

PETROLEOS DE VENEZUELA S.A. AND CHINA NATIONAL UNITED OIL CORPORATION AND CHINA DEVELOPMENT BANK CORPORATION CONFIRM THAT THIS VERSION OF THE PETROLEUM SALES AND PURCHASE CONTRACT IS THE FORM AGREED IN THEIR MEETINGS IN VENEZUELA AND SINGAPORE FROM 16 MARCH TO 18 MARCH 2011 AND IS IN SUBSTANTIALLY AGREED FORM SUBJECT TO REVIEW BY LOCAL COUNSEL, INTERNAL APPROVALS OF EACH PARTY, AND ANY AMENDMENTS OF A MINOR OR TYPOGRAPHICAL NATURE.

Mr Asdrubal Chavez J.
Vice President
For and on behalf of
PETROLEOS DE VENEZUELA S.A.

Mr Zhao Yong
Vice President
For and on behalf of
CHINA NATIONAL UNITED OIL CORPORATION

PETROLEUM SALES AND PURCHASE CONTRACT

CONTRACT NO. _____

PDVSA PETROLEO, S.A. IS PLEASED TO CONFIRM THIS SALES AGREEMENT, IN ACCORDANCE WITH THE FOLLOWING TERMS AND CONDITIONS:

1. ENTITIES:

PURCHASER: CHINA NATIONAL UNITED OIL CORPORATION
PETROCHINA INTERNATIONAL PLAZA
NO.27 CHENGFANG STREET XICHENG DISTRICT, BEIJING, 100033 CHINA.

SELLER: PDVSA PETRÓLEO, S.A. ON BEHALF OF THE BOLIVARIAN REPUBLIC OF VENEZUELA
URB. LA CAMPIÑA, AVDA. LIBERTADOR, CALLE EL EMPALME
EDIF. PETROLEOS DE VENEZUELA, TORRE OESTE, PISO 7
VENEZUELA 1060.

2. RECITALS

WHEREAS, THE MINISTRY OF PEOPLE'S POWER FOR PLANNING AND FINANCE OF THE BOLIVARIAN REPUBLIC OF VENEZUELA ("MPF"), THE MINISTRY OF PEOPLE'S POWER FOR ENERGY AND PETROLEUM OF THE BOLIVARIAN REPUBLIC OF VENEZUELA ("MEP"), EL FONDO DE DESARROLLO NACIONAL S.A. PETROLEOS DE VENEZUELA S.A. ("PDVSA"), BANCO DE DESARROLLO ECONÓMICO Y SOCIAL DE VENEZUELA ("BANDES"), CHINA DEVELOPMENT BANK CORPORATION ("CDB") AND CHINA NATIONAL UNITED OIL CORPORATION ("PURCHASER") HAVE ENTERED INTO THE FRAMEWORK AGREEMENT DATED _____, 2011 IN ORDER TO INCREASE THE SINO-VENEZUELA JOINT FUND (THE "FRAMEWORK AGREEMENT");

WHEREAS CDB, BANDES, PDVSA AND PURCHASER HAVE SIGNED A FOUR PARTY AGREEMENT IN _____, 2011 ("FOUR PARTY AGREEMENT").



WHEREAS, CDB AS LENDER AND BANDES AS BORROWER HAVE ENTERED INTO (I) A FACILITY AGREEMENT PURSUANT TO WHICH CDB WILL PROVIDE A FACILITY OF UP TO US\$4,000,000,000 TO BANDES DATED _____, 2011 (THE "**FACILITY AGREEMENT**") ;

WHEREAS, PURCHASER AND SELLER (DIRECTLY AND THROUGH THEIR AFFILIATES) HAVE ALREADY ESTABLISHED A FAVORABLE AND STRATEGIC RELATIONSHIP IN THE OIL TRADING BUSINESS;

WHEREAS, PURCHASER AND SELLER INTEND TO FURTHER MAINTAIN AND INCREASE THE TRADING VOLUME OF FUEL AND/OR CRUDE OIL, AND TO ENHANCE BUSINESS COOPERATION IN THE FUTURE;

BOTH PARTIES AGREE TO MAKE THIS PETROLEUM SALES AND PURCHASE CONTRACT BASED ON THE FOLLOWING TERMS AND CONDITIONS:

NOW THEREFORE, IN ACCORDANCE WITH THE FRAMEWORK AGREEMENT AND THE RESPECTIVE INSTRUCTIONS (WITH EACH COPY TO PURCHASER) OF MPF, MEP AND PDVSA TO APPLY ALL PROCEEDS DUE AND PAYABLE UNDER THIS PETROLEUM SALES AND PURCHASE CONTRACT TOWARDS THE REPAYMENT AND SATISFACTION OF THE OBLIGATIONS OF BANDES UNDER OR IN CONNECTION WITH THE FACILITY AGREEMENT, SELLER IS PLEASED TO ENTER INTO THIS PETROLEUM SALES AND PURCHASE CONTRACT (THE "**CONTRACT**") FOR AND ON BEHALF OF THE BOLIVARIAN REPUBLIC OF THE VENEZUELA, AS A MECHANISM OF PAYMENT OF BANDES' OBLIGATIONS UNDER THE FACILITY AGREEMENT AS PER THE FOLLOWING TERMS AND CONDITIONS.

TERMS DEFINED IN THE FOUR PARTY AGREEMENT SHALL HAVE THE SAME MEANING WHEN USED IN THIS CONTRACT UNLESS OTHERWISE DEFINED HEREIN OR THE CONTEXT REQUIRES OTHERWISE.

3. BASIC TERMS:

3.1. TYPE OF SALE: FREE ON BOARD (FOB)

THE TYPE OF SALE COULD BE COST AND FREIGHT (CFR) SUBJECT TO MUTUAL AGREEMENT.

3.2 PRODUCT TYPE:

3.2.1 BASE PRODUCT: IFO-380

3.2.2 ADDITIONAL PRODUCT: FUEL OIL AMUAY BY MUTUAL AGREEMENT.

3.2.3 CRUDE OIL: ANY CRUDE OIL MUTUALLY AGREED BY THE PARTIES

3.3 DURATION:

THIS CONTRACT SHALL COME INTO EFFECT ON THE DATE ON WHICH THIS CONTRACT IS DULY SIGNED BY THE PARTIES HERETO (THE "**EFFECTIVE DATE**"), HOWEVER THE DELIVERY DATE SHALL BEGIN ON 19 FEBRUARY 2012 (THE "**DELIVERY DATE**"), UNTIL THE LATER TO OCCUR OF (I) THREE (3) YEARS FROM THE EFFECTIVE DATE, OR (II) THE DATE ON WHICH ALL THE OBLIGATIONS OF BANDES UNDER THE FACILITY AGREEMENT HAVE BEEN IRREVOCABLY AND UNCONDITIONALLY SATISFIED IN FULL.

3.4 QUANTITY

3.4.1 IT IS UNDERSTOOD THAT SELLER SHALL DELIVER A VOLUME OF 230.000 BARRELS PER DAY ACCORDING TO THE FOUR PARTY AGREEMENT (AS MAY ADJUSTED IN ACCORDANCE WITH THE FOUR PARTY AGREEMENT OR THIS AGREEMENT). THE MINIMUM QUANTITY TO BE DELIVERED AS SPECIFIED ABOVE SHALL NOT PREVENT SELLER, ACTING ON BEHALF OF THE BOLIVARIAN REPUBLIC OF VENEZUELA, FROM INCREASING THE BARRELS OF FUEL AND/OR CRUDE OIL SPECIFIED PURSUANT TO OR OTHERWISE IN ACCORDANCE WITH THIS CONTRACT.



3.4.2 TOLERANCE: IN ANY CARGO TO BE SUPPLIED UNDER THIS CONTRACT, FOR OPERATIONAL REASONS SELLER MAY REDUCE THE AGREED NOMINATION VOLUME BY UP TO 10 PCT (MAX 10%). NO DEAD FREIGHT CLAIM CAN BE MADE AGAINST SELLER IF SELLER PROVIDES AT LEAST THE BASIC NOMINATION LESS 10 PCT (MAX 10%). ADDITIONALLY, BOTH PURCHASER AND SELLER AGREE THAT NO CLAIM WILL BE SUBMITTED FOR PAYMENT IF THE INITIAL VALUE IS LESS THAN 30,000 US DOLLARS.

