

مرسوم رقم ٨٠٨٤

إحالة مشروع قانون الى مجلس النواب يرمي الى طلب الموافقة على إبرام إتفاق بيع مادة زيت الوقود بين
حكومة جمهورية العراق وحكومة الجمهورية اللبنانية

إِنَّ رَئِيسَ الْجُمْهُورِيَّةِ
بِنَاءِ عَلَى الدِّسْتُورِ

، لا سيما المادتين ٥٢ و ٦٥ منه

بناءً على إقتراح وزير الطاقة والمياه،

بناءً على الموافقة الإستثنائية الصادرة عن رئيس الجمهورية ورئيس مجلس الوزراء،

يرسم ما يأتي :

المادة الأولى: يُحال الى مجلس النواب مشروع القانون المرفق الرامي الى طلب الموافقة على إبرام إتفاق بيع
مادة زيت الوقود بين حكومة جمهورية العراق ممثلة بوزير المالية الإتحادي وحكومة الجمهورية
اللبنانية ممثلة بوزير الطاقة والمياه الموقع بتاريخ ٢٣/٧/٢٠٢١.

المادة الثانية: إن رئيس مجلس الوزراء مكلف بتنفيذ أحكام هذا المرسوم.

بعيدا في ٢٠ آب ٢٠٢١
الامضاء: ميشال عون

صدر عن رئيس الجمهورية
رئيس مجلس الوزراء
الامضاء: حسان دياب

وزير العدل
الامضاء: ماري كلود نجم

وزير الخارجية والمغتربين بالوكالة
الامضاء: زينة عسكر

وزير الطاقة والمياه
الامضاء: ريمون غجر

وزير المالية
الامضاء: غازي وزني



مشروع قانون

يرمي الى طلب الموافقة على إبرام إتفاق بيع مادة زيت الوقود بين حكومة جمهورية العراق وحكومة
الجمهورية اللبنانية

المادة الأولى : أعطيت الموافقة على إبرام إتفاق بيع مادة زيت الوقود بين حكومة جمهورية
العراق وحكومة الجمهورية اللبنانية والمرفق ربطاً.

المادة الثانية : يُعمل بهذا القانون فور نشره في الجريدة الرسمية.



الأسباب الموجبة

بما أن لبنان يشهد أزمات مالية واقتصادية وفقدان للمواد الأولية الضرورية لسير المرافق العامة، ومنها شركة كهرباء لبنان،

ومن ضمن الجهود المبذولة لتأمين الحاجات الضرورية المعيشية للمواطن اللبناني واستمرار العمل بالمعامل الصناعية وتحفيز العجلة الاقتصادية، تم توقيع إتفاق بيع مادة زيت الوقود بين حكومة جمهورية العراق وحكومة الجمهورية اللبنانية،

لذلك،

تتقدم الحكومة من المجلس النيابي الكريم بمشروع القانون المرفق، آملة إقراره بالسرعة الممكنة.



اتفاق بيع مادة زيت الوقود بين الجانبين العراقي والليباني

المادة (1) اطراف الاتفاق:

ابرم هذا الاتفاق (ويشار اليه فيما يلي بـ "الاتفاق") في بغداد ، جمهورية العراق بين:

1. حكومة جمهورية العراق ، (وتسمى فيما يلي "الجانب العراقي") ويمثلها لاغراض هذا الاتفاق وزير المالية الاتحادي كطرف اول.

و

2. وزارة الطاقة والمياه اللبنانية (وتسمى فيما يلي "الجانب اللبناني") ، ويمثلها لاغراض هذا الاتفاق وزير الطاقة والمياه كطرف ثاني.

المادة (2) إطار الاتفاق :

بناءً على قرار مجلس الوزراء العراقي رقم (183) لسنة 2021 بخصوص التعاون العراقي / اللبناني لبيع مادة زيت الوقود بواقع مليون طن سنوياً (واحد مليون طن سنوياً) وفق السعر الذي تحتمده شركة تسويق النفط العراقية (SOMO) على اساس شهر قبول ترشيح الشحنة للتحميل.

فقد اتفق الجانبان على المبادئ والاحكام الاساسية التالية:

1. يقوم الجانب العراقي ببيع مادة زيت الوقود الثقيل (HSFO) بمقدار (1) مليون طن متري (واحد مليون طن متري) سنوياً الى لبنان.

2. تنظم عملية البيع بموجب ما يتم توقيعه بين شركة تسويق النفط العراقية (SOMO) والجهة الحكومية اللبنانية على ان يكون المشتري كياناً عائداً الى الدولة اللبنانية.

- اما بالاستخدام المباشر في محطات توليد الكهرباء في لبنان.

- او تكريرها على حساب الحكومة اللبنانية الى المنتجات الثانوية النفطية.

- او استبدالها مع طرف ثالث بهدف تغيير المواصفات لاستخدامها من قبل الحكومة اللبنانية.

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3. تخول وزارة المالية العراقية البنك المركزي العراقي بفتح حساب مصرفي وادارته لدى مصرف لبنان بالدولار الامريكي لاغراض الانضاق حصراً.

