

HOLLYFRONTIER REFINING & MARKETING LLC
ASPHALT & HEAVY FUELS
SALES TERMS & CONDITIONS

1. **Definitions and Interpretation.** As used herein, the “**Agreement**” means these Terms & Conditions for sales of Products (the “**Terms**”), together with the applicable transaction confirmation sent by email from Seller to Buyer (the “**Confirmation**”); “**Customer**” means a purchaser of Product from Buyer; “**Laws**” means all applicable federal, state, local, and foreign laws, codes, rules, regulations, and orders of any United States or foreign governmental authority; “**Delivery Point**” means the point title to the Product passes to Buyer; “**Prices**” means the prices set forth in the Confirmation; and “**Product**” means the product specified in the Confirmation. In interpreting the Agreement: (a) the singular includes the plural and vice versa; (b) reference to a document or Law means such document or Law as amended from time to time; (c) the term “or” is not exclusive; (d) “include” or “including” means including without limiting the generality of any description preceding such term; (e) headings are for convenience only and do not constitute a part of the Agreement; (f) all references to money refer to United States currency unless otherwise indicated on the Confirmation; and (g) the terms “herein,” “hereunder,” and derivatives or similar words refer to the entire Agreement.
2. **Entire Agreement.** All deliveries of Product are subject to the Terms, regardless of whether the Terms are attached to or included in a Confirmation or are delivered separately. Buyer shall be deemed to have irrevocably accepted the Terms upon the earliest of Buyer’s (a) acceptance of a Confirmation by notice to Seller, (b) acceptance of delivery of Product, or (c) payment of any amount due for Product. If any additional or different terms are contained in documentation issued by Buyer (“**Proposed Terms**”), the Terms shall govern regardless of when the Proposed Terms are received by Seller, unless Seller’s Vice President, Marketing, agrees in writing to the Proposed Terms; otherwise, Seller rejects all Proposed Terms.
3. **Taxes.** Any sales, use or other tax, excise, fee, or other charge or any increase in any such tax, excise fee or charge, the tax or incidence of which is the transfer of title or the sale and/or delivery of product hereunder or the receipt of payment therefor, whether now or hereafter imposed or by law, regardless of the character, method of calculation, or measure of the levy or assessment, shall be added to the prices herein stated and shall be paid by Buyer. The purchase price does not include the federal oil spill tax, which may be added as a separate line item on any invoice and shall be promptly paid by Buyer. Further, Buyer shall pay any and all taxes, fees, or other charges imposed or assessed by governmental or regulatory bodies, with respect to product delivered hereunder, the taxable incident of which occurs after transfer of title to such product to Buyer.
4. **Prices; Payment Terms.** The price payable for the Product and the terms of payment shall be specified in the applicable Confirmation. All payments shall be made in U.S. dollars without any adjustments or setoffs. Any payment by wire transfer shall be free of charges to Seller in order for Seller’s account to be credited in full in same day (usable) funds. Payments not made within agreed or designated terms shall bear interest from original due date at the lower of 18% per annum or the highest rate permitted under applicable law; provided, however, that (i) if Buyer disputes the amount set forth on an invoice, Buyer shall notify Seller thereof and pay any undisputed amount, and the parties shall promptly use commercially reasonable efforts to resolve the dispute as to the remainder, and (ii) any dispute not brought within one (1) year after the date of delivery of the invoice, as applicable, shall be deemed waived by Buyer. Seller shall have the right to set-off and apply accounts payable owed by Seller to Buyer against accounts receivable owed by Buyer to Seller or collateral held by Seller as security for any indebtedness owed by Buyer to Seller, which right shall be in addition to, and not in substitution for, other rights and remedies available to Seller.
5. **Credit.** If Seller grants credit to Buyer, Seller shall have the right to change the terms of such credit in its sole discretion. The change in credit terms shall be effective immediately upon Buyer’s receipt of Seller’s notice of the change. The condition of Buyer’s account and the financial responsibility of Buyer must at all times be satisfactory to Seller or shipments may be suspended or payment terms revised by Seller in its discretion. Seller’s duty to perform, and Buyer’s right to purchase, hereunder is at all times subject to approval, and continuing approval, by Seller of Buyer’s creditworthiness. Without limitation of any of Seller’s other rights and remedies, if Buyer fails to pay any amount promptly when due or if Seller needs assurance, or further assurance, of Buyer’s creditworthiness, Seller may cancel any Confirmation, demand different payment terms, suspend or recall deliveries or shipments, impose different credit terms, or impose different requirements for collateral assurance of payment including but not necessarily limited to stand-by letters of credit or cash deposits. Any stand-by letters of credit will need to be in a format and from a bank acceptable to Seller in its sole discretion.
6. **Title; Risk of Loss; Delivery.** The shipping terms are stated in the Confirmation.
 - (a) **F.O.B. Seller’s Facility.** Unless otherwise expressly indicated in the Confirmation, the Product is sold to Buyer f.o.b. Seller’s designated loading facility (“**Seller’s Facility**”), and title to and risk of loss of Product delivered shall pass from Seller to Buyer as the Product passes from the last flange connecting the loading facility’s equipment to the truck or tank railcar. Product will be loaded into truck or railcars provided by Buyer or Seller at Seller’s Facility. All shipping charges shall be paid

by Buyer. The cost associated with Seller providing trucks or railcars shall be paid by Buyer to Seller in addition to the purchase price of the Product.