3.4.3 CRUDE OIL: PER MUTUAL AGREEMENT, SELLER IN ANY MONTH COULD SUBSTITUTE, THE FUEL OIL CARGO BY CRUDE OIL CARGO, OR GIVE AN ADDITIONAL CARGO AND SUCH CRUDE OIL SHALL BE ACCORDING TO CLAUSE 3.2.3 OF THIS CONTRACT. ANY SUBSTITUTION OR ADDITION OF CRUDE OIL SHALL BE IN ACCORDANCE WITH THE PROCEDURE SET OUT IN CLAUSE 7.6 OF THE FOUR PARTY AGREEMENT.

IF FOR WHATEVER REASON SELLER'S PRODUCTION OR DELIVERY OF FUEL AND/OR CRUDE OIL IS ADVERSELY AFFECTED, SELLER SHALL ENSURE THAT IT SHALL GIVE PURCHASER PRIORITY IN THE SUPPLY OF FUEL AND/OR CRUDE OIL IN THE TYPE AND QUANTITY STIPULATED HEREIN.

NOTWITHSTANDING THE MINIMUM QUANTITY OF FUEL AND/OR CRUDE OIL STATED ABOVE, IN THE EVENT THAT THE PROSPECTIVE DEBT SERVICE COVER RATIO IS OR WILL BE LESS THAN 1.3 PDVSA PETROLEO S.A. MAY EITHER:

- (I) JOINTLY WITH PDVSA, PROCURE THE REQUISITE MPF INSTRUCTIONS UPON RECEIPT OF WHICH INSTRUCTIONS, DEPOSIT INTO THE COLLECTION ACCOUNT PART OR ALL THE PROCEEDS FROM THE SALE OF EXPORT GOODS BY PDVSA PETROLEO S.A. TO THE PURCHASER ON BEHALF OF THE BOLIVARIAN REPUBLIC OF VENEZUELA (IN ADDITION TO THOSE PROCEEDS DUE IN RESPECT OF CONTRACT NO. SA 137033 AND THIS CONTRACT) TO ENSURE THAT THE ACTUAL DEBT SERVICE COVER RATIO IS EQUAL TO OR GREATER THAN 1.3 ON THE DATE FALLING 35 DAYS PRIOR TO THE NEXT IMMEDIATE INTEREST PAYMENT DATE; OR
- (II) INCREASE THE MINIMUM QUANTITY OF FUEL AND/OR CRUDE OIL SET OUT ABOVE, IN EACH CASE, SUCH THAT THE TOTAL VALUE OF FUEL AND/OR CRUDE OIL TO BE DELIVERED TO AND PAYABLE BY PURCHASER PURSUANT TO THIS CONTRACT SHALL CAUSE THE ACTUAL DEBT SERVICE COVER RATIO TO BE NO LESS THAN 1.3 ON THE DATE FALLING 35 DAYS PRIOR TO THE NEXT IMMEDIATE INTEREST PAYMENT DATE.

IN THE EVENT SELLER IS REQUIRED TO DELIVER BARRELS OF FUEL AND/OR CRUDE OIL IN ADDITION TO THE MINIMUM QUANTITIES SET OUT IN THE TABLE ABOVE, SELLER SHALL DELIVER, AND PURCHASER SHALL PURCHASE AND MAKE PAYMENT FOR, ANY SUCH ADDITIONAL BARRELS OF FUEL AND/OR CRUDE OIL, IN EACH CASE, ON THE TERMS AND CONDITIONS SET OUT HEREIN.

3.5 QUALITY:

3.5.1 IFO-380

| SPECIFICATION | DESC | UOM | TEST METH | TYPE | MIN | MAX |
|--------------------|------|---------|-----------|--------|------|------|
| ALUMINUM + SILICE | | PPM | D5184 | REPORT | N/A | 80 |
| API GRAVITY | | API | D1298 | N/A | 11.2 | N/A |
| @60F (15, 5C) | | | | | | |
| ASH CONTENT | | WT PCT | D482 | N/A | N/A | .15 |
| CARBON CONRADSON | | WT PCT | D189 | N/A | N/A | 18 |
| DENSITY @ 15C | | KG/M3 | D1298 | N/A | N/A | 991 |
| FLASH POINT, PM | | CELSIUS | D93 | N/A | 65.6 | N/A |
| POUR POINT, WINTER | | CELSIUS | D97 | N/A | N/A | 15.6 |



| | | | | | |
|--------------------------------|--------|-----------|-----|-----|-----|
| SODIUM CONTENT | PPM | A.A/IP288 | N/A | N/A | 60 |
| SULPHUR CONTENT | WT PCT | D4294 | N/A | N/A | 3.0 |
| VANADIUM CONTENT | PPM | D5863 | N/A | N/A | 300 |
| VISCOSITY KINEMATIC @122F(50C) | CST | D445 | N/A | N/A | 380 |
| WATER BY DISTILLATION VOL PCT | | D95 | N/A | N/A | 1.0 |

3.5.2 FUEL OIL AMUAY

| SPECIFICATION DESCRIPTION | UOM | TEST METHOD | MIN | MAX |
|-----------------------------|---------|-------------|------|------|
| ALUMINIUM | PPM | D5184 | N/A | 30 |
| API GRAVITY @60F(15,5C) API | | D1298 | 10.5 | N/A |
| ASH CONTENT | WT PCT | D482 | N/A | 0.15 |
| CARBON CONRADSON | WT PCT | D189/D4530 | N/A | 16 |
| FLASH POINT, PM | F | D93 | 150 | N/A |
| POUR POINT | F | D97 | N/A | 60 |
| WATER AND SEDIMENT | VOL PCT | D1796 | N/A | 1.0 |
| SILICE | PPM | D5184 | N/A | 50 |
| SODIUM CONTENT | PPM | D5708 | N/A | 70 |
| SULPHUR CONTENT | WT PCT | D2622 | N/A | 3.00 |
| VANADIUM CONTENT | PPM | D5863 | N/A | 500 |
| VISCOSITY @ 122F (50C) | CST | D445 | N/A | 850 |

3.5.3 QUALITY OF OTHER CRUDE OIL SHALL BE DETERMINED ACCORDING TO SELLER'S COMMERCIAL SPECIFICATIONS AND ACCEPTED BY PURCHASER.

3.5.4 QUALITY CERTIFICATION: THE QUALITY CERTIFICATION WILL BE BASED ON THE VOLUME TO BE USED FROM EACH SHORE TANK OR/AND EACH VESSEL FROM PDVSA USED AS FLOATING TANK ASSIGNED TO CARRY OUT A SHIP-SHORE-SHIP OPERATION AT THE LOADING PORT NOMINATED BY THE SELLER TO SUPPLY PURCHASER.

3.5.5 QUANTITY CERTIFICATION: THE QUANTITY CERTIFICATION WILL BE BASED ON THE TOTAL VOLUME DELIVERED BY EACH SHORE TANK OR/AND EACH VESSEL FROM PDVSA USED AS FLOATING TANK ASSIGNED TO CARRY OUT A SHIP-SHORE-SHIP OPERATION AT THE LOADING PORT NOMINATED BY THE SELLER TO SUPPLY PURCHASER, ADJUSTED BY THE V.E.F OF EACH PDVSA VESSEL (IF IT APPLIES) TAKING INTO ACCOUNT THE QUALITIES (API, BS&W) OF EACH CONTAINER.

3.6 LOADING PORTS: BONAIRE AND/OR FREEPORT, BAHAMAS, AMUAY OR ANY OTHER PORT NOMINATED BY SELLER AND ACCEPTED BY PURCHASER.

4. DESTINATION:

IFO-380: SINGAPORE AND/OR CHINA.

VENEZUELAN CRUDE OIL: CNPC REFINERY SYSTEM.