4. يتم توريد مادة زيت الوقود التقليل بعد فتح اعتماد مسنندي (Standby Letter of Credit) باسم احدي الجهات الحكومية اللبنانية او شركة كهرباء لبنان من خلال مصرف لبنان لصالح البنك المركزي العراقي (نيابة عن شركة تسويق النفط العراقية SOMO) لتوريد (1) مليون طن من تلك المادة:

أ. شروط فتح الاعتماد:

- النوع : Standby Letter of Credit - غير معزز.
 - القيمة : مليون طن X السعر الذي تعتمده شركة تسويق النفط العراقية (SOMO).
 - المدة : سنة واحدة.
 - العملة : الدولار الامريكي.
 - آلية الدفع : مؤجل الدفع (Deferred Payment LC) خلال سنة واحدة من تاريخ قبول مستندات الشحن بحيث يتم التسديد، حصراً، وفقاً لما سيرد في الفقرة (6) ادناه:
 - يتم قيد كامل قيمة المستندات في حساب البنك المركزي العراقي المفتوح لدى مصرف لبنان.
 - ب. يتم تحويل رصيد البنك المركزي العراقي لدى مصرف لبنان الى وديعة مصرفية لمدة سنة واحدة وتجدد تلقائياً باتفاق الطرفين، وتستحق الفائدة على الرصيد وفقاً لما هو معمول به لدى مصرف لبنان.
 - ج. يكون مدير مديرية القطع والعمليات الخارجية لدى مصرف لبنان نقطة اتصال مع البنك المركزي العراقي لاغراض ادارة الحساب حصراً، ويكون مدير عام دائرة الاستثمار والتحويلات الخارجية في البنك المركزي العراقي نقطة الاتصال مع مصرف لبنان لذات الغرض.
 - د. يلتزم مصرف لبنان بتقديم كشف حساب شهري أو حسب الطلب الى البنك المركزي العراقي.
5. يتم اعتماد سعر الطن المتري لزيت الوقود الثقيل وفق السعر الذي تعتمده شركة تسويق النفط العراقية (SOMO) في شهر قبول ترشيح الشحنة للتحميل والمحدد في عقد الشراء الموقع بين شركة تسويق النفط العراقية (SOMO) والجهة الحكومية اللبنانية، وتكون عقود الشراء جزءاً لا يتجزأ من هذا الاتفاق.

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6. يستخدم الجانب العراقي، حصراً، رصيد الحساب اعلاه كليا أو جزئياً وفقاً للالية التي سيتم الاتفاق عليها مع الجانب اللبناني لغرض شراء السلع والخدمات لصالح الوزارات والمؤسسات العراقية، على ان يضمن مصرف لبنان استلام الجهات اللبنانية التي تقدم الخدمات للجانب العراقي مستحقاتهم باستخدام أوامر الدفع أو نقداً بالعملية المحلية عند الطلب، ومن الرصيد المتجمع في حساب البنك المركزي العراقي المفتوح لغرض تنفيذ هذا الاتفاق لدى مصرف لبنان، وحسب سعر (منصة صيرفة) أو سعر السوق الموازي المعتمد لدى مصرف لبنان، على ان لا يقل سعر (منصة صيرفة) عن (15%) من سعر السوق الموازي لمعدل الشهر الاخير. ويتم اشعار مصرف لبنان باوامر الدفع بناءً على اتفاقات تعقد بهذا الشأن وتعتبر جزءاً لا يتجزأ من هذا الاتفاق.

7. في حال حصول عممية اقتطاع مباشر (Haircut) أو قيود على الارصدة (Capital Control) بموجب اية قوانين أو تشريعات لاحقة، فإن هذا الامر لا يؤثر على رصيد البنك المركزي العراقي لدى مصرف لبنان ولا ينتقص من حق الجانب العراقي المنصوص عليه في الفقرة (6) اعلاه.

كما يعفى حساب البنك المركزي العراقي من اية ضرائب مفروضة أو قد تفرض على الحسابات المصرفية في الجمهورية اللبنانية.

8. يلتزم الطرفان بان لا يكون اي طرف مشارك بعملية البيع أو الشراء مدرج على لوائح العقوبات الدولية ويتم استبعاد اي طرف قد يتم ادراجه لاحقاً خلال فترة نفاذ الاتفاق. وبخلافه يعتبر الاتفاق ملغى وبحق للطرف العراقي الانسحاب من بنوده.

9. في حال وجود خلاف أو نزاع قانوني بين الطرفين يصار الى حله بصورة ودية بعقد اجتماع مشترك وعند عدم التوصل الى حل يرضي الطرفين يتم اللجوء الى التحكيم.

بمجرد التوقيع على الاتفاقية من قبل الطرفين
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عن / الجانب العراقي

مدير العمليات المصرفية
مصرف لبنان

عن / الجانب اللبناني

مدير العمليات المصرفية
مصرف لبنان





REPUBLIC OF IRAQ
MINISTRY OF OIL
OIL MARKETING COMPANY
(SOMO)

MP/TLA/2021/XS/27



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Contract Contents

Article One	Definitions
Article Two	Quantity and Quality
Article Three	Price
Article Four	Payment
Article Five	Duration of Contract
Article Six	Standard Documentation
Article Seven	Special Conditions
Article Eight	Addresses



A.K. (2-12)



Specific Provisions

F.O.B. Fuel Oil Product Sales Contract



Contract between Oil Marketing Company (SOMO) (hereinafter called Seller) of the one part and Directorate General of Oil (hereinafter called Buyer) of the other part.

