

**GENERAL TERMS & CONDITIONS FOR THE  
PURCHASE AND SALE OF RENEWABLE IDENTIFICATION NUMBERS  
MARCH 2016 EDITION**

These General Terms & Conditions For the Purchase and Sale of Renewable Identification Numbers (the “General Terms”) shall be applicable to all transactions for purchases or sales of Renewable Identification Numbers pursuant to 40 CFR Part 80 (referred to herein as the “RINs”) by U.S. Oil, a division of U.S. Venture, Inc., (“U.S. Oil”) (each, a “Transaction”), and shall be deemed incorporated into each Transaction, whether or not the General Terms are explicitly incorporated into the applicable Confirmation (as defined below). The identity of the Buyer and Seller (each a “Party”, and collectively, the “Parties”), RINs, Price, Payment/Credit Terms, necessary documents and any other special provisions applicable to a Transaction will be agreed by the Parties at the time they enter into a Transaction and shall be collectively provided in an electronic or written confirmation for the Transaction (“Confirmation”) and such provisions are referred to by the Parties as the “Confirmation Provisions” (the Confirmation Provisions together with these General Terms, collectively referred to herein as the “Agreement”).

**Section 1. DELIVERY LOCATION**

**1.1** Seller agrees to sell to Buyer the quantity of unassigned RINs, owned by Seller and generated in the year specified, in accordance with the terms of this Agreement. Seller shall provide Buyer with a certificate or other documentation evidencing the transfer of RINs upon transfer of title as provided herein. In performing its obligations hereunder, each Party shall comply with the Renewable Fuel Standard Program as set forth in 40 C.F.R. Part 80, and specifically section 80.1400 *et. seq.* (the “Renewable Fuel Standard Regulations”).

**1.2** Seller and Buyer confirm that each has registered with the U.S. Environmental Protection Agency (“EPA”) pursuant to the Renewable Fuel Standard Regulations, and in particular pursuant to 40 C.F.R. § 80.1450, and has received an EPA-issued company identification number. Further, Seller and Buyer acknowledge that registration under 40 C.F.R. § 80.1450 and the subsequent issuance of an EPA company identification number is required and necessary prior to engaging in any transaction involving RINs.

**Section 2. PAYMENT**

Payment shall be made in USD in immediately available funds via wire transfer into Seller’s account at its designated bank Two (2) New York business days after receipt of invoice with accompanying list of RINs to be transferred for validation purposes. Invoices and documents received after 12:00 noon New York Time will be deemed to have been received on the next business day.

**Section 3. TITLE**

Upon invoicing Buyer for the Purchase Price, Seller shall transfer to Buyer legal and equitable title to the RINs free and clear of any liens and encumbrances, and Buyer shall thereafter retain such title, right and interest in and to the RINs.

**Section 4. DOCUMENTATION**

**4.1** If requested by Buyer, Seller shall provide to Buyer the following documentation within five (5) Business Days after Seller’s submission of such documentation to the EPA: (i) Seller’s RIN Generation and/or RIN Transaction Reports (including any resubmittals), EPA Report Forms RSF2 EMTS RIN Generation Report and RFS2 EMTS RIN Transaction Report, respectively, evidencing Seller’s acquisition of the RINs sold pursuant to this Agreement, reasonably redacted by Seller to protect confidential business information; and, (ii) relevant portions of Seller’s EPA attestation engagement report(s) applicable to Seller’s acquisition of the RINs sold pursuant to this Agreement, reasonably redacted by Seller to protect confidential business information.

**4.2** If requested by Buyer, Seller agrees to provide Buyer with a copy of its draft RIN Transaction Report, EPA RFS2 EMTS RIN Transaction Report, documenting this transaction, at least fifteen (15) Business Days prior to the EPA submission deadline. The report may be reasonably redacted to protect confidential business information.