OTHER CRUDE OIL: MUTUAL AGREEMENT.

FUEL OIL AMUAY: DISCUSSION CASE BY CASE BY MUTUAL AGREEMENT.

SELLER AGREES TO ENTER INTO THIS CONTRACT BASED ON PURCHASER'S EXPRESSLY UNDERTAKING TO DESTINE THE IFO-380 TO: CHINA AND/OR SINGAPORE

PURCHASER WILL DECLARE THE INTENDED SPECIFIC DISCHARGE PORT(S) IN CHINA AND/OR SINGAPORE WHEN SENDING VESSEL INSTRUCTIONS TO SELLER AT LEAST TEN (10) DAYS BEFORE THE FIRST DAY OF THE AGREED LOADING RANGE IN ACCORDANCE TO THE PDVSA PETROLEO Y GAS, S.A. CONTRACT FOR THE LATEST SALE OF CRUDE OIL AND OR PETROLEUM PRODUCTS GENERAL CONDITIONS FOB (PDVSA GTC).



PURCHASER MAY ONLY CHANGE THE FINAL DESTINATION WITH SELLER'S WRITTEN APPROVAL GIVEN THREE (3) DAYS PRIOR TO THE LOADING DATE AND SELLER SHALL APPLY A PENALTY TO PURCHASER DUE TO THAT MODIFICATION OF THE FINAL DESTINATION IF FINAL DESTINATION IS DIFFERENT THAN THESE SPECIFY IN THE CONTRACT (CHINA AND/OR SINGAPORE). SUCH PENALTY WILL BE THE PRICE DIFFERENTIAL BETWEEN THE CONTRACT PRICE AND THE PRICE WHICH SELLER WOULD HAVE CHARGED, IN ACCORDANCE WITH ITS COMMERCIAL PRACTICES FOR THE SAME FUEL OIL SOLD TO THE NEW DESTINATIONS.

SUCH RIGHT SHALL ACCRUE REGARDLESS OF WHETHER SELLER HAS GRANTED OR DENIED PURCHASER ITS CONSENT FOR A CHANGE IN THE DESTINATION OF THE PRODUCTS.

PURCHASER SHALL PROVIDE SELLER, WITHIN SIXTY (60) CALENDAR DAYS FROM THE B/L DATE (B/L DATE COUNTS AS DAY ZERO), WITH A DISCHARGE CERTIFICATE FOR THE PURPOSE OF VERIFYING DESTINATION OF THE PRODUCT. FOR THE PURPOSE OF THIS CLAUSE A DISCHARGE CERTIFICATE MAY CONSIST OF:

- AN INDEPENDENT INSPECTOR'S CERTIFICATE OF DISCHARGE, OR
- THE CORRESPONDING CUSTOMS FEES RECEIPT OR OTHER GOVERNMENT DOCUMENTS EVIDENCING THE PORT IN WHICH THE OIL WAS DISCHARGED.

THE DISCHARGE PORT CERTIFICATE SHALL BE SENT TO:

AV. LIBERTADOR CON CALLE EL EMPALME.
EDIF. PETRÓLEOS DE VENEZUELA, TORRE OESTE
PISO 7, CARACAS, VENEZUELA POSTAL CODE:1060
ATTN. ANIRIS ROJAS /LISMEIDA AVENDAÑO
EMAIL: ROJASAMX@PDVSA.COM / AVENDANOLC@PDVSA.COM
FAX: 58-212-708-3186

5. FOB PRICE

THE PRICE OF THE PRODUCT TO BE DELIVERED PURSUANT TO THE CONTRACT HEREOF, SHALL BE DETERMINED BY MEANS OF THE FOLLOWING PRICE FORMULA:

IFO380: HSFO 380 4% SINGAPORE PLATT'S MID (USD/MT) PLUS K (USD/MT) MINUS FREIGHT (USD/MT).

WHERE K = USD -2.50 PER METRIC TON (MINUS USD TWO DOLLARS AND FIFTY CENTS PER METRIC TON)

FUEL OIL AMUAY: SUBJECT TO DISCUSSION CASE BY CASE PER MUTUAL AGREEMENT.

CRUDE OIL: SUBJECT TO DISCUSSION CASE BY CASE PER MUTUAL AGREEMENT

5.1 PRICING PERIOD:

5.1.1 PROVISIONAL PRICING PERIOD (FOR PROVISIONAL INVOICE): THE PRICING PERIOD WILL BE NINE (9) CONSECUTIVE EFFECTIVE QUOTATIONS PUBLISHED AROUND BILL OF LOADING DATE (B/L DATE). IF B/L DATE FALLS ON SATURDAY THE PRIOR QUOTATION SHOULD BE CONSIDERED DEEMED B/L DATE BUT IF B/L DATE FALLS ON SUNDAY, HOLIDAY OR A DAY THAT PLATT'S DOES NOT QUOTE THEN THE NEXT EFFECTIVE QUOTATION SHOULD BE CONSIDERED DEEMED B/L DATE FOR PRICE CALCULATION PURPOSE. ALWAYS NINE (9) SEPARATE EFFECTIVE QUOTATIONS TO BE APPLIED (NO DOUBLE DATES).

5.1.2 FINAL PRICING PERIOD (FOR FINAL INVOICE): THE PRICING PERIOD SHALL BE BASED ON THE AVERAGE OF THE EFFECTIVE PUBLISHED PRICE QUOTATIONS STARTING CALENDAR DATE FROM THIRTY ONE (31) TO SIXTY (60) AFTER BILL OF LADING DATE (B/L DATE COUNTS AS DAY ZERO)



NOTE: FINAL PRICE TO BE ROUNDED TO FOUR (4) DECIMAL PLACES AND SHALL BE EXPRESSED IN DOLLARS OF THE UNITED STATES OF AMERICA (US\$) PER BARREL; WITH THE FIGURE IN THE FIFTH (5TH) DECIMAL PLACE FROM FIVE TO NINE ROUNDED UPWARDS AND THE FIGURE FROM ONE TO FOUR ROUNDED OFF.

5.2 FREIGHT

PURCHASER AND SELLER WILL COORDINATE ACCORDINGLY IN ORDER TO SECURE SUITABLE TONNAGE, COMPETITIVE MARKET RATES, GIVEN FREIGHT MARKET CONDITIONS AT THE TIME OF FIXING DATE OF CHARTERED VESSEL.

EVEN CHARTERING RESPONSIBILITY WILL ALWAYS BE BINDING ON PURCHASER, CV SHIPPING SHALL HAVE THE PRIORITY TO ACT AS PURCHASER'S TRANSPORTATION AGENT TO OFFER AND TO SUPPLY ITS CHARTERED OR OWNED VESSELS FOR A MINIMUM OF 25% OF THE TOTAL VOLUME UNDER THIS CONTRACT AND PURCHASER SHALL HAVE A MINIMUM OF TWENTY (20) DAYS PRIOR TO THE INTENDED LOADING WINDOW TO DEFINE ITS CHARTERED OFFER, AND PURCHASER MUST ALWAYS ENDEAVOR TO CHARTER AT THE LOWEST COST "**SUITABLE TONNAGE**" FOR EACH VOYAGE. IN THE EVENT THAT PDVSA HAVE VESSELS TO OFFER, PDVSA COULD OFFER THEIR VESSELS TO CV SHIPPING AS TRANSPORTATION AGENT OF PURCHASER.

PURCHASER SHALL HAVE THE OPTION TO EVALUATE CV SHIPPING'S OFFERED VESSEL AND ACCEPT OR REJECT IT WITHIN THE NEXT 24 CONTINUOUS HOURS (WORKING DAYS) AFTER THE PRESENTATION OF CV SHIPPING'S FREIGHT PROPOSAL.

IN THE EVENT THAT VESSEL IS CHARTERED BY CV SHIPPING, THE FREIGHT CALCULATION WILL BE BASED ON THE ACTUAL FREIGHT COST.