(b) F.O.B. Destination. If the shipping terms in the Confirmation indicate that the Product is sold to Buyer f.o.b. destination or Buyer's facility, title to and risk of loss of Product shall pass from Seller to Buyer as the Product passes from the last flange connecting the receiving facility's equipment to the truck or tank railcar. Product will be loaded into truck or railcars provided by Buyer or Seller at the Seller's Facility. All shipping charges shall be paid by Seller. The cost associated with Seller providing trucks or railcars f.o.b. destination may be included in the purchase price of the Product. Buyer agrees to unload trucks furnished by Seller within the free time specified by tariffs for the Product on file with applicable regulatory bodies, and to pay any charges resulting from its failure in this regard directly to the common carrier and also to SELLER, upon receipt of an invoice therefor. After railcars arrive at Buyer's facility, Buyer shall have no more than five (5) days to unload and release the railcars back to the delivering railroad. If such five (5) day period is exceeded, Buyer will pay \$50/day per car, or the actual amount incurred by Seller, for each day thereafter until railcars are released. Any f.o.b. Buyer's facility price is based on the freight rate utilized as specified above. The f.o.b. destination price shall be increased or decreased by the amount by which actual freight charges vary from the freight rate price utilized.

(c) Delivery. Delivery shall occur at the point title to the Product passes to Buyer pursuant to the terms of the preceding paragraphs. Seller and Buyer shall establish a mutually acceptable schedule for each delivery of Product. Deliveries shall be made during the normal business hours of Seller's facility. Unless delivery is f.o.b. Buyer's facility, Seller assumes no liability in connection with the shipment and any carrier shall be construed to be an agent of Buyer. Each shipment is to be construed as a separate sale. Seller shall not be obligated to deliver in less than full tank car or tank truck. Buyer shall furnish, or cause to be furnished, all necessary shipping instructions.

7. **Measurement.**

(a) Tank Railcars. The party operating the terminal or facility ("**Operator**") shall read meters located at or near the loading point(s) to determine bill of lading volume for each loading of Product into tank railcars. If meters are not available at or near the loading point(s), the Operator shall innage/ullage each tank railcar immediately before and immediately after loading of Product to determine the volume of Product loaded. These innages/ullages shall be converted to net gallons based on each tank railcar's official calibration tables.

(b) Tank Trucks. The driver or Operator shall read scale weights located at or near the loading point(s) to determine bill of lading volume for each loading of Product into tank trucks. Accurate scales shall be used to measure and proportion Product by weight. The weighing system shall conform to and be maintained in accordance with the requirements of the governing agency's regulatory division.

(c) Other. If the applicable measurement methods described above are not available, the parties shall establish another mutually acceptable method for determining the volume of Product loaded. All volumes of loaded Product shall be corrected for temperature to 60 degrees Fahrenheit in accordance with ASTM D-1250, Table 6B in its latest revision. The term "barrel" means 42 U.S. gallons of 231 cubic inches per gallon. All measurements and/or tests shall be made in accordance with the latest standards or guidelines published by the API or ASTM.

8. **Limited Warranty.** Seller (a) warrants that upon delivery, Product shall (i) be free from lawful security interests, liens, taxes, and encumbrances, and (ii) comply with Seller's specifications in the Confirmation. Except for the foregoing limited warranties, SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING PRODUCT, INCLUDING WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY OR FITNESS OF PRODUCT FOR ANY PARTICULAR PURPOSE (EVEN IF SUCH PURPOSE IS KNOWN TO SELLER), OR ANY WARRANTY AGAINST INFRINGEMENT (INCLUDING INFRINGEMENT OF PATENT AND TRADEMARK RIGHTS). ANY IMPLIED WARRANTIES ARE EXPRESSLY DISCLAIMED AND EXCLUDED.

9. **Limitation of Remedies.** SELLER'S LIABILITY AND BUYER'S EXCLUSIVE REMEDY FOR ANY CAUSE OF ACTION ARISING OUT OF THE AGREEMENT IS EXPRESSLY LIMITED, AT SELLER'S OPTION, TO REPLACEMENT OF THE PRODUCT AT THE SPECIFIED DELIVERY POINT OR REFUND NOT TO EXCEED THE PURCHASE PRICE OF THE PRODUCT, WHETHER OR NOT SUCH REMEDY SHALL BE DEEMED TO FAIL IN ITS ESSENTIAL PURPOSE. Any claims, losses or damages arising from or related to any delivery of Product must be submitted to Seller by Buyer within seven (7) days from the receipt of Product at the Delivery Point or shall be deemed waived. In the event that Buyer submits a claim to Seller in accordance with this section, and Seller provides the contract remedy as applicable to such claim, all in accordance with this section, neither the claim, nor the event that forms the basis thereof, shall constitute a material breach of the Agreement.