**Section 5. REPRESENTATIONS AND WARRANTIES**

**5.1** Each Party represents and warrants to the other Party, as of the date of the Confirmation, that:

- A. It is (i) an “eligible commercial entity” and an “eligible Agreement participant” as defined in sections 1a(11) and 1a(12) of the Commodity Exchange Act, as amended and (ii) a “forward Agreement merchant” and “master netting agreement participant” for purposes of Title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), as amended from time to time;
- B. It has the corporate, governmental, or other legal capacity, authority and power to execute this Agreement, to deliver and perform this Agreement, and has taken all necessary action to authorize the foregoing;
- C. The execution, delivery and performance of this Agreement does not violate or conflict with any Applicable Law (as defined below), any provisions of its organizational documents, any order or judgment of any court or Governmental Authority (as defined below) applicable to it or any of its assets, or any restriction binding on or affecting it or any of its assets; and
- D. Its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with its terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors’ rights

generally and subject, as to enforceability, to equitable principles of general application regardless whether enforcement is sought in a proceeding in equity or at law).

**5.2** With respect to RINs transferred hereunder:

- A. Buyer covenants that it will use and/or later transfer or retire the RINs in compliance with the Renewable Fuel Standard Regulations and all other Applicable Law.
- B. Seller warrants that:
  - i. The RINs were properly generated or are otherwise valid pursuant to the Renewable Fuel Standard Regulations, and Seller has the right to transfer such RINs pursuant to the Renewable Fuel Standard Regulations;
  - ii. The RINs were properly converted from a status of "Assigned" Type 1 RINs to a status of "Unassigned" Type 2 RINs in accordance with Applicable Law;
  - iii. The RINs were properly created in the vintage year under the Renewable Fuel Standard Regulations from the purchase of renewable fuels in compliance with Applicable Law;
  - iv. Seller has good and marketable title to the RINs, and such RINs are free and clear of any claims, liens, charges, encumbrances, pledges or security interests whatsoever;
  - v. Seller waives and releases all claims it has to the RINs;
  - vi. The RINs have not been previously transferred by Seller to any other party; and,
  - vii. Seller has not taken any action or made an omission that would prohibit or limit Buyer's use of the RINs.

**5.3** Except for the foregoing express warranties, Seller makes no other representations or warranties, express or implied, statutory or otherwise, with respect to the RINs or this Agreement, including any implied warranties of merchantability or fitness for a particular purpose, even if such purpose is known to Seller. In addition, Seller is not responsible for the future misuse of the RINs in conjunction with compliance with any government regulations.

**5.4** For purposes of this Agreement, "Applicable Law" means (i) any law, statute, regulation, code, ordinance, license, order, writ, injunction, decision, directive, judgment, policy, decree and any judicial or administrative interpretations thereof, (ii) any agreement, concession or arrangement with any Governmental Authority and (iii) any license, permit or compliance requirement, including under any environmental law, in each case as may be applicable to either Party or either Party's performance under this Agreement.

**5.5** For Purposes of this Agreement, "Governmental Authority" means any foreign or U.S. federal, state, regional, local or municipal governmental body, agency, instrumentality, authority or entity established or controlled by a government or subdivision thereof, including any legislative, administrative or judicial body, or any person purporting to act therefor.

## **Section 6**            **EVENTS OF DEFAULT**

**6.1** An "Event of Default" in respect of this Agreement shall be deemed to occur when:

- A. Buyer fails to make, when due, any payment, required under this Agreement, if such failure is not cured within one (1) Business Day of notice of such failure;
- B. Seller fails to transfer RINs as required under this Agreement, if such failure is not cured within one (1) Business Day of notice of such failure;
- C. Either Party breaches any covenant or obligation under this Agreement;
- D. Any warranty or representation made by a Party in this Agreement proves to be false or misleading in any material respect;
- E. Either Party or any of a Party's direct or indirect parent companies becomes or is Bankrupt (as defined below); or,
- F. Either Party fails to provide adequate assurance of its ability to perform all of its outstanding obligations under this Agreement and/or any other agreement between the Parties within two (2) Business Days of demand thereof when the other Party hereto has reasonable grounds for insecurity.

**6.2** If an Event of Default occurs with respect to a Party (the "Defaulting Party") at any time during the term of this Agreement, the other Party (the "Performing Party") may (1) upon written notice to the Defaulting Party terminate this Agreement, and (2) withhold any payments due in respect of this Agreement to the extent of its damages.

