



**PORT COMPLEX
TERMS AND CONDITIONS
OF
SERVICE**

July 2018

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INTRODUCTION

LOOP operates a deep water port located in the Gulf of Mexico. The port complex loads and offloads Crude Petroleum. In the case of offloading, Crude Petroleum is transported through LOOP via pipelines and is stored in salt caverns or above ground storage tanks at LOOP's Clovelly, Louisiana facility. From Clovelly, Crude Petroleum may be transported to end users via third party pipelines. Crude Oil located in the Clovelly Hub may also be loaded onto vessels at the port complex.

This document sets forth the terms and conditions under which LOOP will provide services at the port complex. This document is available on the LOOP Website at www.loopllc.com or may be obtained upon request from LOOP.

LOOP reserves the right to change these Terms and Conditions without prior notice. While LOOP will make every effort to apprise its customers of any changes, it is the responsibility of a Shipper to abide by the current Terms and Conditions.

ABBREVIATIONS AND DEFINITIONS

Adjusted Shipping Month	Shipping Month less the number of days or hours allocated per the Load Contract(s)
Apportionment	The process set forth in Section 3.3
Arrival Nomination	Information submitted by the Shipper to LOOP for the receipt of Crude Petroleum from vessels, or redelivery of Crude Petroleum to Connecting Carrier Pipelines
Arrival Window	A marine vessel arrival time span, assigned to a Shipper by LOOP in accordance with the Vessel Loading Scheduling Procedure or Vessel Offloading Scheduling Procedure
Assay	An evaluation, including API Gravity, Reid Vapor Pressure, Pour Point, nickel and vanadium content in residuum, C2-C5 content, true boiling point distillation (including the 1000 degrees Fahrenheit (°F), and higher cut), sulfur content (of the whole Crude Petroleum as well as cuts), Viscosity, TAN, Mercaptans and H2S content of Crude Petroleum
ASTM	American Society for Testing and Materials
Back to Back Loading	The loading of Crude Oil onto two different vessels at LOOP's Marine Terminal in succession.
Barrel	42 U.S. Gallons at a temperature of 60° F
Batch	A volume of Crude Petroleum shipped as an identifiable unit
Blending	The combination of two or more Crude Segregations into a single Batch
Capacity Allocation Contract (CAC)	A contract giving the owner the ability to store crude oil in the quantity of 1,000 barrels of LOOP Sour for a specified calendar month in the LOOP Sour Storage
Capacity Allocation Contract (CAC) Auction	The auction which LOOP conducts to sell Capacity Allocation Contracts to the market
Cargo	Crude Petroleum carried by a tanker or loaded onto a tanker
Connecting Carrier Pipelines	Those pipelines connected to the System
Crude Petroleum	The direct liquid hydrocarbon production from oil wells in its natural form, a blend of such, or a stable homogenous mixture of hydrocarbons, similar

	to and obtained from coal, oil shale and tar sands, that has undergone processing to separate liquid or condensate hydrocarbons from all waste streams and solvents
Crude Segregation	A common stock in which Crude Petroleum with compatible characteristics is handled
Crude Stream	Crude Petroleum from a designated source or with designated uniform characteristics
Crude Title Transfer	The transfer of ownership of Crude Petroleum in LOOP's custody from one Shipper to another Shipper
Customer	The party who contracts with LOOP for LOOP Sour Storage
Day	The time elapsed from 00:00 hours to 23:59 hours the same day, U.S. Central Standard or Central Daylight Savings time, whichever is then in effect
Discharge Time	A period which begins at the earlier of four (4) hours after the time when mooring of a tanker is complete or the time the tanker starts offloading and ends when Cargo discharge has been completed
Force Majeure	Any cause of an event or occurrence which is reasonably beyond the control of a person, including, without limitation, fire, explosion, tropical storms, flooding, strikes or other labor disputes, natural disasters, acts of God, or actions of any governmental authority. The foregoing notwithstanding, Force Majeure does not mean an act or omission of a Shipper, Customer, tanker crew or mechanical malfunctions of tankers or connecting carriers, pipeline or otherwise
Gravity	API Gravity at 60° F as determined by MPMS
In-Line Blending	Blending of Crude Petroleum from two sources within the piping used for delivering to a Connecting Carrier Pipeline
Load Contract	A contract with a Shipper to load Crude Petroleum onto a vessel at the LOOP Marine Terminal
Load Nomination	Information submitted by the Shipper to LOOP for the delivery of Crude Petroleum to vessels as set forth in the Vessel Loading Scheduling Procedures
LOOP	LOOP LLC, a Delaware limited liability company