Whereby it is agreed as follows:

Wherever the General Provisions of Section Two, attached and herein incorporated in this contract, are at variance or in conflict with this section one, the provisions of Section One shall govern.

Article One

Definitions

As used in this contract, unless otherwise provided, the following words and terms shall have the following meanings: -

- M.T. : Means Metric Ton.
- Day : Means a period of twenty-four (24) running hours commencing at 00.01 hours local time at the port of loading.
- SRHSFO : Straight Run High Sulfur Fuel Oil.
- ASTM : Means the American Society for Testing and Materials.
- F.O.B. : Means "Free on Board" as referred to in the ICC Incoterms 2010.
- Dollar (\$) : The Currency of The United States of America.
- Month : Means Gregorian Calendar Month Commencing at 00.01 hours Local Time at The Port of Loading on The First Day of The Month.
- Quarter : Means a Period of Three (3) Consecutive Months Beginning on a 1st January or a 1st April or a 1st July or a 1st October.
- Year : Means a Gregorian Calendar Year.
- GT&Cs : SOMO's Standard General Terms of conditions.



Article Two

A- Quantity:

SELLER undertakes to sell and deliver FOB and BUYER undertakes to purchase, receive and pay for the following: -

- 1- Type of product: SRHSFO.
- 2- Quantity

Quantities	M.T.
Monthly quantity $\pm 10\%$	83,333
Total quantity $\pm 10\%$	1,000,000

In case when SELLER, for reasons technical or otherwise that are beyond his control, is unable to meet his full commitments, SELLER shall have the right to reduce the quantities for duration of the period when such circumstances shall prevail.

SELLER, shall advise BUYER as soon as possible before the beginning of any period during which supplies to all buyers are to be reduced.

Quantities shall be lifted as evenly as possible over the course of such delivery period in lots of approximate M.T. and as will be agreed between BUYER and SELLER.

Quantities lifted under allowed operational vessel slippage shall be deemed as part of the quantities of the period.

3- Location of Loading: Anchorage Area Nearby Khor Al-Zubair Terminal.

B- QUALITY:

The quality as per SRHSFO specifications produced from Iraqi Basrah refinery by Al-Shuaiba pipeline as available at the time of lifting.

The laboratory tests are subject to the following standard test methods:

Test	Method (ASTM)
Density @ 15.0 °C (gm/cm ³)	D1298
Flash Point °C (PM)	D93B
Vis. @ 50 °C (cst.)	D445
Sulphur Content (wt%)	D4294

These specifications are indicative and are for information purposes shall not be binding. Seller shall have no liability for any deviation specifications.



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Seller is not responsible for any claim or objection submitted by Buyer regarding the quality of the product loaded if such claim and objection are made after the Buyer or his representatives had signed the documents related to that particular case.

Article Three

Price:

The export Pricing of Fuel Oil product to be delivered under this contract shall be in United States Dollars (USD) per Metric Ton (M.T) of HSFO 180 CST in FOB for the month of the scheduled month of loading. However, The Seller will notify the Buyer about the price of Fuel Oil on monthly basis.

Article Four

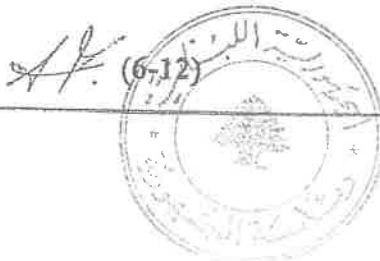
Payment:

- 1- Buyer shall cover the estimated value of contractual quantity through opening standby letter of credit (L/C) by THE CENTRAL BANK OF LEBANON (Banque du Liban) and advised through CENTRAL BANK OF IRAQ (CBI) according to Deferred Payment L/C.
- 2- Other payment clauses are as stated in Iraqi-Lebanese agreement for the sale of the Fuel Oil.

Article Five

Duration of Contract:

- 1- This contract shall become effective from Iraqi-Lebanese agreement signature date up to (12) months.
- 2- The contract should be terminated if:
 - The duration exceeds 12 months from contract signature date.
 - Buyer loaded all the quantities.



Article Six

SOMO Standard Documentation:

Bill of Lading	9 (3 orig. & 6 copies)
Certificate of Origin	4
Certificate of Quality and Quantity	4
OBQ Reports for Mothership & Buyer's Vessel	4
Ullage Reports for Mothership & Buyer's Vessel	4
Bunker Inspection Record	4
Time Log	4
Load Port Inspection Checklist	4
Laboratory Report of Quality	4
Sample Receipt	4
Basic Marine Movement Date Sheet	4
Certificate of Tank Washing Rem. On Board	4
Distribution of Documents	4

Two sets of documents are handed to the vessel's Master, one being for the consignee. SELLER shall advise BUYER by telex or cable within forty-eight (48) hours following each loading with the following details: -

Vessel's Name.

Loading Port.

Commenced loading Date.

Completed Loading Date.

Sailing Date.

Gross and net quantities in metric tons, long tons and U.S. barrels.

API Gravity.