**6.3** If Seller fails to transfer RINs to Buyer in accordance with this Agreement and Buyer elects to terminate this Agreement, then within two (2) Business Days of Seller's receipt of Buyer's written notice of termination, Seller shall:

- A. (i) refund the Purchase Price paid by Buyer for valid RINs that Seller failed to transfer; and (ii) pay, for each valid RIN that Seller failed to transfer, termination damages equal to the amount, if any, by which the market price for one RIN (equivalent to RINs covered by this Agreement with respect to type and vintage year) exceeds the Purchase Price (per RIN), as reasonably determined by Buyer as of the date of Buyer's notice of termination, whether or not Buyer obtains replacement RINs from a third party;
- B. Alternatively, Buyer at its sole election may demand that Seller provide RINs of the same type and vintage year as specified in this Agreement to cover the shortfall and transfer such RINs to Buyer pursuant to the terms hereunder.

All other fees related to termination by Buyer, including but not limited to attorneys' fees, shall be the responsibility of Seller.

**6.4** If Buyer fails to pay Seller for the RINs received in accordance with this Agreement and Seller elects to terminate this Agreement, then within two (2) Business Days of Buyer's receipt of Seller's written notice of termination, Buyer shall pay Seller termination damages equal to the product of: (i) the number of valid RINs that Buyer failed to pay for and (ii) the greater of (x) the Purchase Price (per RIN) and (y) the market price for one RIN (equivalent to RINs covered by this Agreement with respect to type and vintage year), as reasonably determined by Seller as of the date of Seller's notice of termination. All other fees related to termination by the Seller, including but not limited to attorneys' fees, shall be the responsibility of the Buyer.

**6.5** The Performing Party's rights and remedies described in this "Events of Default/Remedies" section are in addition to, and not in limitation or exclusion of, any other rights and remedies which the Performing Party may have hereunder, by operation of law or otherwise.

**6.6** For purposes of this Agreement, "Bankrupt" means, with respect to a Party or its direct or indirect parent companies, that such Party: (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (ii) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (iv) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation; (v) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (vi) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vii) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets; (viii) causes or is subject to any event with respect to it which, under Applicable Law, has an analogous effect to any of the events specified in clauses (i) to (vii) (inclusive); or (ix) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

## **Section 7 INDEMNITY**

Each Party (the "Indemnifying Party") agrees to protect, defend, indemnify and hold the other Party (the "Indemnified Party") harmless from and against any and all claims, demands, suits, losses, expenses (including reasonable attorneys' fees), damages, fines, penalties, causes of action and liabilities of every type and character caused by or directly or indirectly arising out of or resulting from the Indemnifying Party's breach of this Agreement (including, without limitation, the Indemnifying Party's failure to transfer valid RINs to the Indemnified Party) or its negligence or failure to comply with Applicable Law with respect to the sale and transfer of any RINs, unless such liability results from the Indemnified Party's negligence or willful misconduct. In the event the Parties jointly or concurrently negligent, each Party shall indemnify the other Party to the extent of its negligent acts or omissions or willful misconduct. Each Party agrees to notify the other Party as soon as practicable after receiving notice of any suit brought against it within this indemnity, shall furnish to the other Party the complete details within its knowledge and shall render all reasonable assistance requested by the other Party in the defense. Each Party shall have the right but not the duty to participate, at its own expense, with counsel of its own selection, in the defense and settlement thereof without relieving the other of any obligations under this "Indemnity" section.

## **Section 8 FORCE MAJEURE**

**8.1** Neither party shall be liable to the other Party if it is rendered unable by an event of Force Majeure (as defined below) to perform in whole or in part any obligation or condition of this Agreement, for so long as the event of Force Majeure exists and to the extent that performance is hindered by the event of Force Majeure; provided, however, that the Party unable to perform shall use commercially reasonable efforts to avoid or remove the event of Force Majeure. During the period that a Party's performance of its obligations under this Agreement has been suspended in whole or part by reason of an event of Force Majeure, the other Party likewise may suspend the performance of all or part of its obligations related to this Agreement to the extent that such suspension is commercially reasonable, except for any payment and indemnification obligations arising prior to the occurrence of such Force Majeure event.