LOOP Sour	Crude Petroleum with specifications defined in NYMEX Chapter 506, LOOP Gulf Coast Sour Crude Oil Futures
LOOP Sour Storage	LOOP-provided storage of Customer's Crude Petroleum made up of LOOP Sour crude types
LOOP Website	www.loopllc.com
Measurement	Volume of Crude Petroleum determined in accordance with the applicable API Manual of Petroleum Measurement Standards (MPMS)
MPMS	The API Manual of Petroleum Measurement Standards
Net Batch Volume	The gross volume of a Batch (measured in Barrels), adjusted for temperature to sixty degrees Fahrenheit (60° F), less Water and Sediment Content
Nomination	Arrival nominations and Load nominations
NYMEX	Designated contract market operated by the New York Mercantile Exchange Inc., or its successor
Oil Loss Allowance	One-tenth of one percent (0.1%) of the volume of Crude Petroleum received into the System to cover losses typically associated with handling of Crude Petroleum including evaporation, shrinkage and other operational losses inherent to operation of a batched transportation system
Port Booklet	The LOOP manual that includes the characteristics, equipment, communications procedures and operations required of tankers arriving to offload Crude Petroleum at LOOP's deepwater port. The Port Booklet is available at the LOOP Website or upon written request to LOOP.
Pounds Per Square Inch Gauge (PSIG)	Pressure measured relative to atmospheric pressure taken as zero
Pour Point	The lowest temperature in degrees Fahrenheit (°F) at which movement of Crude Petroleum is observed under conditions of the test, as determined by ASTM D-97, Test Method for Pour Point of Petroleum Products
Qualification Percentage	The minimum Shipper Accuracy Record, which a Shipper must meet to receive priority assignment of Discharge Time during periods of Apportionment is 65 percent
Quality Program	A program, available on the LOOP Website or by written request to LOOP, that defines the quality specifications, monitoring and testing protocol, and

	consequence model for deliveries of certain types of Crude Petroleum into a Crude Segregation
Rate Sheet	Rates for the offloading and handling of Crude Petroleum from LOOP Marine Terminal to Clovelly, Lafourche Parish, Louisiana, and for the loading of Crude Petroleum from LOOP Marine Terminal to vessels and related services.
Reid Vapor Pressure	The vapor pressure of Crude Petroleum expressed as pounds per square inch (psi) as determined by ASTM D-323, Test Method for Vapor Pressure of Petroleum Products (Reid Method)
Shipper	The party who contracts with LOOP for deepwater port services
Shipper Accuracy Record	The measure of the accuracy with which a Shipper's Arrival Nominations arrive at LOOP for offloading within the assigned space in the tanker queue and discharge the volume offered. (See Vessel Loading Scheduling Procedure and Vessel Offloading Scheduling Procedure.)
Shipping Month	The period from 00:00 hours on the first day of a calendar month to 23:59 hours on the last day of the calendar month
Split Cargo	A Cargo consisting of two or more Batches
SPM	A single point mooring buoy at LOOP's deepwater port
Storage Futures Settlement Price	The futures price which receives the marginal volume of Capacity Allocation Contracts during the CAC Auction
System	All of the facilities of LOOP, including those used in communications, berthing, loading, offloading, measuring, storing, and delivering Crude Petroleum
System Capacity	An assessment of the volume of Crude Petroleum which can be handled during the Shipping Month as determined by LOOP based on expected tanker performance, weather, storage availability or other conditions affecting operations
TAN (Total Acid Number)	The amount of potassium hydroxide in milligrams that is required to neutralize the acid in one gram of Crude Petroleum, as determined by ASTM D-664, Standard Test Method for Acid Number of Petroleum Products by Potentiometric Titration
Tank Blending	Blending services performed in a tank

Time of Arrival	The time and date the inbound tanker enters the Safety Zone between buoys 1 and 2 or anchors outside of the Safety Zone in the vicinity of the Safety Zone. (See "Port Booklet")
Vessel Loading Scheduling Procedure	The procedure, available on the LOOP Website or by written request to LOOP, that defines the method used to collect the anticipated arrival times of tankers and establishes their anticipated loading window
Vessel Offloading Scheduling Procedure	The procedure, available on the LOOP Website or by written request to LOOP, that defines the method used to collect the anticipated arrival times of tankers and establishes their anticipated offloading window
Viscosity	A measure of a liquids resistance to flow expressed in Centistokes (cSt) as determined by ASTM D-445, Standard Test Method for Kinematic Viscosity of Transparent and Opaque Liquids
Viscosity Surcharge	A fee, set forth in the Rate Sheet, assessed for handling Crude Petroleum with Viscosity in excess of the limit specified
Water and Sediment Content	The volume percent of water and sediment in Crude Petroleum as determined by an ASTM procedure selected by LOOP
Wt. Percent Sulfur (Wt. % S)	The weight percentage of total sulfur in Crude Petroleum as determined by ASTM D-4294, Standard Test Method for Sulfur in Petroleum and Petroleum Products by Energy Dispersive X-ray Fluorescence Spectrometry

1. SPECIFICATIONS OF CRUDE PETROLEUM ACCEPTED

LOOP's specifications for Crude Petroleum offered for loading and offloading are as follows:

- API Gravity: 18° API minimum to 62° API maximum
- Pour Point: 50° F maximum
- Reid Vapor Pressure: 10.0 psi maximum at 100°F
- TAN: 5 maximum
- Temperature: 125°F maximum
- Viscosity: 215 cSt at 100°F maximum (subject to Viscosity Surcharge for 21cSt and above)
- Water and Sediment Content: 2% maximum

The minimum API Gravity for Crude Oil to be accepted into cavern storage is 22° API.