Handwritten signature and date: *A/E (7-12)*



Article Seven

SPECIAL CONDITIONS

1- CONDUCT OF THE PARTIES

1.1 Concerning the operations, services and other activities in connection with this contract:

1.1.1 The second party (buyer) (including his/her employees and any other parties related to the buyer or the relevant contract and its amendments and addendums or extension) commits not to offer or give to any of the first party (seller) employee any gift or advantage to make that employee acts or refrains from acting in a way that constitutes a failing to perform duties. This applies regardless whether the advantage is offered directly or through an intermediary. If the buyer fails to comply with such commitment, the seller will take legal measures in place.

For this Article 7, "Group" shall mean, for each party, its controlling and controlled companies, and companies under common control and "control" shall mean the ownership directly or indirectly of more than fifty percent of the voting rights in a legal entity.

1.1.2 Each party represents and warrants that (i) it has not used and covenants that it shall not use any broker, agent, consultant or other intermediary in connection with soliciting, obtaining, negotiating, structuring or performing this contract or in connection with the subject matter to which it applies where the use of the broker, agent, consultant or other intermediary would cause such party to breach Article 7(1.1.1) or where the actions of the broker, agent, consultant or other intermediary would breach this Article 7, (ii) it has instructed any such broker, agent, consultant or other intermediary neither to engage nor to tolerate that they engage in any act of corruption or money laundering; (iii) it shall not use them as a conduit for any corrupt or money laundering practice, (iv) it shall hire them only to the extent appropriate for the regular conduct of the party's business; and (v) it shall not pay them more than an appropriate remuneration for their legitimate services.

1.1.3 Each party represents, warrants and covenants that it has in place, or will implement, as applicable, adequate policies and procedures with business ethics and conduct, Anticorruption Laws and Anti-Money Laundering laws. Each party warrants that it will maintain or such policies and procedure throughout the lifetime of the contract.



A.K. (8-12)



1.1.4 Each party represents, warrants and covenants that it will comply with its own Code of Ethics and Conduct and that it will not directly or indirectly engage in any act, or create any barriers, limitations or impositions that may hinder the other party from complying with its own Code of Ethics and Conduct.

1.1.5 Each party shall respond in reasonable detail and with the adequate documentary support to any reasonable request from the other party concerning the obligations, warranties and representations set out in this Clause, provided that the parties shall not be obliged to disclose any information considered legally privileged or which they are prohibited from providing by any law, court of competent jurisdiction or prosecutorial authority. Such obligation shall remain effective notwithstanding any termination of the contract.

1.1.6 Each party shall (i) establish, prepare and maintain its books and records in accordance with generally accepted accounting practices applicable to such party; (ii) properly record and report its transactions in a manner that accurately and fairly reflects in reasonable detail its assets and liabilities; (iii) retain such books and records for a period of at least five (5) years after termination or expiration of this contract or any longer period if required by applicable law and (iv) allow the other party to have reasonable access to its premises for inspecting the books and records related to this contract or the implementation of the policies and procedures described in Article 7(1.1.3) hereof.

1.1.7 Each party shall, on the reasonable request of the other party, furnish a written certificate signed by an authorized representative to the effect that it complies with Articles Seven (1.1.1), (1.1.2) and (1.1.3).

1.1.8 Each party represents and warrants that it will report to the other party any explicit or implicit request or offer of any personal advantage made by any member of the other party's group in violation of the terms of this Article 7, provided that the parties shall not be obliged to disclose any information considered legally privileged or which they are prohibited from providing by any law, court of competent jurisdiction or prosecutorial authority. Such requests shall be reported in writing.

1.2 Without prejudice to any of its other rights under this contract, a party may terminate this contract without incurring any liability to the other party if it brings evidence that, or has reasonable cause to suspect that at any time the other party or any member of its organization has violated of Corruption Laws and/or Anti-Money Laundering laws that are



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connection with the operations, services and other activities related to this contract.

1.3 Each party (the "indemnifying party") shall defend, indemnify and hold the other party harmless from and against any claims, damages, losses, penalties, costs and expenses directly arising from any breach of this Article 7 by the indemnifying party and the members of the indemnifying party's Group.

2 - SANCTIONS

2.1 Each party represents, warrants and covenants to the other party that (i) no part of the proceeds from the contract will be used for the benefit of any Sanctioned Entity or will otherwise be used directly or indirectly in connection with any investment in, or any transactions or dealings with, any Sanctioned Entity or otherwise in violation of Sanctions and (ii) the SRHSFO was not acquired from a Sanctioned Entity or will be sold to, or have as its final destination, any Sanctioned Entity.

2.2 In the event of a breach of any of the representations and warranties above, the party in breach shall fully indemnify (on and after-tax basis), protect, defend and hold harmless the other party and its Affiliates, officers, directors, agents and employees from and against all claims, losses and liabilities attributable to any such breach.

2.3 If at any time during the performance of this contract, either party becomes aware that the other party is in breach of the above representations and warranties (either resulting from action or omission), such party may immediately suspend the affected performance obligation, and, also, shall be entitled to terminate the contract with immediate effect on written notice to the other party. Any payment obligation which has been incurred but not yet paid shall be suspended until payment would no longer violate the terms of the present contract or be prohibited by such Sanctions.

For this Article 7, "Sanction" shall mean any sanction, regulation, statute, official embargo measures or any "specially designated nationals" or "blocked persons" lists, or any equivalent lists maintained and imposed by the relevant bodies and organizations of the United Nations, the European Union, the United States or any other jurisdiction applicable to a party. "Sanctioned Entity" shall mean any entity, being an individual, corporation, company, vessel, association or government, who or which is the subject of such Sanctions.