**8.2** If either Party is rendered unable by Force Majeure to perform or comply fully or in part with any obligation or condition of this Agreement, the affected Party shall give written notice to the other Party of such Force Majeure event within 24 hours after receiving notice of the occurrence of the Force Majeure event relied upon, including, to the extent feasible, the details and the expected duration of the Force Majeure event and the quantity of RINs affected. Promptly thereafter, the Party rendered unable to perform shall confirm such information in writing. Such Party also shall promptly notify the other party when the Force Majeure event is terminated.

**8.3** In the event that the period of suspension due to a Force Majeure event affecting this Agreement shall continue in excess of 30 days from the date that notice of such event is given, and so long as such event is continuing, either Party, in its sole discretion, may terminate this Agreement by written notice to the other Party, and neither Party shall have any further liability to the other Party in respect of this Agreement except for the rights and remedies previously accrued.

**8.4** For purposes of this Agreement, "Force Majeure" means any cause or event reasonably beyond the control of a Party, including, without limitation, acts of God; strikes, grievances, actions by or among workers or lock-outs, whether or not such labor difficulty could be settled by acceding to any demands of any such labor group of individuals; acts of war, hostilities (whether declared or undeclared), civil commotion, embargoes, blockades, terrorism, sabotage or acts of the public enemy; any act or omission of any Governmental

Authority; good faith compliance with any order, request or directive of any Governmental Authority; or any other cause reasonably beyond the control of a Party, whether similar or dissimilar to those above and whether foreseeable or unforeseeable, which, by the exercise of due diligence, such Party could not have been able to avoid or overcome. The term “Force Majeure” expressly excludes (i) any failure by a Party to apply for, obtain or maintain any permit, license, approval necessary under Applicable Law for the performance of any obligation under this Agreement, and (ii) a Party’s inability to economically perform its obligations under this Agreement.

**Section 9. LIMITATION OF LIABILITY:**

**EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, THE PARTIES’ LIABILITY FOR DAMAGES IS LIMITED TO DIRECT, ACTUAL DAMAGES ONLY. NEITHER PARTY SHALL BE LIABLE FOR SPECIFIC PERFORMANCE, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, LOSS OF USE OR SERVICE OR OF CAPITAL, OR SPECIAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, IN TORT, AGREEMENT OR OTHERWISE, OF ANY KIND, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE PERFORMANCE, THE SUSPENSION OF PERFORMANCE, THE FAILURE TO PERFORM OR THE TERMINATION OF THIS AGREEMENT. EACH PARTY ACKNOWLEDGES THE DUTY TO MITIGATE DAMAGES.**

**Section 10. COMPLIANCE WITH LAW**

The RINs sold hereunder shall be transferred in full compliance with all Applicable Law, including the Renewable Fuel Standard Regulations. Seller and Buyer shall maintain appropriate records that demonstrate compliance with Applicable Law and industry standards. Each Party also shall immediately notify the other Party in writing of any violation or alleged violation with respect to the RINs sold hereunder and, upon reasonable request, shall provide the other with evidence of environmental inspections or audits by any Governmental Authority with respect to such RINs.

**Section 10. TAXES**

Each Party shall be responsible for any taxes that may be imposed on it arising from the sale or purchase, respectively, of RINs hereunder.

**Section 11. ASSIGNMENT**

Neither Party may assign the whole or any part of its rights and obligations under this Agreement without the prior written consent of the other Party. Further, unless otherwise provided in such consent, the assignor shall be jointly and severally held responsible with the assignee for the full performance of the assignor’s obligations. This Agreement shall inure to the benefit of and be binding upon the Parties, their respective successors and permitted assigns.