In addition to the foregoing, certain types of Crude Petroleum accepted into Crude Segregations may be subject to additional requirements as set forth in a Quality Program. Notwithstanding the existence of any such Quality Program, LOOP shall have no liability for variations in the quality of Crude Petroleum occurring while in LOOP's custody.

Allowable Crude Petroleum grades for LOOP's Crude Segregations are available on the LOOP Website or may be obtained upon request from LOOP. The allowable Crude Petroleum grades are subject to change from time to time at LOOP's discretion.

1.1 Right to Sample, Test and Reject Crude Petroleum and Waiver

LOOP may sample and test any Crude Petroleum at any time and from time to time. However, the ultimate responsibility for ensuring Crude Petroleum in the LOOP System meets the requirements set forth herein rests with the Shippers.

LOOP may decline to provide deepwater port services with respect to any Crude Petroleum (a) which does not meet all of the specifications, or (b) which meets the specifications if, in LOOP's sole discretion, such Crude Petroleum will create an unacceptable operational, safety or environmental risk.

A waiver may be granted with respect to Crude Petroleum which does not meet one or more of the specifications where, in LOOP's sole discretion, handling it will not create an unacceptable operational, safety or environmental risk for LOOP. Upon request by LOOP, Shipper must provide a current Assay of the Batch of Crude Petroleum prior to loading or offloading. Notwithstanding the above, the Shipper is responsible for any damages caused to LOOP and Shipper agrees to hold LOOP harmless from any and all loss, cost, liability, damage, and/or expense including attorney's fees and court costs, resulting from the handling of Crude Petroleum not meeting specifications provided in Section 1, whether or not a waiver was granted by LOOP.

2. CRUDE SEGREGATIONS

LOOP handles Crude Petroleum in Crude Segregations of single and mixed Crude Streams through the Clovelly facilities. Specifications of Crude Stream(s) and/or quality ranges for each Crude Segregation are established by LOOP based on anticipated throughput demand and quality characteristics of individual Crude Streams, which limit their acceptability to be commingled with other Crude Petroleum.

LOOP is not liable for variations in the quality of Crude Petroleum occurring while in LOOP's custody. LOOP is under no obligation to deliver the identical Crude Petroleum offloaded, but will, for Crude Petroleum handled in a Crude Segregation, make delivery from the same Crude Segregation.

3. RECEIVING AND DELIVERY CONDITIONS

3.1 Scheduling Receipts and Deliveries

LOOP coordinates Shippers' schedules and considers its System Capacity, its delivery capabilities, and the capabilities of Connecting Carrier Pipelines to accept deliveries. Upon request, LOOP will provide assistance to Shippers in coordinating schedules and scheduling deliveries to Connecting Carrier Pipelines. However, the ultimate responsibility for arranging delivery of Crude Petroleum from the LOOP System rests with the Shippers.

All Nominations shall be submitted to LOOP no later than 3PM CST on each business day for changes affecting batches which are scheduled to be delivered before 5PM CST the next business day. Any late Nominations cannot be guaranteed, but will be considered on a case by case basis.

For vessel loading, Shippers shall nominate vessels for loading as set forth in the Vessel Loading Scheduling Procedures. Crude Petroleum nominated for vessel loading must be sourced from cavern storage.

3.2 Nomination Withdrawal Fee

For offloading, Cargoes or Split Cargo Batches that are either (i) not offloaded at LOOP or (ii) reduced by 500,000 barrels or more after being assigned an Arrival Window pursuant to I.B of LOOP's Vessel Offloading Scheduling Procedure, for any reason other than an event of Force Majeure or the fault of LOOP, may be assessed a Nomination Withdrawal Fee, payable by the Shipper, as set forth in the Rate Sheet.

3.3 Apportionment Policy

When the total volume of Nominations exceeds the System Capacity, LOOP shall separately apportion the Load Nominations and Arrival Nominations in accordance with Section 3.3.

3.3.1 Load Nomination Apportionment

If two or more Load Nominations are submitted for a Shipping Month, LOOP may accept only a single Load Nomination from the Shipper with the highest average daily Cargo throughput at LOOP's Marine Terminal during a period of the previous 12 months; provided, however, the accepted Load Nomination is subject to the provisions of Section 3.3.2.

3.3.2. Load Nomination – Volume Apportionment

LOOP may reduce a Shipper's Load Nomination in increments of 500,000 Barrels; provided, however, that except as provided in Section 3.3, no Load Nomination shall be reduced below 1,000,000 Barrels.

3.3.3 Arrival Nominations – Volume Apportionment

LOOP may reduce each Shipper's Arrival Nominations to the greater of: 1) 60,000 barrels per day above the previous 12 month average daily Cargo throughput at LOOP's Marine Terminal for such Shipper; or 2) 40% above the previous 12 month average daily Cargo throughput at LOOP's Marine Terminal for such Shipper.