IN THE EVENT THAT THE VESSEL IS NOT CHARTERED BY CV SHIPPING, THE CALCULATION OF FREIGHT WILL BE AS FOLLOWS:

A SYSTEM OF BANDS SHALL BE USED TO DETERMINE THE VALUE OF THE APPLICABLE FREIGHT TO BE USED IN ANY OF THE PRICING FORMULAS SET FORTH IN CLAUSE 5 OF THIS AGREEMENT.

PURSUANT TO CLAUSE NUMBER TEN (10) OF THIS CONTRACT (NOMINATION), ON THE SAME DAY OF SELLER'S CONFIRMATION OF THE FIVE (5) DAY LOADING RANGE (THE CONFIRMATION DATE), THE SELLER SHALL REQUEST TO THE ASSOCIATION OF SHIP BROKERS & AGENTS (ASBA) AND TO THE LONDON TANKER BROKER PANEL (LTBP) AN INDEPENDENT MARKET ASSESSMENT TO BE COMPRISED OF A TEN (10) DAY PERIOD AROUND SELLER'S CONFIRMED LOADING RANGE, ONE WAY VOYAGE TO NINGBO (PEOPLE'S REPUBLIC OF CHINA OR SINGAPORE) FROM PDVSA SYSTEM (VENEZUELA, ARUBA, BONAIRE AND CURACAO RANGE) AS THE CASE MAY BE, AS WELL AS, ALL RELEVANT DESCRIPTIONS OF THE VESSEL SHIPPING THE CARGO IN QUESTION. THE INDEPENDENT MARKET ASSESSMENT SHALL BE REQUESTED UNDER LUMP SUM BASIS TO BOTH ASBA AND LTBP.

THE ARITHMETIC AVERAGE OBTAINED FROM THE MARKET ASSESSMENT OF THE ASBA AND THAT OF THE LTBP SHALL BE USED AND UNDERSTOOD AS THE MARKET REFERENCE FREIGHT.

THE ACTUAL FREIGHT SHALL BE UNDERSTOOD AS THE ACTUAL COST INCURRED BY PURCHASER FOR THE AFREIGHTMENT OF THE VESSEL LIFTING A GIVEN CARGO FROM PDVSA SYSTEM (VENEZUELA, ARUBA, BONAIRE AND CURACAO RANGE) TO NINGBO (PEOPLE'S REPUBLIC OF CHINA OR TO SINGAPORE) ONLY, EXCLUDING ANY COST RELATED TO DEMURRAGE CLAIMS, DEVIATIONS, EXTRA BUNKER CONSUMPTION, LIGHTERING, AND/OR ANY OTHER OPERATION (OF ANY KIND OR NATURE) UNDER PURCHASER'S REQUEST.

THE FREIGHT TO BE APPLIED THEN, IN ANY OF THE PRICING FORMULAS REFERRED TO IN CLAUSE 7 OF THIS CONTRACT, SHALL BE OBTAINED AS PER THE FOLLOWING



APPRAISAL:

A. IF THE ACTUAL FREIGHT FALLS WITHIN A RANGE OF PLUS OR MINUS FOUR PERCENT (+/- 4%) OF THE MARKET REFERENCE FREIGHT (HEREINAFTER REFERRED TO AS "**THE PRIMARY BAND**"), BEING PLUS FOUR PERCENT (+4%) THE UPPER LIMIT VALUE OF THE PRIMARY BAND AND MINUS FOUR PERCENT (-4%) THE LOWEST LIMIT VALUE OF THE PRIMARY BAND, THE APPLICABLE FREIGHT SHALL BE HUNDRED PERCENT (100%) OF THE ACTUAL FREIGHT VALUE.

B. IF THE ACTUAL FREIGHT FALLS WITHIN A RANGE OF PLUS OR MINUS EIGHT PERCENT (+/-8%) OF THE MARKET REFERENCE FREIGHT (HEREINAFTER REFERRED TO AS "**THE SECONDARY BAND**"), BEING PLUS EIGHT PERCENT (+8%) THE UPPER LIMIT OF THE SECONDARY BAND AND MINUS EIGHT PERCENT (-8%) THE LOWEST LIMIT OF THE SECONDARY BAND, THE FOLLOWING CONDITIONS SHALL APPLY:

B.1 IN CASE OF +8%; THE APPLICABLE FREIGHT SHALL BE EQUAL TO THE THIRTY PERCENT (30%) OF THE VALUE OBTAINED FROM THE ARITHMETIC SUBTRACTION OF THE ACTUAL FREIGHT MINUS THE UPPER LIMIT VALUE OF THE PRIMARY BAND PLUS THE HIGHEST LIMIT VALUE OF THE PRIMARY BAND.

B.2 IN CASE OF -8%; THE APPLICABLE FREIGHT SHALL BE EQUAL TO THE FIFTY PERCENT (50%) OF THE VALUE OBTAINED FROM THE ARITHMETIC SUBTRACTION OF THE LOWEST LIMIT VALUE OF THE PRIMARY BAND MINUS THE VALUE OF THE ACTUAL FREIGHT PLUS THE VALUE OF THE ACTUAL FREIGHT.

C. IN CASE THE ACTUAL FREIGHT IS GREATER THAN THE UPPER LIMIT OF THE SECONDARY BAND, THE APPLICABLE FREIGHT SHALL BE THE VALUE OF THE UPPER LIMIT VALUE OF THE SECONDARY BAND.

D. IN CASE THE ACTUAL FREIGHT IS LOWER THAN THE LOWEST LIMIT OF THE SECONDARY BAND, THE APPLICABLE FREIGHT SHALL BE THE VALUE OF THE LOWEST LIMIT OF THE SECONDARY BAND.

PURCHASER MUST SEND TO SELLER A COPY OF THE CHARTER PARTY NO LATER THAN FIVE (5) DAYS AFTER THE BILL OF LADING DATE (B/L DATE).

THE COST OF THE MARKET ASSESSMENT SHALL BE BORNE EQUALLY BETWEEN PURCHASER AND SELLER (50/50). THE MARKET ASSESSMENT SHALL BE SENT BY THE ASBA AND THE LTBP TO PURCHASER AND SELLER. PAYMENT OF THE ASSESSMENT SHALL BE EFFECTED DIRECTLY BY THE PARTIES HEREOF TO THE ASBA AND THE LTBP.

6. PAYMENT: OPEN ACCOUNT

IFO-380

6.1 PROVISIONAL PAYMENT PROVISIONAL PAYMENT SHALL BE MADE BASED ON 100% OF THE PROVISIONAL INVOICE AMOUNT AND SHALL BE MADE THIRTY (30) DAYS AFTER B/L DATE (B/L DATE COUNTS AS DAY ZERO).

6.2 FINAL PAYMENT IT SHALL BE BASED ON THE PRICING PERIOD SET FORTH ABOVE IN CLAUSE 5.1.2. IN THE CASE OF A DIFFERENCE BETWEEN THE PROVISIONAL PAYMENT AND THE FINAL INVOICE DUE TO SELLER THE PAYMENT SHALL BE MADE WITHIN THREE (03) WORKING DAYS AFTER THE INVOICE IS SENT BY SELLER. IN CASE OF A DIFFERENCE DUE TO PURCHASER, THE AMOUNT SHALL BE OFFSET IN THE UPCOMING CARGO.



NOTE WHEN SELLER HAS DELIVERED A CARGO IN THE LAST DAYS BEFORE THE END OF ANY QUARTER PAYMENT AND THE DUE DATE OF THE PROVISIONAL PAYMENT IS EXPECTED FOR THE NEXT QUARTER; THE SELLER SHALL HAVE THE RIGHT TO REQUEST PURSHASER AN ADVANCE PAYMENT JUST TO AVOID A QUARTERLY PAYMENT SHORTFALL IN THE FACILITY AGREEMENT. IN THIS CASE, TO BE AGREED BETWEEN PARTIES, PURCHASER FINANCIAL COST COULD BE INCLUDED IN THE ADVANCED PAYMENT INVOICE.