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3 - EITI

Without prejudice to the general terms and conditions of this contract, BUYER will be committed to the requirements of the Extractive Industries Transparency Initiative (EITI) by confirming the price paid for SRHSFO under this contract and taking such other reasonable measures as may be agreed between the parties.



A.K. (11-12)



Article Eight

Addresses:

Communications required under Article Fifteen shall be affected at the addresses below: -

For Seller:

Oil Marketing Company (SOMO)
Ministry of Oil

Office: Hay Al-Mou'tasim, District No. 724, Street No. 19, Zayoona.
Adjacent To Sindbad Fun Fair.
Baghdad – Iraq

Telephone: 964-1-7729061
E-Mail: info@somooil.gov.iq
Website: www.somooil.gov.iq

For Buyer:

Directorate General of Oil
Ministry of Energy and Water

Telephone: 961 1 280782
Email : info@dgo.gov.lb
Website : www.dgo.gov.lb

For SELLER

Signatory Name:

Alau. K. Alyasi

Position

Oil Marketing
Company (SOMO)
Ministry of Oil

Date

/ /

Done and signed on

For BUYER

Signatory Name:

Aurora Feghaly

Position

Director General of
Oil
Ministry of
Energy and Water

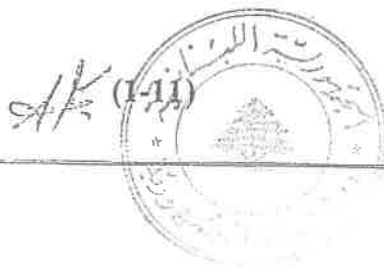
Date

23/07/2021



SECTION TWO

GENERAL TERMS AND CONDITIONS



The provisions of part Two (General Terms and Conditions) shall be subordinate to the provisions of Part One (Special Terms and Conditions) to the extent there is any inconsistency.

ARTICLE ONE

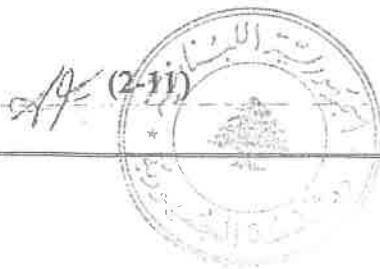
MEASUREMENT, SAMPLING AND THIRD-PARTY INSPECTION

A. MEASUREMENT AND SAMPLING

1. Measurement of the quantities and the taking of Four (4) samples to determine the quality of Fuel Oil product in each shipment shall be following the latest approved methods as published by the American Petroleum Institute (API) in the Manual of Petroleum Measurement Standard (API MPMS) and (ASTM) the American Society for Testing and Materials or the Institute of Petroleum at Iraqi Ports / Floater Tanks (Mother Ship) at Iraqi territorial water at the time of the shipment in question. Temperature correction to 60F shall be made under the latest edition of Chapter Eleven of the API Manual.
2. The Bill of Lading shall indicate the quantity of Fuel Oil product delivered in conformity with the measurements at Iraqi territorial water and shall be final and binding upon both parties after deduction of bottom water.
3. BUYER's Vessel figure after applying VEF shall be used as the Bill of Lading figure, However, if the difference in quantity between buyer's vessel (Daughter ship with VEF apply) and the floater tank (Mother ship) exceeds ($\pm 0.25\%$) the average (Daughter ship quantity with VEF apply + Mother ship quantity / 2) shall be stipulated as B/L figure.
4. Bill of lading date is the time and date when loading hoses are disconnected.

B. THIRD-PARTY INSPECTION

An Independent inspector to be appointed by Seller to carry out inspection duties outlined according to American Petroleum Institute Manual of Petroleum Measurement Standard (API - MPMS) for all shipments of Fuel Oil product loaded at Iraqi Ports / Floater Tanks (Mother Ship) and buyer's ship at Iraqi territorial water. Both SELLER and BUYER shall equally share and independently pay the inspection fees. However, the findings of the said independent inspector shall be final and binding for both parties.

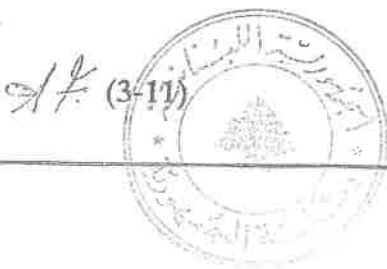


ARTICLE TWO TITLE AND RISK

SELLER shall deliver, or cause to be delivered, the Fuel Oil Product to the BUYER, as mutually agreed, FOB onboard an acceptable tank vessel at Iraqi Ports / Floater Tanks (Mother Ship) at Iraqi territorial water. Title and risk of loss of product Fuel Oil shall pass to the BUYER when the product passes the flange connection between the delivery hose and the vessel's cargo intake manifold. Any loss of or damage to Fuel Oil Product or any property of the SELLER or Loading Operator and the consequences of oil pollution of seawater, before, during or after loading, caused through the fault of the vessel or its crew, shall be for the BUYER's account.