3.3.4 Arrival Nomination Apportionment

If, after reduction of the Load Nominations and Arrival Nominations as provided in Section 3.3, the total volume of the Nominations exceeds the System Capacity, the total number of estimated operating hours available in the Adjusted Shipping Month will be apportioned on the basis of the ratio of the volume of Crude Petroleum stated in each Arrival Nomination from a Shipper with a Shipper Accuracy Record equal to or greater than the Qualification Percentage to the total volume of Crude Petroleum stated in all Arrival Nominations from such Shippers for that Shipping Month. After such calculation, any remaining operating hours shall be apportioned among Shippers with a Shipper Accuracy Record of less than the Qualification Percentage on the basis of the ratio of the volume of Crude Petroleum stated in each such Shipper's Arrival Nomination to the total volume of Crude Petroleum stated in all such Arrival Nominations for that Shipping Month. Not later than the nineteenth of the month (or if not a business day then on the next business day) prior to the Shipping Month, each Shipper will be notified of its total Discharge Time (apportioned operating hours).

3.3.5 Excess Operation Time Added to the Following Month

LOOP may choose not to apportion an Adjusted Shipping Month if adding the excess estimated operating hours for such Adjusted Shipping Month to the estimated operating hours required to offload the Crude Petroleum anticipated for the next Adjusted Shipping Month does not cause the next Adjusted Shipping Month to be apportioned. If LOOP

elects not to apportion an Adjusted Shipping Month, LOOP may schedule the excess estimated operating hours into the subsequent Adjusted Shipping Month.

3.3.6 Shippers Exceeding Discharge Time

Shippers are allowed a five percent (5%) over-run of their Discharge Time during periods of Apportionment without penalty. Any time taken in excess of the five percent (5%) over-run allowance will be deducted from that Shipper's time on an hour-for-hour basis from the next Adjusted Shipping Month that is apportioned. In no case will discharge of an additional tanker be initiated during the Adjusted Shipping Month for a Shipper who has exceeded its total Discharge Time. Discharge Time is not charged, or is reduced proportionately, to the extent Force Majeure or an act or omission of LOOP causes cessation or reduction of the tanker's offloading rate.

3.4 Charges for Failure to Depart the SPM

The tanker shall have four (4) hours free time to depart the SPM after Cargo loading or offloading has been completed, after which time the Shipper may be charged an hourly fee set forth in the Rate Sheet for additional time until departure.

3.5 Storage

Calculation of storage time in the System begins after the last Barrel of a Batch of Crude Petroleum is metered into the System.

3.5.1 Segregation Storage Time; Charges

Except with respect to LOOP Sour Storage, a storage charge shall be assessed on Crude Petroleum remaining in the System after 30 days unless a shorter period is specified in LOOP's Assignment of Arrival Window given pursuant to section I.B of LOOP's Vessel Offloading Scheduling Procedure.

3.5.2 LOOP Sour Storage is provided on the following terms:

Customer must purchase CACs sufficient to cover Batch size for receipt into LOOP Sour Storage. The required CAC volume is determined by deducting the Oil Loss Allowance from the Net Batch Volume.

The CAC is the allocation of capacity for a Shipping Month.

Any Barrels remaining in LOOP Sour Storage not covered by a current CAC will be subject to storage charges as set forth in the Rate Sheet.

3.5.3 Exceptions to Scheduled Delivery and Storage Charges

Storage charges shall not be levied on volumes where delay in delivery of Crude Petroleum from the System results from insufficient inventory, an event of Force Majeure, or the fault of LOOP.

3.5.4 Storm Preparations

LOOP's storage facility at Clovelly, Louisiana can be impacted by storms with high winds and flooding. During such conditions LOOP requires its tanks to contain a certain volume of Crude Petroleum. If LOOP determines a storm may affect Clovelly, LOOP will provide Shippers who have Crude Petroleum stored in tanks advance notice of the need to adjust (either to increase or decrease) the volume of Crude Petroleum in the tanks. Each Shipper shall advise LOOP, within the time specified by LOOP, of its ability to comply with LOOP's request. If unable to make such adjustment, each Shipper authorizes LOOP to either add to or remove Crude Petroleum from the tank(s) to achieve the requisite volume.

LOOP may move any Shipper's Crude Petroleum within the System into the tank(s) or move any Shipper's Crude Petroleum from the tank(s) to LOOP caverns or Connecting Carrier Pipelines. LOOP will endeavor to use a Crude Petroleum designated by the Shipper, or a substantially similar Crude Petroleum when available.

LOOP shall have no liability to any Shipper for the loss of, or degradation in the value of Crude Petroleum in tanks, caverns or linefills that result from any actions taken by LOOP in anticipation of a storm.

3.6 Minimum Batches Loaded and Offloaded

3.6.1 Offloading

LOOP has no obligation to offload Batches of less than 250,000 Barrels; but upon request, LOOP will make reasonable efforts, within safety and operational limits, to offload smaller Batches. To avoid contamination of Crude Petroleum because of interfaces between Batches left in the line, the last Batch offloaded from a tanker should not be less than 535,000 Barrels.