**Section 12. GOVERNING LAW/WAIVER OF JURY TRIAL**

**12.1** This Agreement and all matters arising in connection herewith shall be governed by, interpreted and construed in accordance with the laws of the State of New York, without giving effect to its conflicts of laws principles that would result in the application of a different law. Each Party hereby submits itself to the exclusive jurisdiction of any federal court of competent jurisdiction situated in the Borough of Manhattan, State of New York or, if any federal court declines to exercise or does not have jurisdiction, in any New York state court in the Borough of Manhattan, State of New York and to service of process by certified mail, delivered to the Party at its last designated address. Each Party waives, to the fullest extent permitted by Applicable Law, any right it may have to a trial by jury in respect of any proceedings relating to this Agreement.

**12.2** The United Nations Convention on Agreements for the International Sale of Goods 1980 shall not in any way apply to or govern this Agreement.

**Section 13. SURVIVAL:**

Cancellation, expiration or termination of this Agreement shall not relieve the Parties of any obligations that, by their very nature, must survive said cancellation, expiration or termination, including, without limitation, a Party’s obligation to transfer RINs that were properly generated or are otherwise valid RINs, and the Parties’ indemnification obligations.

**Section 14. NON-WAIVER**

The failure of a Party to assert a right or enforce an obligation of the other Party shall not be deemed a waiver of such right or obligation. The waiver by any Party of a breach of any of the covenants, conditions or other terms of this Agreement shall not operate or be construed as a waiver of any succeeding breach of the same or of any other covenant, condition or any other term of this Agreement or any other agreement between the Parties.

**Section 15. THIRD PARTY BENEFICIARIES**

Nothing expressed or implied in this Agreement is intended to create any rights, interests, obligations or benefits under this Agreement in any person other than Buyer, Seller and their respective successors and permitted assigns.

**Section 16. BANKRUPTCY ACKNOWLEDGEMENTS**

The Parties intend and agree that: (i) this Agreement shall constitute a “forward Agreement” under section 101(25) and a “swap agreement” under section 101(53B) of the Bankruptcy Code, protected by, *inter alia*, section 556 and section 560 of the Bankruptcy

Code, (ii) this Agreement constitutes a master netting agreement under section 101(38A) of the Bankruptcy Code, and (iii) the rights of the Parties set forth in the "Events of Default/Remedies" section of this Agreement include the rights referred to in section 561(a) of the Bankruptcy Code.

**Section 17. MODIFICATIONS**

Any amendment or modification to this Agreement shall be made in writing signed by both Parties.

**Section 18. NOTICES**

All notices, invoices and other communications under this Agreement shall be in writing and sent by e-mail or other electronic transmission, facsimile, overnight courier, hand, registered or certified mail, return receipt requested with all postage fully paid; provided, however, that notices issued pursuant to the "Events of Default/Remedies" section shall not be sent by e-mail or other electronic transmission. Except as provided in the "Payment Terms" section, a notice shall be deemed to have been received by a Party (i) if delivered by hand or sent by overnight courier, on the day of delivery if a Business Day, or if not a Business Day, on the immediately following Business Day, (ii) if sent by registered or certified mail, return receipt requested, on the date of receipt, and (iii) if transmitted by facsimile, at the time of transmission with answer back confirmation of receipt.

Unless otherwise provided on the Confirmation, all notices to U.S. Oil shall be mailed, emailed or faxed as follows:

U.S. Oil, a division of U.S. Venture, Inc.  
425 Better Way  
Appleton, WI 54915  
920-243-5889  
confirmations@usoil.com  
With a copy to estackhouse@usventure.com

Unless otherwise provided on the Confirmation, invoices to U.S. Oil will be deemed not received unless sent by e-mail to settlements@usoil.com.

All notices and invoices to the other Party shall be as provided on the Confirmation.

**Section 19. U.S. COMMODITY EXCHANGE ACT**

The parties agree that this transaction is a Forward Agreement within the meaning of the U.S. Commodity Exchange Act, and in reliance upon such agreement, each party represents to the other that, as of the date the transaction is entered into: (i) it is a commercial market participant with respect to the specified commodity and is entering into the transaction in connection with its business; and, (ii) it intends to make or take physical delivery of the specified commodity.