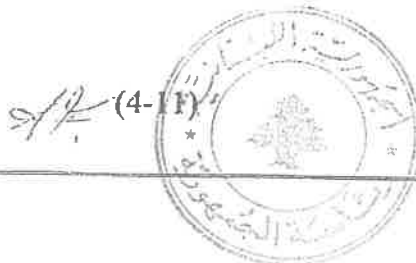
ARTICLE THREE LIFTING PROGRAMME

- A. BUYER shall lift the quantities of Fuel Oil product agreed upon in this Contract as follows: -
1. Quantities to be lifted under this Contract shall be fairly evenly spread.
 2. BUYER shall notify SELLER of quarterly requirements for the full calendar year at least sixty (60) days before commencement of the relevant year or at the date of signature of new contracts if later than November 1st of the preceding year.
 3. BUYER shall specify monthly lifting during each quarter at least forty-five (45) days before the commencement of the relevant quarter.
- B. The above - mentioned tentative schedules, which are to be supplemented to cover all contracted quantities, may be altered by express request of BUYER subject to SELLER's approval. SELLER shall not unreasonably withhold its approval and will notify BUYER within fifteen (15) days of the request.
- C. If during any calendar quarter, BUYER fails to take deliveries of any quantities of Fuel Oil product provided for during such quarter; SELLER, after allowing for normal operational slippage of a nominated and accepted vessel between the quarters and a previously accepted tolerance of up to ten percent (10%) of the quarterly contracted quantity, may deduct such quantities from the total quantities of Fuel Oil product to be delivered under this Contract.



**ARTICLE FOUR
NOMINATION OF VESSELS**

- A. BUYER shall notify SELLER twenty-five (25) days before the beginning of each month of its loading program for that month. Such program shall specify for each vessel: -
1. The expected date of arrival of each vessel.
 2. Quantity of Fuel Oil product to be loaded, ten percent (10%) more or less.
 3. Vessel's name or TBN.
 4. Port(s) of discharge and destinations.
 5. Instructions needed by SELLER to issue documents under effective export regulations.
- B. SELLER shall notify BUYER not later than ten (10) days after receipt of the notice specified hereinabove whether it accepts or refuses schedules or nominations. In case of refusal, SELLER shall propose other dates which shall be as close as possible to those proposed by BUYER. Dates thus determined shall be deemed accepted by BUYER unless the latter advises Seller to the contrary within three (3) working days following receipt of SELLER's notification.
- C. The accepted date of arrival (laycan) of the vessel at Iraqi Ports / Floater Tanks (Mother Ship) at Iraqi territorial water shall be (3) day range and to be narrowed to one day range, (10) days before.
- However, an accepted date of arrival (laycan) may be changed at any time by BUYER with SELLER's consent.
- D. BUYER shall require vessel's master to advise loading port / Floater Tank (Mother Ship) at Iraqi territorial water by radio or cable of vessel's expected day and time of arrival at least seventy-two (72) hours, forty-eight (48) hours and twenty-four (24) hours before arrival.
- Failure to give any notice at least twenty-four (24) hours in advance of the arrival of any vessel will increase laytime allowed to SELLER by an amount equal to the difference between twenty-four (24) hours and the number of hours before arrival of such vessel that notice of such ETA is received by SELLER.
- E. Nominations quoted as TBN shall be replaced by firm vessel nomination with the same accepted laycan and to load a similar quantity of Fuel Oil product at least five (5) days before the firm date of arrival.

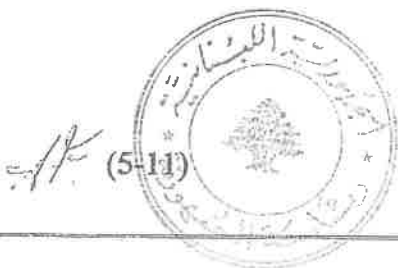


Should BUYER fail to give the above notice of at least five (5) days, the deemed arrival date of the vessel shall be the fifth day after the date when notice is received by SELLER.

- F. Should BUYER wish to substitute a vessel of different size to load a different quantity, this shall be subject to prior approval of the SELLER.
- G. BUYER shall specify when the nominated vessel is for part cargo and advise SELLER the DWT of the vessel and cargo on board (if any) which should not exceed the allowed limits set by port authorities.

ARTICLE FIVE VESSEL BERTHS

- A. Each vessel shall comply with all regulations in force at the loading port/ Floater Tank (Mother Ship) at Iraqi territorial water.
- B. Loading berth indicated by SELLER's representative shall enable a vessel, to proceed thereto, lie thereat, and depart therefrom always safely afloat.
- C. SELLER's representative may shift the vessel at the loading port from one berth to another / one Mother ship to another, and shall then assume all extra expenses in connection therewith. Such shifting time shall be counted as used laytime.
- D. The vessel shall vacate her berth as soon as loading is completed. In the event of failure to do so, BUYER shall pay SELLER for any resultant demurrage, loss or damage which SELLER may incur including such as may be incurred due to resulting delay to other vessels waiting their turn to load.
- E. If in the course of entering berth or mooring or loading or unmooring or leaving the berth, the vessel or her crew damage any of the terminal's sea or shore installations or equipment due to negligence or any reason, BUYER shall be responsible for all claims, damages, costs, and expenses arising therefrom.



**ARTICLE SIX
LOADING CONDITIONS**

A. Vessel(s) arriving within their accepted laycan shall be loaded in order of tendering their notice of readiness.

B. Upon the arrival of the vessel at the loading port / Floater Tanks (Mother Ship) as per para (A) above, the master or his representative shall tender to SELLER's representative notice of readiness of the vessel to load Fuel Oil product, berth or no berth.