6.3 PAYMENT SELLER IRREVOCABLY INSTRUCTS PURCHASER TO PAY, AND PURCHASER SHALL PAY, ALL AMOUNTS PAYABLE IN RESPECT OF THE SALES AND PURCHASE OF FUEL AND/OR CRUDE OIL HEREUNDER DIRECTLY INTO THE COLLECTION ACCOUNT. ALL PAYMENTS TO BE MADE BY PURCHASER UNDER THIS CONTRACT MUST BE MADE IN US DOLLARS BY TELEGRAPHIC TRANSFER TO THE COLLECTION ACCOUNT AS DEFINED IN THE FACILITY AGREEMENT.

6.4 SELLER ACKNOWLEDGES AND AGREES THAT ANY PAYMENT UNDER THIS CONTRACT BY PURCHASER INTO THE COLLECTION ACCOUNT (AS DEFINED IN THE FACILITY AGREEMENT), AS APPLICABLE, SHALL CONSTITUTE SELLER'S GOOD RECEIPT OF THE SAME AMOUNT UNDER THIS CONTRACT. SELLER SHALL NOT INSTRUCT PURCHASER TO MAKE ANY PAYMENT UNDER THIS CONTRACT TO ANY ACCOUNT OTHER THAN THE COLLECTION ACCOUNT WITHOUT THE EXPRESS WRITTEN CONSENT OF CDB. OTHERWISE, PURCHASER SHALL HAVE THE RIGHT TO SUSPEND MAKING THE PAYMENT.

7. LAYTIME

SELLER SHALL HAVE AN ALLOWED LAYTIME OF SEVENTY TWO (72) HOURS SHINC TO COMPLETE THE LOADING OF A 2,000,000 BARRELS CARGO OF IFO-380 NOMINATED AND ACCEPTED UNDER THIS CONTRACT. ALLOWED LAYTIME SHALL COMMENCE WHEN THE VESSEL IS ALL FAST OR WHEN SIX (6) CONSECUTIVE HOURS HAVE EXPIRED SINCE THE TENDER OF NOTICE OF READINESS (NOR), WHICHEVER FIRST OCCURS, IF THE VESSEL ARRIVES DURING THE ACCEPTED THREE (3) DAYS LOADING RANGE. FOR OTHER SIZE OF CARGO THE LAYTIME SHALL BE DEFINED ON CASE BY CASE BASIS. (SEE CLAUSE 7 OF THE PDVSA FOB GENERAL CONDITIONS OF SALE).

CRUDE OIL AND FUEL OIL AMUAY SHALL BE NEGOTIATED ACCORDING TO THE CARGO SIZE.

8. INSPECTION

THE QUANTITY AND THE QUALITY OF EACH SHIPMENT OF PRODUCTS OR CRUDE OIL SHALL BE DETERMINED AT THE LOADING PORT OR/AND EACH VESSEL FROM PDVSA USED AS FLOATING TANK ASSIGNED TO CARRY OUT A SHIP-SHORE-SHIP OPERATION BY AN INDEPENDENT PETROLEUM INSPECTOR. SUCH INSPECTOR SHALL BE APPOINTED JOINTLY BY SELLER AND PURCHASER. INSPECTION COST SHALL BE BORNE EQUALLY BETWEEN PURCHASER AND SELLER (50/50). INDEPENDENT INSPECTOR WILL USE THE LATEST PETROLEUM INDUSTRY'S ACCEPTABLE TEST METHODS AND THE RESULTS SHALL BE RETAINED AT LOADING PORT FOR A PERIOD ON NINETY (90) DAYS AFTER THE BILL OF LADING DATE. NO CLAIMS ON QUANTITY AND/OR QUALITY SHALL BE ACCEPTED BY SELLER AFTER SAID NINETY (90) DAYS PERIOD. (SEE CLAUSE 2 OF THE PDVSA FOB GENERAL CONDITIONS OF SALE).

SELLER RESERVES THE RIGHT TO WITNESS THE DISCHARGE OPERATION OF THIS CARGO. IN CASE IT APPLIES, THE PROCEDURE WILL BE CARRIED OUT BY AN INDEPENDENT INSPECTOR 100% AT SELLER'S ACCOUNT, AND IT WILL NOT IMPLY ANY DEMURRAGE AT THE DESTINATION PORT.

9. NOMINATION

9.1 IFO-380 PURCHASER SHALL INFORM SELLER BY THE LATEST THE 10TH DAY OF EACH MONTH (M-1):

- ITS TEN (10) DAY LOADING RANGE NOMINATION WITHIN WHICH PURCHASER PROPOSES TO LIFT THE PRODUCT FOR THE IMMEDIATE UPCOMING MONTH (M)



- THE QUANTITY OF THE PETROLEUM PRODUCTS PURCHASER PROPOSES TO LIFT DURING THE SUBSEQUENT MONTH.
- THE INTENDED DESTINATION OF THE NOMINATED CARGO.

SELLER SHALL CONFIRM TO THE PURCHASER A FIVE (5) DAY LOADING RANGE (THE CONFIRMATION DATE) NO LATER THAN FIVE (5) WORKING DAYS AFTER PURCHASER NOMINATION IS RECEIVED BY SELLER INCLUDING THE LOADING PORT.

THE AGREED FIVE (5) DAYS LOADING RANGE RESULTING FROM THE PROCEDURE SET OUT IN THE PRECEDING PROVISION OF THIS CLAUSE SHALL BE THEN NARROWED TO A THREE (3) DAYS LOADING RANGE (THE NARROWING) AND MAY BE SUBSEQUENTLY MODIFIED BY EXPRESS WRITTEN AGREEMENT BETWEEN THE PURCHASER AND SELLER, PROVIDED HOWEVER, THAT SUCH AGREEMENT IS RECORDED BY AN EXCHANGE OF CORRESPONDENCE. NOTWITHSTANDING THE AFOREMENTIONED, SELLER MAY REJECT PURCHASER NOMINATION AND GIVE A COUNTER PROPOSAL. IN ANY CASE, THE PARTIES SHALL ENDEAVOR TO AGREE ON A NOMINATION PROGRAM ACCEPTABLE TO BOTH PARTIES.

AT LEAST TEN (10) DAYS PRIOR TO THE FIRST DAY OF THE AGREED LOADING RANGE, PURCHASER SHALL NOTIFY SELLER OF THE FOLLOWING:

(A) THE NAME AND CHARACTERISTICS OF THE VESSEL WHICH IT NOMINATES TO TAKE DELIVERY OF THE OIL.

(B) THE DATE OF VESSEL'S ARRIVAL WITHIN THE AGREED LOADING RANGE.

(C) APPROXIMATE QUANTITY AND QUALITY OF OIL TO BE LOADED CONSISTENT WITH THE QUANTITY AND QUALITY OF OIL WHICH LIFTING HAS BEEN NOMINATED AND ACCEPTED PURSUANT TO SECTION 5.4 OF THE PDVSA FOB GENERAL CONDITIONS OF SALE).

(D) THE NAME OF THE PROPOSED INDEPENDENT INSPECTOR.

SELLER MAY EITHER REJECT OR ACCEPT PURCHASER'S VESSEL NOMINATION. IF SELLER REJECTS THE VESSEL NOMINATED, PURCHASER SHALL THEN TAKE IMMEDIATE ACTION TO NOMINATE ANOTHER VESSEL ACCEPTABLE TO SELLER.

PURCHASER SHALL BE ENTITLED TO SUBSTITUTE ANY VESSEL NOMINATED ACCORDING TO SECTION 6.1 OF THE PDVSA FOB GENERAL CONDITIONS OF SALE BY ANOTHER VESSEL OF SIMILAR SIZE AND CHARACTERISTICS, WITHOUT PREJUDICE TO SELLER'S RIGHT TO ACCEPT OR REJECT SUCH NEW NOMINATION AS PROVIDED FOR IN SECTION 6.2 ABOVE. HOWEVER, SELLER SHALL NOT UNREASONABLY REJECT ANY VESSEL OR A SUBSTITUTE NOMINATED BY PURCHASER.

9.2 CRUDE OIL AND FUEL OIL AMUAY

SUBJECT TO DISCUSSION CASE BY CASE PER MUTUAL AGREEMENT.

