmed by the receiving party.

9. Liquidation and Close-Out: The parties acknowledge and agree that this Agreement constitutes a "forward contract" as defined in section 101(25) of title 11 of the United States Code (the "Bankruptcy Code") and for purposes of section 556 of the Bankruptcy Code and the Buyer and Seller are each "forward contract merchants" as defined in section 101(26) of the Bankruptcy Code.

If one party (the "Defaulting Party") shall voluntarily file a petition in bankruptcy, reorganization, or receivership, shall be forced by its creditors into bankruptcy, reorganization, or receivership, shall become insolvent, shall fail to pay its debts as they become due, or shall fail to give adequate assurance or security of its ability to perform its obligations hereunder within forty-eight (48) hours after receipt of a written request therefor, the other party (the "Liquidating Party") shall have the immediate right to liquidate and terminate this Agreement and all other forward contracts (as defined by the Bankruptcy Code) between the parties (regardless of whether the liquidating party is the delivering party or the receiving party thereunder) by calculating the difference in price for the Product hereunder and the prevailing market price for the Product or the commercially reasonable equivalent price for the Product as published in an industry publication multiplied by the remaining quantities of the Product to be delivered hereunder. The liquidation balances shall be netted to a single sum. The Defaulting Party shall pay the other party in U.S. dollars by wire transfer in immediately available funds within twenty-four (24) hours after receiving notice of the results of the calculation. The liquidation and close-out of this Agreement and all other forward contracts shall be in addition to any other rights and remedies which a Party may have.

10. 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 the Product hereunder, or the receipt of payment therefor, 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 charge is imposed by law, except that Buyer shall reimburse Seller for all federal, state and local taxes, fees or charges which are imposed by law on Seller relating to the Product. The

importer of record shall be responsible for and shall pay all custom duties, import fees, environmental fund fees and other assessments pertaining to the importation of the Product.

Buyer shall (a) upon receipt of Seller's invoice, pay or reimburse Seller for any such taxes, fees or charges Seller is required by law to pay; or (b) provide Seller, prior to delivery and upon demand, with all proper and valid exemption certificates, evidencing that Buyer is licensed to engage in tax free transactions with respect to the Product under all federal or state laws which may apply to this Agreement and the Product delivered hereunder.

11. Waterborne Deliveries: Waterborne deliveries shall also be made pursuant to the terms and conditions set forth in Husky Marketing and Supply Company's Marine Provisions. The Seller shall prepare and furnish the Buyer with copies of bills of lading and other shipping papers. All papers sent to either party in regard to this Agreement shall show the reference number thereon. Failure to deliver Product in accordance with the terms and conditions of this Agreement for any reason other than those included in Section 13, Force Majeure, shall constitute a default under this Agreement.

12. Non-Waterborne Deliveries: Deliveries shall be made within the delivery terminal's usual business hours provided that reasonable advanced written notice of each delivery has been given by the Buyer. Nominations for pipeline delivery shall be given during normal business hours in accordance with the pipeline's policies and time constraints. Failure to deliver Product in accordance with the terms and conditions of this Agreement for any reason other than those included in Section 13, Force Majeure, shall constitute a default under this Agreement.

13. Force Majeure: In the event either party is rendered unable, wholly or in part, to perform its obligations under this Agreement (other than to make payments due hereunder) due to acts of God, floods, fires, explosions, extreme heat or cold, earthquake or storm; transportation difficulties, strikes, lockouts or other industrial disturbances; wars, acts of terrorism or sabotage; accident or breakage of equipment or machinery; failure of transporters to furnish transportation, failure of suppliers to furnish supplies; or any law, rules, order or action of any court or instrumentality of the federal or any state government; or for any other cause or causes beyond its reasonable control, it is agreed that on such party's giving notice and full particulars of such force majeure to the other party, the obligations of the party giving such notice shall be suspended from the date of receipt of such notice by the other party and for the continuance of any inability so caused, but for no longer period, and such cause shall, so far as possible, be remedied with all reasonable dispatch. The term force majeure shall not apply to those events which merely make it more difficult or costly for Seller or Buyer to perform their obligations hereunder. Buyer and Seller further agree that at the conclusion of any force majeure event, neither Buyer nor Seller shall have any obligation to each other with respect to any quantities of Product not delivered as a consequence of such force majeure event. No condition of force majeure shall operate to extend the terms of this Agreement.