C. If the notice is tendered before the beginning of the period as defined in Article Four, Para (C) of this section, then laytime shall commence at 6 a.m. local time on the first day of such period. However, if the vessel is moored at loading berth before 00:01 hours on the first day of the period hereinabove indicated, then laytime shall commence six (6) hours after completion of vessel's mooring berth or on commencement of loading, whichever shall first occur.

If BUYER failed to comply with para (A) above and hence, the notice of readiness tendered after (00:01) hours of the scheduled date of loading (laycan date), loading will be made under SELLER's possibilities and BUYER shall have no right to claim for any delay thereby. However, SELLER may refuse to load a vessel which has arrived more than ten (10) days after noon time of the date determined as in Article Four, Para (C) of this section.

D. Laytime shall end when loading hoses are disconnected after completion of loading.

E. At Floater Tank (Mother Ship) at Iraqi territorial water, the SELLER shall be allowed laytime within which to complete loading a vessel scheduled to load on a single loading port basis as follows: (A) Fifty-Four (54) Hours for vessels up to 129,999 summer deadweight tons, (B) Sixty-Five (65) Hours for vessels between 130,000 and 199,999 summer deadweight tons. At Khor Al-Zubair Port, the SELLER shall be allowed seventy-two (72) hours as laytime within which to complete loading a vessel scheduled to load at single loading port.

F. Any time consumed due to the following shall not count as used Laytime:-

1. Delay to the vessel in reaching or clearing her berth caused by conditions beyond SELLER's control.
2. Delay to the vessel during loading, including delay due to the inability of the vessel's facilities to load the cargo within the time allowed and generally speaking any time lost on account of the vessel.

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3. If BUYER or owner or master of the vessel or port authorities prohibit loading at any time.
4. Discharging of ballast and changing type of product.
5. Awaiting customs and immigration clearance and pratique.
6. Awaiting pilot or tugs, or while moving from anchorage to place of loading, or awaiting suitable tide.
7. Ship tanks inspection before loading.
8. Strike, lockout, stoppage or restraint of labour.
- G. In case of dirty ballast or overflows on board or pollution of seawater by oil or loss of oil due to overflows or leaks of oil on board or ashore caused by the vessel, BUYER will be fully responsible before the port authorities and SELLER for all claims, losses, costs, and expenses arising therefrom.

ARTICLE SEVEN DEMURRAGE

- A. SELLER shall pay to BUYER demurrage in U.S. Dollars, for the time used in loading more than time allowed under Article (6) above per day, or pro-rata for part of the day. The rate of demurrage shall be calculated for the vessel size as per the chartering rate payable by BUYER. If the vessel size is larger than the size of the cargo, then demurrage rate shall be prorated accordingly, provided that in both above cases demurrage rate shall not exceed WORLDSCALE 100.
 1. If there is no charter party for the vessel, demurrage shall be paid under the average freight rate assessment (AFRA) effective on the date of the bill of lading, provided such demurrage rate does not exceed WORLDSCALE 100, in which case WORLDSCALE 100 shall apply.
 2. WORLDSCALE 100 rate means the rate provided by the edition of WORLDSCALE prevailing at the date of loading for vessels of the same type and category.
 3. If (AFRA) rates cease to be published or cease to be representative, SELLER and BUYER shall consult to establish an alternative method of assessment.
- B. However, if demurrage occurs at the loading port/floater tanks (mother ship) because of fire or explosion in or about the plant of the SELLER, or because of a breakdown of



machinery or equipment of SELLER, or because of bad weather, the rate of demurrage shall be reduced to one - half.

C. Notwithstanding the above, no demurrage shall be payable in the event: -

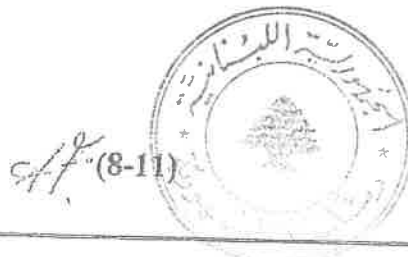
1. SELLER is prevented from or delayed in delivering all or any part of the Fuel Oil product for reasons of force majeure.
2. The claim for demurrage is received by SELLER after sixty (60) days from the date of the bill of lading.
3. The fully documented claim itself for demurrage is received by SELLER after ninety (90) days from the date of the bill of lading. Full documents mean (BUYER's calculation sheet, notice of readiness, timesheet duly signed by master and SELLER's representative at the loading port and a copy of the CHARTER PARTY).

ARTICLE EIGHT PENALTY

- A. If the Buyer's vessel, nominated to load the product, arrives the Floater Tank at Anchorage area nearby Khor AL-Zubair Terminal and tendered NOR after her accepted laycan range, a penalty of USD 15000 per day shall be imposed on the Buyer for the days of the delay and pro-rata for part of the day from the specified laycan range up to NOR tendered.
- B. In case the vessel does not arrive at Floater Tank at Anchorage area nearby Khor AL-Zubair Terminal, a penalty of USD 15000 per day shall be imposed on the Buyer for the days of the berth vacancy or (Mother ship to do STS) and pro-rata of the day from the specified laycan range up to next vessel's laycan range as per the Seller's delivery schedule.
- C. Penalties shall be imposed if the delay is proved to be directly caused by the Buyer.
- D. If BUYER'S vessel, arrives for loading product at anchorage area of SELLER's terminal after her Fixed-Laycan Day, the rate of penalty shall be imposed on the days of the delay and prorate for part of the day up to NOR tendered then the penalty is calculated for the vessel as per the chartering rate payable by BUYER.