10. DEMURRAGE

AS PER CHARTER PARTY.

SELLER SHALL PAY PURCHASER DEMURRAGE IN DOLLARS OF THE UNITED STATES OF AMERICA FOR THE DEMURRAGE RESULTING WHEN THE USED LAYTIME EXCEEDS THE LAYTIME ALLOWED TO SELLER HEREUNDER. OTHER TERMS AND CONDITIONS RELATED TO DEMURRAGES CLAIM AND NOT STATED HERE SHALL BE APPLIED AS PER THE PDVSA GTC.

11. CLAIMS ON QUANTITY OR QUALITY

ANY CLAIM AS TO SHORTAGE IN QUANTITY OR DEFECTS IN THE QUALITY OF THE PRODUCT SHALL BE MADE BY WRITTEN CLAIM TO SELLER AS SOON AS POSSIBLE AFTER SUCH APPARENT



SHORTAGE AND/OR DEFECTS ARE DISCOVERED, WITH ALL DETAILS AND SUPPORTING DOCUMENTATION NECESSARY TO EVALUATE THE CLAIM. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CLAIM AS TO SHORTAGE IN THE QUANTITY OR DEFECT IN THE QUALITY OF OIL, IF SUCH WRITTEN CLAIM IS NOT RECEIVED BY SELLER WITHIN NINETY (90) CALENDAR DAYS AFTER THE BILL OF LADING DATE.

OTHER TERMS AND CONDITIONS RELATED TO CLAIMS ON QUANTITY OR QUALITY AND NOT STATED HERE SHALL BE APPLIED AS PER THE PDVSA GTC.

12. MARITIME SECURITY REGULATIONS

A) PURCHASER SHALL PROCURE THAT THE SHIP COMPLIES WITH THE REQUIREMENTS OF THE INTERNATIONAL SHIP AND PORT FACILITY SECURITY CODE, THE RELEVANT AMENDMENTS TO CHAPTER XI OF SOLAS (COLLECTIVELY REFERRED AS ISPS CODE) AND WITH OTHER LAWS AND REGULATIONS RELATING TO MARITIME SECURITY. ANY COSTS OR EXPENSES INCLUDING DEMURRAGE, RETENTION, DELAY OR ANY ADDITIONAL CHARGE, FEE OR DUTY LEVIED ON THE SHIP AT THE LOADING PORT AND ACTUALLY INCURRED BY SELLER RESULTING DIRECTLY FROM THE FAILURE OF THE SHIP TO COMPLY WITH THE ISPS CODE AND OTHER MARITIME SECURITY REGULATIONS, SHALL BE FOR THE ACCOUNT OF PURCHASER, INCLUDING ANY DEMURRAGE AT THE LOADING PORT RESULTING DIRECTLY FROM THE SHIP BEING REQUIRED BY THE PORT FACILITY AUTHORITIES TO TAKE ANY ACTION OR ANY SPECIAL OR ADDITIONAL SECURITY MEASURES OR UNDERGO ADDITIONAL INSPECTIONS BY VIRTUE OF THE 10 SHIP'S PREVIOUS PORTS OF CALL AS ESTABLISHED IN THE ISPS CODE.

B) NOTWITHSTANDING ANY PRIOR ACCEPTANCE OF SHIP BY SELLER, IF AT ANY TIME PRIOR TO THE PASSING OF RISK AND THE TITLE, THE SHIP CEASES TO COMPLY WITH THE REQUIREMENTS OF THE ISPS CODE:

B.A) SELLER SHALL HAVE THE RIGHT NOT TO BERTH SUCH NOMINATED SHIP AND ANY DEMURRAGE RESULTING SHALL NOT BE FOR THE ACCOUNT OF THE SELLER.

B.B) PURCHASER SHALL BE OBLIGED TO SUBSTITUTE SUCH NOMINATED SHIP COMPLYING WITH THE REQUIREMENTS OF THE ISPS CODE.

C) SHIP AGENTS SHALL COMPLY WITH THE ISPS CODE AND OTHER MARITIME SECURITY REGULATIONS; IN CONSEQUENCE, ANY DELAY BY FAILURE OF COMPLIANCE WILL BE FOR THE ACCOUNT OF PURCHASER.

D) PRIOR TO LOADING, PURCHASER SHALL PROVIDE SELLER WITH A COPY OF INTERNATIONAL SHIP SECURITY CERTIFICATE ACCORDING WITH THE ISPS CODE.

E) SELLER SHALL PROCURE THAT THE LOADING PORT/TERMINAL/INSTALLATION COMPLIES WITH THE REQUIREMENTS OF THE ISPS CODE AND OTHER MARITIME SECURITY REGULATIONS. ANY COSTS OR EXPENSES IN RESPECT OF THE SHIP INCLUDING DEMURRAGE, RETENTION, DELAY OR ANY ADDITIONAL CHARGE, FEE OR DUTY LEVIED ON THE SHIP AT THE LOADING PORT AND ACTUALLY INCURRED BY PURCHASER RESULTING DIRECTLY FROM THE FAILURE OF THE LOADING PORT/TERMINAL/INSTALLATION TO COMPLY WITH THE ISPS CODE AND OTHER MARITIME SECURITY REGULATIONS SHALL BE FOR THE ACCOUNT OF THE SELLER.

F) PRIOR TO LOADING OF THE SHIP, SELLER WILL PROVIDE PURCHASER WITH A COPY OF INTERNATIONAL PORT SECURITY CERTIFICATE IN ACCORDANCE TO THE ISPS CODE.

G) IF THE MARITIME SECURITY IS AFFECTED BY ANY EVENT OR CIRCUMSTANCE, AS DEFINED IN THE ISPS CODE, NOT IMPUTABLE TO ANY OF THE PARTIES, AND SPECIAL SECURITY MEASURES OR ACTIONS HAVE TO BE TAKEN BY THE PORT AUTHORITIES OR THE SHIP; ANY COST OR EXPENSE FOR DEMURRAGE, RETENTION OR DELAY, MAY BE SHARED BY PURCHASER AND SELLER IN 50%.

13. ARBITRATION

13.1 ALL DISPUTES, CONTROVERSIES OR CLAIMS ARISING OUT OF OR IN RELATION TO THIS CONTRACT, INCLUDING THE VALIDITY, INVALIDITY, BREACH, OR TERMINATION THEREOF, SHALL BE SETTLED EXCLUSIVELY BY ARBITRATION IN ACCORDANCE WITH THE UNCITRAL ARBITRATION RULES ("RULES") IN EFFECT AT THE TIME OF THE ARBITRATION, EXCEPT AS SUCH RULES MAY BE MODIFIED HEREIN OR BY MUTUAL AGREEMENT OF THE PARTIES:

- THE ARBITRATION SHALL BE ADMINISTERED BY THE SINGAPORE INTERNATIONAL ARBITRATION CENTRE ("**SIAC**") IN ACCORDANCE WITH ITS PRACTICE RULES AND REGULATIONS;
- THE PLACE OF ARBITRATION SHALL BE SINGAPORE;
- THE LANGUAGE OF THE ARBITRATION SHALL BE ENGLISH;
- THE NUMBER OF ARBITRATORS SHALL BE THREE (3) TO BE APPOINTED AS FOLLOWS;
- THE CLAIMANT SHALL APPOINT ONE (1) ARBITRATOR IN THE REQUEST FOR ARBITRATION;
- THE RESPONDENT SHALL APPOINT ONE (1) ARBITRATOR WITHIN THIRTY (30) DAYS FOLLOWING THE SERVICE OF THE REQUEST FOR ARBITRATION UPON THE RESPONDENT. IF AT THE END OF THE 30-DAY PERIOD THE SECOND ARBITRATOR HAS NOT BEEN APPOINTED, THE CHAIRMAN OR DEPUTY CHAIRMAN OF THE SIAC SHALL APPOINT THE SECOND ARBITRATOR AS SOON AS PRACTICABLE.
- THE TWO (2) ARBITRATORS THUS APPOINTED SHALL CHOOSE THE THIRD ARBITRATOR WHO WILL ACT AS THE PRESIDING ARBITRATOR OF THE TRIBUNAL. IF WITHIN THIRTY (30) DAYS OF THE APPOINTMENT OF THE SECOND ARBITRATOR, THE TWO (2) APPOINTED ARBITRATORS FAIL TO APPOINT THE PRESIDING ARBITRATOR, THE CHAIRMAN OR DEPUTY CHAIRMAN OF THE SIAC SHALL APPOINT THE PRESIDING ARBITRATOR.
- THE ARBITRAL AWARD SHALL BE IN WRITING AND SHALL BE FINAL AND BINDING ON THE PARTIES. THE AWARD MAY INCLUDE AN AWARD OF COSTS, INCLUDING REASONABLE ATTORNEY'S FEES AND DISBURSEMENTS. JUDGMENT UPON THE AWARD MAY BE ENTERED BY ANY COURT HAVING JURISDICTION THEREOF OR HAVING JURISDICTION OVER THE PARTY AGAINST WHICH THE AWARD IS ENTERED OR ITS ASSETS;
- DURING ARBITRATION, ALL THE PARTIES SHALL CONTINUE TO FULFIL THEIR RESPECTIVE OBLIGATIONS UNDER THIS CONTRACT;
- THE PARTIES AGREE TO WAIVE, FOR PURPOSES OF ARBITRATION PURSUANT TO THIS CLAUSE (ARBITRATION), ANY RIGHT OF APPLICATION TO DETERMINE A PRELIMINARY POINT OF LAW OR APPEAL TO ANY COURT OF LAW ON A POINT OF LAW WHICH MAY BE AVAILABLE TO IT UNDER ANY APPLICABLE LAW.

14. TAXES, DUTIES AND CHARGES

14.1 SELLER SHALL BE RESPONSIBLE FOR THE EXPORT LICENSE, PERMIT OR OTHER OFFICIAL AUTHORIZATION FROM RELEVANT GOVERNMENTAL AUTHORITIES OF EXPORT COUNTRIES, AND CARRY OUT WHERE APPLICABLE ALL CUSTOMS FORMALITIES NECESSARY FOR THE EXPORT OF THE CARGO. THE COSTS OF CUSTOMS FORMALITIES NECESSARY FOR EXPORT AS WELL AS ALL DUTIES, TAXES AND OTHER CHARGES PAYABLE UPON EXPORT IS FOR SELLER'S ACCOUNT.

14.2 PURCHASER SHALL BE RESPONSIBLE FOR THE IMPORT LICENSE, PERMIT OR OTHER OFFICIAL AUTHORIZATION, FROM RELEVANT GOVERNMENTAL AUTHORITIES OF IMPORT COUNTRIES, AND CARRY OUT WHERE APPLICABLE ALL CUSTOMS FORMALITIES NECESSARY FOR THE IMPORT OF THE CARGO. THE COSTS OF CUSTOMS FORMALITIES NECESSARY FOR IMPORT AS WELL AS ALL DUTIES, TAXES AND OTHER CHARGES PAYABLE UPON IMPORT IS FOR PURCHASER'S ACCOUNT.

14.3 EACH PARTY SHALL KEEP THE OTHER PARTY WHOLE AND HARMLESS IN EVENT OF ANY DELAYS, DETENTION TO THE PERFORMING VESSEL AND/OR CARGO DUE TO ANY DELAY DERIVED FROM NON-COMPLIANCE WITH 14.1 AND 14.2.

15. INSURANCE

THE RESPONSIBILITY FOR SECURING INSURANCE ON ANY SHIPMENT, WHETHER AGAINST MARINE, WAR OR OTHER RISKS AND THE COSTS RESULTING THEREFROM SHALL REST WHOLLY ON PURCHASER.

16. LIMITATION OF LIABILITY

NEITHER PARTY SHALL BE LIABLE FOR INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, LOSS OF PROFITS OR REVENUES.

17. ASSIGNMENT

NO PARTY MAY ASSIGN OR TRANSFER ALL OR ANY OF THEIR RESPECTIVE RIGHTS, BENEFITS OR OBLIGATIONS UNDER THIS CONTRACT EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE OTHER PARTY AND CDB.

NO PARTY SHALL CREATE IN FAVOR OF ANY PERSON ANY MORTGAGE, CHARGE, PLEDGE, LIEN OR OTHER SECURITY INTEREST OR ANY OTHER AGREEMENT OR ARRANGEMENT HAVING A SIMILAR EFFECT OVER OR IN RESPECT OF ALL OR ANY PART OF THE THIS CONTRACT INCLUDING, BUT NOT LIMITED TO, THE PROCEEDS DUE HEREUNDER.

18. APPLICABLE LAW

ALL MATTERS RELATED TO THE VALIDITY, INTERPRETATION OR PERFORMANCE OF THIS CONTRACT SHALL BE GOVERNED BY THE LAWS OF THE BOLIVARIAN REPUBLIC OF VENEZUELA.

19. NON - COMPLIANCE:

SELLER AND PURCHASER AGREE THAT WITHIN FIFTEEN (15) CALENDAR DAYS FROM THE CARGO LOADING SCHEDULED DATES, IF PURCHASER HAS NOT MADE BEST ENDEAVOUR TO LIFT THE CARGO, THE SELLER SHALL IMPOSE THE PURCHASER A PENALTY PAYMENT TO COVER ALL OPERATIONAL COST INCLUDED BUT NOT LIMITED TO: AGENTS, TUGS, MARINE TRANSPORTATION, STORAGE, INSPECTION AND ADMINISTRATIVE FEE AND EXPENSES INCURRED BY THE SELLER IN THE EXECUTION OF THIS CONTRACT DUE TO DELAYS CAUSED BY THE PURCHASER. THIS PAYMENT IS TO BE CANCELLED WITHIN THE TEN (10) DAYS FOLLOWING THE WRITTEN PARTICIPATION BY SELLER TO THE PURCHASER.

20. LATE ARRIVAL

THE LATE ARRIVAL TO BE APPLICABLE FOR ANY DELAY OCCURRED AS CAUSED BY THE PURCHASER IN THE AGREED LOADING RANGE, THE PURCHASER SHALL BE CHARGED WITH A FEE OF ONE THOUSAND FIVE HUNDRED DOLLARS OF THE UNITED STATES OF AMERICA (USD 1,500.00) PER HOUR OR A FRACTION OF AN HOUR. IN CASE OF LATE ARRIVAL SELLER SHALL MAKE BEST ENDEAVOURS TO BERTH THE VESSEL WITHOUT ANY UNREASONABLE DELAY.

21. SELLER'S UNDERTAKING

SELLER REPRESENTS AND WARRANTS TO PURCHASER THAT ALL NECESSARY APPROVALS AND AUTHORIZATIONS (FOR THE SALE OF FUEL AND/OR CRUDE OIL ON BEHALF OF THE BOLIVARIAN REPUBLIC OF THE VENEZUELA UNDER THIS CONTRACT, FOR THE EXECUTION OF THIS CONTRACT AND THE ALLOCATION OF THE PROCEEDS GENERATED UNDER THIS CONTRACT) SHALL HAVE BEEN DULY OBTAINED AND MAINTAINED DURING THE DURATION OF THIS CONTRACT.

22. WAIVER OF IMMUNITY

22.1 EACH PARTY IRREVOCABLY AND UNCONDITIONALLY:

(I) AGREES THAT IF THE OTHER PARTY BRINGS PROCEEDINGS AGAINST IT OR ITS ASSETS IN RELATION TO THIS CONTRACT, NO IMMUNITY (SOVEREIGN OR OTHERWISE) FROM THOSE PROCEEDINGS (INCLUDING, WITHOUT LIMITATION, SUIT, ATTACHMENT PRIOR TO JUDGEMENT,



OTHER ATTACHMENT, THE OBTAINING OF JUDGEMENT, EXECUTION OR OTHER ENFORCEMENT) WILL BE CLAIMED BY OR BEHALF OF ITSELF OR WITH RESPECT TO ITS ASSETS;

(II) WAIVES ANY SUCH RIGHT TO IMMUNITY WHICH IT OR ITS ASSETS NOW HAS OR MAY SUBSEQUENTLY ACQUIRE; AND

(III) CONSENTS GENERALLY IN RESPECTS OF ANY SUCH PROCEEDINGS TO THE GIVING OF ANY RELIEF OR THE ISSUE OF ANY PROCESS IN CONNECTION WITH THOSE PROCEEDINGS, INCLUDING, WITHOUT LIMITATION, THE MAKING, ENFORCEMENT OR EXECUTION AGAINST ANY ASSETS WHATSOEVER (IRRESPECTIVE OF ITS USE OR INTENDED USE) IF ANY ORDER OR JUDGEMENT WHICH MAY BE MADE OR GIVEN IN THOSE PROCEEDINGS.