14. Hazard Warning Responsibility: With the other documents required hereunder, the Seller shall provide to the Buyer a Material Safety Data Sheet for each Product delivered hereunder. Buyer acknowledges that there may be hazards associated with the loading, unloading, transporting, handling or use of the Product sold hereunder, which may require that warning be communicated to or other precautionary action taken with all persons handling, coming into contact with, or in any way concerned with the Product sold hereunder. Buyer assumes as to its

employees, independent contractors, subsequent purchasers of the Product sold hereunder, and any persons for which the Buyer is responsible at law, all responsibility for all such necessary warnings or other precautionary measures relating to hazards to person and property associated with the Product sold hereunder. Furthermore, Buyer shall defend at its own expense, indemnify fully and hold harmless Seller and its parents, subsidiaries and affiliates and its and their agents, officers, directors, employees, representatives, successors and assigns and any persons for which the Seller, its parents, subsidiaries and affiliates are responsible for at law from and against, without limitation, any and all liabilities; losses; damages; demands; claims; penalties; fines; actions; suits; legal, administrative or arbitration proceedings; judgments, orders, directives, injunctions, decrees or awards of any jurisdiction; costs and expenses (including, but not limited to and without restricting the generality of the foregoing, all legal fees on a solicitor and his own client basis, and related costs) arising out of or in any manner related to Buyer's failure to provide necessary warnings or other precautionary measures in connection with the Product sold hereunder as provided above.

15. Drawback: Seller reserves the right to claim, receive and retain drawbacks on imported duty-paid feedstocks used in the manufacture of Product which it delivers hereunder. Buyer shall on request execute proofs of exportation, drawback claim forms and assignments in favor of Seller to enable Seller to establish its drawback rights under applicable regulations.

16. Limitation of Liability: IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR INCIDENTAL, INDIRECT, EXEMPLARY, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES. Seller's liability with respect to the Agreement or any action in connection herewith whether in contract, tort or otherwise shall not exceed the price of the Product sold hereunder or the price of that portion of such Product on which liability is asserted. All claims relating to or arising out of Product quality or quantity hereunder must be delivered in writing to Seller no later than sixty (60) days after the delivery of the Product to Buyer, failing which Buyer releases Seller from any such claim. Further, any actions to enforce any rights or obligations under this Agreement must be filed in court against the other party no later than one (1) year after the date on which the alleged breach of this Agreement occurred.

17. Indemnity: Subject to Section 16, Seller and Buyer mutually covenant to and shall protect, defend, indemnify and hold each other harmless from and against any and all claims, demands, suits, losses (including without limitation, costs of defense, attorneys' fees, penalties and interest), damages, causes of action and liability of every type and character without regard to amount caused by, arising out of or resulting from the acts or omissions or negligence or wrongdoing of such indemnifying party, its officers, employees or agents with respect to the purchase and sale of Product hereunder.

18. Supplier-Purchaser Provision: The term and volume of any transaction(s) undertaken between the parties hereto are strictly limited to those specified in the Special Provisions hereof, and the parties expressly agree that no supplier/purchaser relationship will be established or is intended to be established hereby. The parties specifically grant to each other express written consent to terminate this Agreement in accordance with the provisions of any supplier/purchaser relationship which may be created pursuant to any mandatory petroleum allocation regulations or other applicable government regulations or statutes. The parties hereby agree to take all steps which may be required to effectuate such termination, including but not limited to the issuance of

notice and consents which may be necessary or desirable to effect such termination, and securing the consent of subsequent purchasers.