ARTICLE NINE TAXES AND DUTIES

- A. BUYER shall bear alone port dues and fees charged on vessels at the port of loading.
- B. Dues and other charges at the loading port/floater tanks (mother ship) on the Fuel Oil loaded or to be loaded shall be borne by SELLER.



**ARTICLE TEN
TERMINATION IN THE EVENT OF
LIQUIDATION OR DEFAULT**

SELLER may terminate this Contract forthwith on giving to BUYER notice in writing to that effect if: -

- A. BUYER goes into liquidation or enters into any arrangement or composition with its creditors; or
- B. BUYER shall be in arrears with the payments due to SELLER under this Contract; or
- C. Whereby the terms of the contract, a minimum quantity of Fuel Oil product is to be taken by the BUYER within any specified period, BUYER fails in the said period to take delivery of the said minimum quantity; or
- D. In the event of any breach of Article Ten or Eleven by BUYER; or
- E. In case of any change in ownership, shareholding, country of registration or premises etc. that relate to BUYER as a contracting party.

**ARTICLE ELEVEN
ASSIGNMENT**

- A. Neither party shall have the right to assign its rights and obligations under this Contract in whole or in part without the written consent of the other.
- B. In the event of an approved assignment, the assignor shall be jointly held responsible with assignee for the full performance of its obligations towards the other party.

**ARTICLE TWELVE
DESTINATION**

- A. BUYER acknowledges that all laws, regulations, and rules of the Republic of Iraq relating to the destination of Fuel Oil purchased hereunder shall apply to BUYER.
- B. BUYER undertakes that all laws, regulations, and rules of the Republic of Iraq shall apply to vessels employed by him to transport Fuel Oil covered by this Contract.

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C. BUYER undertakes, whenever required, to submit to SELLER or his representative within a reasonable time, the discharge certificate of each shipment duly endorsed by the Iraqi representation (or any other acceptable representation) in the country of destination.

ARTICLE THIRTEEN FORCE MAJEURE

- A. Failure or omission to carry out or to observe any of the terms, provisions or conditions of this Contract shall not give rise to any claim by one party hereto against the other or be deemed to be a breach of this Contract if this is due to force majeure.
- B. If because of force majeure the fulfilment by either party of any terms and conditions of this Contract is delayed for a period not exceeding three (3) months the period of such delay shall be added to the duration of this Contract. If, however, the period of delay exceeds three (3) months, either party at any time after the expiry of the three (3) months shall have the right to terminate this Contract by giving written notice.

ARTICLE FOURTEEN DAMAGES

Except as may be expressly provided in the Contract, neither the SELLER nor the BUYER shall be liable for, and no claim shall be made for, consequential indirect or special damages of any kind arising out of, or in any way connected with, the performance of or the failure to perform this Contract.

ARTICLE FIFTEEN ARBITRATION

- A. The two contracting parties shall settle in good faith any dispute arising from this Contract through negotiations by the representatives of the two parties. If no agreement can be reached within thirty (30) days, the two parties shall settle the dispute by way of arbitration as stated in paragraph (B) of this article.
- B. The Arbitration Board shall be composed of three members; each contracting party shall select one member. The two selected arbitrators shall together select an umpire to be the President of the Board. If the two Parties fail to select the arbitrators in the manner shown above within three (3) months, the members of the Arbitration Board shall be appointed under the rules of arbitration of the International Chamber of Commerce and the arbitration place shall be Baghdad or any other place mutually agreed upon.

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**ARTICLE SIXTEEN
NOTICES**

- A. Any notices, declarations and other communications which either party may be required to give or make to the other party shall, unless otherwise specifically provided elsewhere, be given in writing within the required time and sent by post, by telegraph or by telex to the address of the other party specified for this purpose in the Contract and shall, unless otherwise specifically provided herein, be deemed to have been given or made on the date of receipt by the other party.
- B. ~~Either Party, by not less than fifteen (15) days' notice in writing to the other Party, may from time to time change its address.~~

**ARTICLE SEVENTEEN
APPLICABLE LAW**

This Contract shall be construed and governed under the laws of the Republic of Iraq.

[Handwritten signature] (11-11)



الأسباب الموجبة

بما أن لبنان يشهد أزمات مالية واقتصادية وفقدان للمواد الأولية الضرورية لسير المرافق العامة، ومنها شركة كهرباء لبنان،

ومن ضمن الجهود المبدولة لتأمين الحاجات الضرورية المعيشية للمواطن اللبناني واستمرار العمل بالمعامل الصناعية وتحفيز العجلة الاقتصادية، تمّ توقيع إبرام إتفاق بيع مادة زيت الوقود بين حكومة جمهورية العراق وحكومة الجمهورية اللبنانية،

لذلك،

تتقدم الحكومة من المجلس النيابي الكريم بمشروع القانون المرفق، آملة إقراره بالسرعة الممكنة.