3.6.2 Loading

For vessels loading at LOOP, only VLCCs and larger will be accepted with a minimum loading batch size of 1,000,000 Barrels. For Back to Back Loadings, LOOP will accept a minimum vessel size of an Aframax with a minimum batch size of greater than 535,000 Barrels as the second vessel to load.

3.7 Deliveries to Connecting Carrier Pipelines

Deliveries to Connecting Carrier Pipelines are made in Batches of not less than 75,000 Barrels to 48" Connecting Carrier Pipelines and 30,000 Barrels to 24" Connecting Carrier

Pipelines. Shipper shall arrange the prompt receipt of its Crude Petroleum delivered by LOOP to Connecting Carrier Pipelines. LOOP has no fixed delivery cycle.

All Nominations shall be submitted to LOOP no later than 3PM CST on each business day for changes affecting batches which are scheduled to be delivered before 5PM CST the next business day. Any late Nominations cannot be guaranteed, but will be considered on a case by case basis.

3.7.1 Connection of Connecting Carrier Pipelines to LOOP

The terms and conditions under which Connecting Carrier Pipelines are permitted to connect to the LOOP System are set forth in a policy statement issued by LOOP and a standard form agreement between LOOP and its Connecting Carrier Pipelines.

3.7.2 In-Line Blending

In-Line Blending services may be provided upon Shipper's request and at LOOP's option. This service is limited by System availability, the blend ratios achievable and the accuracy of the percentage of each stream delivered, and an exact blend is not guaranteed. In-Line Blending services are not available if providing them will interfere with LOOP operations or other pipeline deliveries. Accuracy of Measurement of a Crude Petroleum blend resulting from In-Line Blending services may differ from the results of Measurement of unblended Crude Petroleum based on blend ratios.

3.7.3 Tank Blending

Tank Blending services will be performed based on Shipper requests and the Crude Petroleum types supplied by the Shipper for the blend, but an exact blend is not guaranteed. LOOP will provide a sample of the blend to Shipper upon request. If the Shipper's requested blend results in Crude Petroleum that is not capable of being pumped from LOOP's Blending tank, or is not accepted by a connecting carrier, the costs of remediation including, but not limited to, costs of removal by other means, and any loss of profit or loss of business opportunity incurred by LOOP, will be for the account of the Shipper. Accuracy of Measurement of a Crude Petroleum blend resulting from Tank Blending services may differ from the results of Measurement of unblended Crude Petroleum based on blend ratios.

The Shipper is responsible for any shrinkage or other losses resulting from Tank Blending and Shipper agrees to hold LOOP harmless from any and all loss, cost, liability, damage, and/or expense including attorney's fees and court costs, resulting from Tank Blending, whether or not a waiver was granted by LOOP.

3.7.4 Blending Charges

Charges for Blending services are determined in accordance with the Rate Sheet.

3.8 Pump-overs

LOOP may move Crude Petroleum within LOOP System storage upon Shipper's request and at LOOP's option. Charges for such pump-overs are set forth in the Rate Sheet.

3.9 Volume/Quality Measurement and Volume Corrections

3.9.1 Receipts

The volume of Crude Petroleum received is measured in Barrels. Measurement of receipt is by turbine meters and adjusted to the temperature of sixty degrees Fahrenheit (60° F). A deduction is made for Water and Sediment Content. The volume thus determined, less a further deduction for the Oil Loss Allowance, is the net receipt volume for which LOOP is accountable to Shipper. LOOP determines quality measurements from samples obtained in accordance with sampling procedures required by U. S. Customs or LOOP's Measurement Manual, or otherwise found in MPMS.

3.9.2 Deliveries

The volume of Crude Petroleum delivered to Connecting Carrier Pipelines and vessel loading is measured in Barrels. Measurement of deliveries is by turbine meters and adjusted to the temperature of sixty degrees Fahrenheit (60° F). A deduction is made for Water and Sediment Content to determine the net delivery volume for which LOOP is accountable to Shipper. LOOP determines quality measurements from samples obtained in accordance with sampling procedures required by U. S. Customs or LOOP's Measurement Manual, or otherwise found in MPMS.

4. TANKER OPERATION

4.1 General Standards

All tankers loading and offloading at LOOP and parties responsible for each tanker's operation must comply with the requirements of the Port Booklet.

4.2 Tanker Performance Standards

Vessels or tankers are required to meet or to exceed the following vessel performance standards:

- Tankers of 59,999 dwt and below shall have a Minimum Average Discharge Rate ("MADR") of 15,500 barrels per hour.
- Tankers of 60,000 dwt to 109,999 dwt shall have a MADR of 30,000 barrels per hour.
- Tankers of 110,000 dwt to 169,999 dwt, shall have a MADR of 35,000 barrels per hour.
- Tankers of 170,000 dwt or larger, shall have a MADR of 43,000 barrels per hour.