22.2 EXCEPTIONS

NOTWITHSTANDING SUB-CLAUSE 19.1 ABOVE, SELLER DOES NOT WAIVE SUCH IMMUNITY IN RESPECT OF ANY OF ITS PROPERTY OR ASSETS WHICH ARE:

(I) USED BY A DIPLOMATIC OR CONSULAR MISSION OF VENEZUELA (EXCEPT AS MAY BE NECESSARY TO ELECT SERVICE OF PROCESS);

(II) PROPERTY OF A MILITARY CHARACTER AND UNDER THE CONTROL OF A MILITARY AUTHORITY OR DEFENCE AGENCY OR PROPERTY FORMING PART OF THE CULTURAL HERITAGE OF VENEZUELA; OR

(III) SUBJECT TO IMMUNITY UNDER THE LAWS OF VENEZUELA.

23. FORCE MAJEURE

SEE THE PDVSA FOB GENERAL CONDITIONS OF SALE.

24. MODIFICATION

THE TERMS AND CONDITIONS OF THIS CONTRACT CAN NOT BE MODIFIED OR AMENDED IN ANY WAY EXCEPT BY AGREEMENT OF BOTH PARTIES IN WRITING.

25. NOTICES

EXCEPT AS OTHERWISE PROVIDED IN THIS CONTRACT, ALL NOTICES TO BE GIVEN UNDER THE CONTRACT BY EITHER PARTY TO THE OTHER SHALL BE SUFFICIENTLY GIVEN IN WRITING, BY TELEX, CABLE OR FACSIMILE AND DELIVERED TO THE OTHER PARTY AS FOLLOWS:

PDVSA PETROLEO S.A.

| NAME | DEPARTMENT | PHONE | FAX | E-MAIL |
|--------------------|----------------------------|---------------|---------------|----------------------|
| ALGHYS DE LOS RIOS | COMMERCIAL MANAGER | 58212-7083527 | 58212-7085011 | DELOSRIOS@PDVSA.COM |
| TIBISAY ZABALETA | TRADER | 58212-7083369 | 58212-7085011 | ZABALETATD@PDVSA.COM |
| YOLANDA JIMÉNEZ | TRADER | 58212-7083146 | 58212-7083565 | JIMENEZYD@PDVSA.COM |
| LUIS VASQUEZ | TRADER | 58212-7083171 | 58212-7085011 | VASQUEZLEZ@PDVSA.COM |
| ANIRIS ROJAS | CONTRACT ADMINISTRATION | 58212-7083249 | 58212-7083186 | ROJASAMX@PDVSA.COM |
| LISMEIDA AVENDAÑO | CONTRACT ADMINISTRATION | 58212-708 | 58212-7083186 | AVENDANOLC@PDVSA.COM |
| ONESIMO DEZZEO | QUALITY AND TECHNOLOGY | 58212-7084601 | 58212-7085026 | DEZZEOO@PDVSA.COM |
| NILYEN GIL | VOLUME AND DEMURRAGE | 58212-7084530 | 58212-7085026 | GILNC@PDVSA.COM |
| MARTIN RIVAS | OPERATIONAL | 58212-7081157 | 58212-7083186 | RIVASMDX@PDVSA.COM |
| PAOLA MARCANO | OPERATIONAL | 58212-7081440 | 58212-7083186 | MARCANOPM@PDVSA.COM |
| MIGUEL BOLÍVAR | FINANCE | 58212-7083614 | 58212-7083944 | BOLIVARM@PDVSA.COM |
| ROBERT LOPEZ | OPERATIONAL | 58212-7084967 | 58212-7083186 | LOPEZROX@PDVSA.COM |
| LOURDES MAVAREZ | OPERATIONAL | 58212-7083144 | 58212-7083186 | MAVAREZLM@PDVSA.COM |
| LISLIBETH AÑEZ | OPERATIONAL | 58212-7081370 | 58212-7083186 | ANEZLJ@PDVSA.COM |



| | | | | |
|----------------|-------------|---------------|---------------|--------------------|
| ANA LUGO | OPERATIONAL | 58212-7081565 | 58212-7083186 | LUGOAMG@PDVSA.COM |
| VANESA SALCEDO | OPERATIONAL | 58212-7081736 | 58212-7083186 | SALCEDOV@PDVSA.COM |

CHINA NATIONAL UNITED OIL CORPORATION

| NAME | DEPARTMENT | PHONE | FAX | E-MAIL |
|-----------------|-----------------------|----------------------------------|---------------|--------------------------------|
| MR. ZHANG TAO | COMMERCIAL | 58-424-2104735 | 58-2122634949 | ZHANG.TAO@PETROCHINA-USA.COM |
| MR. WANG JIE | COMMERCIAL | 86-1066227151 | 86-1066227055 | WANG.JIE@CHINA-OIL.COM.CN |
| MR. TOM RICE | CHARTERING | 1-201-7161805 | 1-201-7161819 | TOM.RICE@PETROCHINA-USA.COM |
| MR. JERRY ZHANG | SHIPPING OPERATION | 1-201-7161804 | 1-201-7161819 | JERRY.ZHANG@PETROCHINA-USA.COM |
| MR. WANG QING | OPERATION | 58-212-2665135 58-424-1807670 | 58-2122634949 | WANG.QING@PETROCHINA-USA.COM |

ALL NOTICES AND COMMUNICATIONS BETWEEN SELLER AND PURCHASER ARISING OUT OF OR IN CONNECTION WITH THIS CONTRACT MUST BE RECEIVED BY SELLER OR PURCHASER WITHIN OFFICE HOURS (0800-1700, MONDAY TO FRIDAY) IN THE RELEVANT TIME ZONE AND SET IN ACCORDANCE WITH THE NOTIFICATIONS PROVISIONS HEREIN. ANY NOTICE OR COMMUNICATION ADDRESSED TO SOMEONE OTHER THAN THE PURCHASER'S OR SELLER'S REPRESENTATIVES NAMED HEREIN SHALL BE DEEMED TO HAVE NOT BEEN RECEIVED AND SHALL HAVE NO LEGAL OR CONTRACTUAL FORCE OR EFFECT. ANY NOTICE OR COMMUNICATIONS RECEIVED OUTSIDE OF OFFICE HOURS SHALL BE DEEMED TO HAVE BEEN RECEIVED ON THE NEXT WORKING DAY.

ALL OTHER TERMS AND CONDITIONS EXCEPT AS SET ABOVE SHALL BE AS PER PDVSA GTC, WHICH PURCHASER DECLARES TO KNOW AND ACCEPT. IN CASE THERE IS ANY DISCREPANCY BETWEEN THIS CONTRACT AND THE PDVSA GTC, THIS CONTRACT SHALL PREVAIL.

IN WITNESS WHEREOF EACH OF THE PARTIES HAS CAUSED THIS CONTRACT TO BE EXECUTED IN ENGLISH IN TWO COPIES BY THEIR RESPECTIVE DULY AUTHORIZED OFFICERS OR REPRESENTATIVES AS OF THE DATE OF MARCH _____, 2011.

MR. ASDRÚBAL CHÁVEZ, J.
VICE PRESIDENT
PDVSA PETRÓLEO, S.A.

MR. ZHAO YONG
VICE PRESIDENT
CHINA NATIONAL UNITED OIL CORPORATION