If all three of the following conditions exist:

- a. if an industry-wide curtailment, shortage or cessation of supply of the Product exists;
- b. if Seller has a curtailment, shortage or cessation in its existing or contemplated availability of the Product to be sold hereunder or in the raw materials used to manufacture the Product, irrespective of the cause or foreseeability of such curtailment, shortage or cessation; and
- c. if Seller's inability to comply with any or all of its obligations to Buyer and others to whom it then has historical relationships;

Seller at its sole discretion but in a fair and commercially reasonable manner may withhold, suspend or reduce sales and deliveries to Buyer and others and shall not be required to make good any shortages resulting therefrom. Seller shall not be obligated to purchase Product in the open or spot market to supplement Seller's existing or contemplated availability of the Product in order to invoke this paragraph.

19. Default: The Seller may, in addition to all other rights granted under this Agreement, at law or in equity, terminate this Agreement in whole or in part as pertains to each respective interest, by written notice to Buyer effective upon such notice being delivered to any authorized representative of Buyer, being deposited in the United State mail, or with an overnight delivery service, address to the Buyer at the address stated in the Special Provisions, or by electronic means which can convey a signature, in the event of any of the following:

- a. Buyer fails to pay, when due, any payment required under this Agreement, if such failure is not remedied within five (5) calendar days after written notice thereof;
- b. Buyer fails to take delivery in accordance with the terms of this Agreement;
and/or
- c. Buyer fails to comply with any other term, condition or covenant of this Agreement within forty-eight (48) hours after written notice thereof.

Nothing set forth herein shall limit the Seller in its enforcement of any legal or equitable remedy which it might otherwise have. A waiver of any particular cause for termination shall not be deemed a waiver of the same cause occurring at any other time, or of any other cause.

20. Waiver: No waiver by either party of any breach by the other party of any of the terms, 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.

21. Assignment: Neither party shall assign this Agreement without the written consent of the other party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing,

Seller may assign this Agreement to any affiliate company, without Buyer's consent, upon giving written notice to Buyer.

22. Entirety of Agreement: The Special Provisions, these General Conditions, and if applicable, Marine Provisions and/or Terminal Loading Agreement contain the entire agreement of the parties pertaining to the subject matter of this Agreement; there are no other promises, representations or warranties. Any modification of this Agreement shall be by written instrument. Any conflict between the Special Provisions and these General Conditions shall be resolved in favor of the Special Provisions. The paragraph headings are for convenience only and shall not limit or change the subject matter of this Agreement.

23. Audit: Each party and its duly authorized representatives shall have access during customary business hours to the accounting records and other documents maintained by the other party which relate to this Agreement and shall have the right to audit such records at any reasonable time or times within one (1) year after the delivery/receipt of Product provided for in this Agreement. However, a party can only conduct one audit per year, and the same year cannot be reaudited.

24. Compliance with Laws: During the performance of this Agreement, each party agrees to comply with all laws, rules, regulations, ordinances and requirements of federal, state and local governmental or regulatory bodies including, without limitation, all licensing requirements in the state where title transfers (if such licensing is required by the state) which are applicable to this Agreement.

25. Commissions and Gifts: No director, officer, employee or agent of either party shall give or receive any commission, fee, rebate, gift or entertainment of significant value or cost in connection with this Agreement. Further, neither party shall make any commission, fee, rebate, gift or entertainment of significant value or cost to any governmental official or employee in connection with this Agreement.

26. Choice of Law and Jurisdiction: ANY CONTROVERSY, CAUSE OF ACTION, DISPUTE OR CLAIM (COLLECTIVELY REFERRED TO AS "CLAIMS") ARISING OUT OF, RELATING TO OR IN CONNECTION WITH THIS AGREEMENT, OR THE BREACH, TERMINATION OR VALIDITY THEREOF, SHALL BE GOVERNED BY THE SUBSTANTIVE AND PROCEDURAL LAWS (EXCLUDING ANY CONFLICT-OF-LAWS, RULES OR PRINCIPLES WHICH MAY REFER THE LAWS OF THE STATE OF OHIO TO THE LAWS OF ANOTHER JURISDICTION) OF THE STATE OF OHIO. THE PARTIES SPECIFICALLY AGREE THAT THE SOLE JURISDICTION FOR ANY CLAIMS SHALL BE IN STATE OR FEDERAL COURTS LOCATED IN ALLEN COUNTY, OHIO.