Upon completion of each tanker's discharge, LOOP shall determine whether the tanker's actual Discharge Time (DT) exceeds the Quotient (Q) determined by dividing the Gross Volume (GV) of Crude Petroleum offloaded by the MADR stated above for the applicable category. If the actual DT is greater than the Quotient, the Shipper(s) of the Cargo shall pay to LOOP a Tanker Performance Deficiency Fee set forth in the Rate Sheet. The Tanker Performance Deficiency Fee may be waived by LOOP at its sole option.

Example: Tanker X has a dwt of 316502, so MADR = 43,000.
GV offloaded = 536,833
DT = 15.2 hours
GV/MADR = Q 536,833/43,000=12.48
DT>Q (charges apply on the difference between DT and Q)
15.2-12.48 = 2.72
The Shipper(s) are responsible for 2.72 times the hourly rate defined on the Rate Sheet.

In the case of vessel loading, tankers should comply with the allocated time windows set forth in the Arrival Window and the terms and conditions set forth in the applicable Load Contract.

5. **PAYMENT and REMEDIES**

5.1 **Payment**

Shipper is responsible for payment of all charges and fees applicable to deepwater port services and other services provided. Charges for offloading and handling of Crude Petroleum are assessed on gross volumes of Crude Petroleum offloaded determined under Section 3.9 prior to any deduction for Water and Sediment Content and for the Oil Loss Allowance.

LOOP bills Shipper for all charges and fees promptly following offloading of the Cargo and payment is required within fifteen (15) calendar Days from the date of the invoice.

At Shipper's request and at LOOP's option, Shipper may be billed a single monthly invoice for all deepwater port and other services provided during the Shipping Month, in which case payment is due within five (5) calendar Days from the date of the invoice.

Payment is required by wire transfer in immediately available U. S. currency to the LOOP account at the bank indicated on the invoice. LOOP may, prior to providing services, require evidence of Shipper's ability to pay charges and fees and provide security for an extension of credit prior to LOOP offloading, loading or handling Crude Petroleum.

In addition to the transportation charges and all other charges accruing on Crude Petroleum accepted for deepwater port services or other services, a per barrel charge will be collected in the amount of any tax, fee, or other charges levied against the Shipper in connection with such commodity, pursuant to any federal, state or local law or regulation which levies a tax, fee, or other charge, on the receipt, delivery, transfer or transportation of such commodities within their jurisdiction for any purpose whatsoever.

Payments and fees for loading services are as set forth in the applicable Loading Contract or the Rate Sheet, as applicable.

5.2 Late Payment

If all or any portion of an invoice is not paid when due, any such overdue amount is subject to daily interest from the due date to and including the date paid at a rate per annum which is two percent (2%) above the prime rate as posted in the Money Rates section of the Wall Street Journal; or if such is above the legally permissible interest rate, the highest interest rate legally allowed.

LOOP may refuse to accept from, transfer, deliver or load Crude Petroleum to or for any Shipper having a payment to LOOP that is past due.

5.3 Rejection of Cargoes

LOOP may reject the Nomination of any Cargo, and withdraw Arrival Windows and Firm Arrival Windows (as described in the Vessel Loading Scheduling Procedure and Vessel Offloading Scheduling Procedures) upon a Shipper's failure to comply with these Terms and Conditions of Service or LOOP's Vessel Loading Scheduling Procedure or Vessel Offloading Scheduling Procedures, as applicable.

5.4 Rejection of Transfers

LOOP may reject any request for a Crude Title Transfer if any event of default exists with respect to the performance by Shipper of any of its obligations to LOOP, or the requirements set forth in Section 8 are not satisfied.

5.5 Security Interest

LOOP has a lien, and Shipper hereby grants LOOP a security interest, on any Crude Petroleum (including LOOP Sour) in the System owned by a Shipper and on the proceeds from the sale of such Crude Petroleum, as security for the payment of charges or fees owed LOOP for deepwater port services or other services provided, or for the payment of other costs or charges incurred in relation to such Crude Petroleum, including, but not limited to, insurance, labor costs, attorney's fees and expenses of sale.

Without limiting the foregoing, in enforcing its lien and security interest LOOP at its option (a) may sell, assign, transfer and effectively deliver all or any part of the Crude Petroleum subject to LOOP's security interest at public or private sale, without recourse to judicial proceedings and without demand, appraisal or advertisement, all of which are hereby waived by Shipper to the fullest extent permitted by law, and (b) may cause all or any part of the Crude Petroleum to be seized and sold, under executory process, under writ of fieri facias issued in execution of an ordinary judgment obtained upon the obligations of Shipper to LOOP, or under other legal procedure. For purposes of executory process, Shipper acknowledges the indebtedness owed to LOOP, confesses judgment in

favor of LOOP for the full amount of the indebtedness owed LOOP, and agrees to enforcement by executory process. Shipper waives (a) the benefit of appraisal provided in Art. 2723 of the Louisiana Code of Civil Procedure, and (b) the demand and three (3) Days delay provided by Articles 2639 and 2721, Louisiana Code of Civil Procedure. If the proceeds from the sale or enforcement of the Crude Petroleum are insufficient to satisfy all of the indebtedness owed LOOP in full, all parties obligated thereon shall remain fully obligated for any deficiency.

A purchaser in good faith of Crude Petroleum sold to enforce LOOP's lien and security interest shall take the Crude Petroleum free of any rights of persons against whom the lien and security interest was valid. Before any sale pursuant to the foregoing, any person asserting a legally cognizable right in the Crude Petroleum may pay the amount necessary to satisfy the lien and the reasonable expenses incurred in the effort to sell it.

The rights and remedies of LOOP hereunder are cumulative, may be exercised singly or concurrently, and are in addition to any rights and remedies of LOOP under applicable law.

5.6 Disposition of Crude

LOOP reserves the right to make arrangements as it deems appropriate to clear the System of Crude Petroleum that has remained in storage for an amount of time deemed by LOOP, in its sole discretion, to be detrimental to System operations. In furtherance and not limiting of the foregoing, LOOP may, after giving Shipper thirty days' prior written notice, exercise this right by moving Shipper's Crude Petroleum remaining in the System into different caverns, tanks or Connecting Carriers, and will endeavor to comingle it with substantially similar Crude Petroleum if available. LOOP shall have no liability for any loss or degradation in the value of Crude Petroleum so moved by LOOP.

Except for LOOP Sour Storage, the Shipper agrees that Crude Petroleum received pursuant to deepwater port services and remaining in LOOP's custody more than thirty days after the last month in which such services were rendered to Shipper ("Stale Balances") shall be subject to the storage charges provided in LOOP's then current Rate Sheet. In addition, the Stale Balances shall be subject to sale by LOOP on the following terms and conditions. LOOP shall have the right from time to time to aggregate the Stale Balances with other Crude Petroleum balances in LOOP's custody to be sold by LOOP to any unaffiliated purchaser at a price deemed commercially reasonable by LOOP. LOOP shall give Shipper written notice delivered to the last known address available for Shipper of Shipper's share of the proceeds of such sale (reduced by accrued storage charges). Shipper shall have ninety (90) days after the mailing of such notice by LOOP to confirm in writing the address to which it wishes LOOP to send such net proceeds. Shipper acknowledges that if it fails to contact LOOP, LOOP shall be authorized to distribute such proceeds to the State of Louisiana or other applicable jurisdiction pursuant to the unclaimed property or escheat laws of such state or jurisdiction.

Any LOOP Sour crude oil remaining in LOOP Sour Storage without a current contract, shall be charged a monthly storage fee equivalent to the greater of \$0.50 per barrel or three (3) times the Storage Futures Clearing Price per barrel from the most recent auction. For each month crude oil

remains in LOOP Sour storage, the storage fee will be readjusted in accordance with the preceding sentence.

6. TITLE AND CUSTODY

Except as provided in Sections 5 and 8, title to Crude Petroleum offloaded and loaded at the marine terminal for Shipper's account will always remain with Shipper.

For offloading services, LOOP assumes custody of Crude Petroleum at the ship's rail and transfers custody at the outgoing flange of the delivery meters to the Connecting Carrier Pipelines. For loading services, LOOP retains custody of Crude Petroleum until it reaches the ship's rail.

7. LIABILITY OF LOOP

LOOP is not responsible for any loss or damage, including the payment of demurrage, from any delay in loading or offloading Crude Petroleum.

While in the possession of Crude Petroleum, LOOP is not liable for any loss or damage thereto or delay in delivery due to circumstances reasonably beyond its control, including, without limitation, Force Majeure events, delay of performance by suppliers or contractors, Connecting Carrier Pipelines, or acts or omissions of a Shipper, or mechanical malfunctions of tankers. In the case of loss or damage from such causes to Crude Petroleum in storage at LOOP's Clovelly facility, the loss or damage shall be charged to the Crude Segregation sustaining such loss or damage and the loss or damage shall be deducted proportionately from each Shipper's inventory in such Crude Segregation in the ratio that the Shipper's inventory in such Crude Segregation bears to the total volume in such Crude Segregation at the time the loss or damage occurred. Loss or damage elsewhere while in LOOP's custody shall be charged to the Shipper owning the Crude Petroleum. LOOP's invoices will be proportionately adjusted by the amount of such volume deduction. LOOP is not responsible or liable for consequential damages.

By authorizing LOOP's receipt and/or delivery of Crude Petroleum at the marine terminal, the Shipper warrants and guarantees good title thereto and agrees to hold LOOP harmless from any and all loss, cost, liability, damage and/or expense including attorney's fees and court costs resulting from failure of title to the Crude Petroleum.

8. CRUDE TITLE TRANSFERS

LOOP may recognize a Crude Title Transfer provided transfer requests are made by both the transferor and transferee in accordance with LOOP's written procedure.

Following a Crude Title Transfer, LOOP shall send a statement denoting ownership transfer to both parties. Any transferee in a Crude Title Transfer becomes a Shipper and is subject to any and all applicable provisions or requirements contained in these Terms and Conditions, including amendments thereto, and the Rate Sheet. All deliveries shall be made to and for the account of the last party receiving the transfer.

If not otherwise agreed to, the transferee-Shipper shall be responsible for payment of all charges and fees on the Crude Petroleum which accrue after the time of transfer, including but not limited to storage charges.

The transferor warrants unencumbered title to the Crude Petroleum being transferred and, both transferor and transferee each agree to indemnify and hold LOOP harmless from any and all loss or liability including attorney's fees and court costs arising out of the Crude Title Transfer. LOOP shall incur no liability with respect to any recognized or unrecognized Crude Title Transfer or for any loss or damage of any kind accruing to any party involved in a Crude Title Transfer.

Without limiting the foregoing, LOOP's lien and security interest, pursuant to Section 5.5, on and in Crude Petroleum that is the subject of a Crude Title Transfer will not secure any obligations of the transferor to LOOP from and after the moment of transfer, but will secure the transferee's obligations to LOOP from and after the moment of transfer.

9. CLAIMS, SUITS, TIME FOR FILING

As a condition precedent to recovery, claims must be filed in writing with LOOP's Manager – Oil Movements within nine months after delivery of Crude Petroleum to Shipper for its account or in the case of failure to make delivery, within nine months after a reasonable time for delivery has elapsed, and suits must be instituted against LOOP within two years and one Day from the Day that notice in writing is given by LOOP to the claimant that LOOP has disallowed all or any part of the claim. Where claims for loss or damage are not filed or suits are not instituted in accordance with the foregoing provisions, such claims will not be paid and LOOP will not be liable.

LOOP maintains samples of Crude Petroleum offloaded and delivered for 120 Days. If the Shipper files a claim within such time, a sample will be made available for retesting. If the retest falls within ASTM reproducibility parameters, the original results remain binding on the Shipper and LOOP. If the retest falls outside of ASTM reproducibility parameters, the new results are binding on the Shipper and LOOP. The Shipper or its designee may witness the retest and bears the costs of processing and settling disputes, except costs of retesting when the results of the retest differ by more than the standards established by ASTM Test Procedures.

10. CRUDE PETROLEUM INVENTORY ADJUSTMENTS

LOOP may adjust the volume of Crude Petroleum for which LOOP is accountable under Section 3.9 and the volume of Crude Petroleum in the applicable Crude Segregation as required to correct Measurement, blending shrinkage, or linefill calculations, to correct errors resulting from interruptions in operations, or otherwise to remedy inaccuracies in Shipper inventory accounts.

From time to time LOOP will request assistance from Shippers to clear positive and negative inventory balances. Shipper agrees to use reasonable efforts to clear such inventory imbalances in a timely manner. In the event that LOOP's attempts to clear the inventory imbalances are unsuccessful, and any Shipper inventory balance remains unaddressed after a period of two years, LOOP may, at LOOP's sole option, choose to settle such balances without additional notification to said Shipper. In doing so, LOOP will use reasonable efforts to settle with a similar Crude

Petroleum or a currently active Crude Petroleum within the Shipper's inventory. If no similar Crude Petroleum exists, LOOP reserves the right to fulfill the adjustment with a Crude Petroleum of LOOP's choice.

11. COMMINGLING

To facilitate completion of a tanker's discharge of Crude Petroleum, limited quantities may be injected and commingled with the discharge of Crude Petroleum from a second tanker.

12. PORT USAGE FEE

Each vessel loading or offloading a Cargo (or any part thereof) at LOOP will be assessed a Port Fee (as specified in the Rate Sheet). LOOP may refuse to accept vessels for discharge whose accounts are past due. LOOP will advise Shippers of any vessel with a past due account.

13. U.S. CUSTOMS AND FOREIGN TRADE ZONE OPERATIONS

LOOP is a Foreign Trade Zone Subzone within the U.S. Customs Service Port of New Orleans, Louisiana. As operator of Subzone 124-D, LOOP is required to comply with Foreign Trade Zone regulations. Such regulations require that LOOP establish rules and procedures concerning the loading, offloading and handling of Crude Petroleum to ensure compliance with such regulations.

When LOOP accepts cargoes of Crude Petroleum meeting the specifications listed in Section 1 that have been nominated by Shippers for offloading and handling, LOOP has the right to make entry solely for the purpose of filing the Foreign Trade Zone admission document (CF 214) because LOOP has physical possession of the Crude Petroleum at the point at which it enters U.S. Customs territory. As operator of Foreign Trade Zone 124-D, LOOP also has the right to file a CF 214 for purposes other than Foreign Trade Zone admission as long as the activities requested by the Shipper are within Foreign Trade Zones Board authorization. Title to the Crude Petroleum remains with the Shipper at all times as set forth in Section 6.

Users of Subzone 124-D (LOOP) agree to adhere to published procedures established and modified by LOOP governing Foreign Trade Zone activity.

If a Shipper elects to make entry prior to Tanker discharge, duty is owed on the net volume of Crude Petroleum offloaded at LOOP prior to the deduction for the Oil Loss Allowance.

Previously domesticized foreign origin Crude Petroleum, e.g. Canadian crude oil arriving into LOOP's Foreign Trade Zone from another U.S. port, must still be accompanied by a USCF 3461 / 7501 documenting that entry has been filed and duties have been paid.

End