10. **Confidentiality; No Rights to Marks.** Neither party (the "**Receiving Party**") shall disclose (a) the terms of the Agreement, (b) other non-public information regarding the other party (the "**Disclosing Party**") or, in case of Buyer as Receiving Party,

Product or Prices, that the Receiving Party obtains in connection with the Agreement, or (c) other information received from the Disclosing Party which is not generally available to the public (collectively, “**Confidential Information**”) to any third party without the prior written consent of the Disclosing Party, except that if the Receiving Party is required by Law to produce Confidential Information, the Receiving Party shall give the Disclosing Party prompt written notice of such requirement and shall reasonably cooperate with the Disclosing Party, at the Disclosing Party’s sole cost and expense, in seeking a protective order or other appropriate protection. If a protective order or other appropriate protection is not obtained, or if the Disclosing Party waives its right to seek a protective order or other appropriate protection, the Receiving Party shall (i) furnish only that portion of the Confidential Information that, upon the advice of the Receiving Party’s legal counsel, is legally required to be disclosed, and (ii) exercise commercially reasonable efforts to obtain assurance that confidential treatment shall be afforded such Confidential Information. Buyer acquires no interest in and shall not use the name, trademarks, or brands of Seller or its affiliates in the use or resale of Product. The Disclosing Party shall be entitled to seek injunctive relief to enforce the Receiving Party’s obligations under this Section without the obligation of posting a bond, cash, or other security.

11. **Compliance with Laws.** Buyer shall comply with all Laws relating to the use, handling, sale, transportation, and disposal of Product and shall require all Customers to similarly comply.
12. **Indemnification.** Buyer shall indemnify, hold harmless, and if requested by Seller, defend, Seller, its affiliates, and their respective successors, assigns, employees, officers, directors, shareholders, members, partners, contractors, and consultants (as applicable, the “**Indemnified Party**”) from and against all losses, costs, expenses, liabilities, damages, fines, or penalties, including court costs, reasonable attorneys’ and professionals’ fees and expenses and other litigation or settlement expenses sustained or incurred by the Indemnified Party, including in connection with a claim, demand, or action made by a third party against the Indemnified Party, to the extent arising or resulting from Buyer’s or its employees’, agents’, or contractors’: (a) handling, storage, sales, transportation, use, misuse or disposal of Products purchased including, but not limited to, liability for environmental violations and employee or consumer health or safety, or (b) failure to comply with the terms of the Agreement.
13. **Fulfillment Matters.** Delivery dates are estimates only. Seller shall attempt to notify Buyer of anticipated delivery delays, but Seller shall not be in default due to any such delays. If a curtailment, shortage, or cessation in Seller’s existing or contemplated availability of raw materials or of Product, regardless of the cause therefor, renders Seller unable to comply with any of its obligations to Buyer and Seller’s other customers, Seller may, in its sole discretion, withhold, suspend, or reduce sales and deliveries hereunder, or allocate sales and deliveries to Buyer and Seller’s other customers in any manner it deems equitable without liability.
14. **Hazardous Substances; Assumption of Risk.** The material used to produce Product includes crude oil or its byproducts that contain or that may be found to contain substances hazardous to the health and safety of persons and property. Buyer assumes all risk relating to Product at the time of transfer of risk of loss and shall undertake and assume full responsibility to maintain, observe, and communicate adequately to Buyer’s agents, employees, community representatives, Customers and contractors all necessary information for the safe handling and use of said Product. Buyer agrees without limitation to promptly and properly provide to its employees, customers and community representatives, as appropriate, any information provided by Seller relating to hazards, human health, or human or environmental safety on the Products.
15. **Limitation of Liability.** NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES, EXCEPT TO THE EXTENT THAT ANY SUCH DAMAGES ARE COVERED BY A PARTY’S INDEMNIFICATION OBLIGATIONS HEREUNDER IN CONNECTION WITH A THIRD PARTY CLAIM.
16. **Force Majeure.** Neither party shall be liable to the other when its performance is delayed or prevented by fire, explosion, storm, flood, extreme heat or cold, electrical blackout, war, national emergency, epidemic, embargo, blockade, civil unrest, riots or disorder, terrorism, sabotage, rebellion, insurrection, riot, strike, lockout, other labor disturbance, compliance (voluntary or involuntary) with Laws, breakage or accident to machinery, perils of navigation, disruption or breakdown of supplies or facilities of production, manufacture, transportation, or distribution, which otherwise would be available, closing or restrictions on the use of harbors, railroads or pipelines, or any other cause reasonably beyond the party’s control, whether or not similar to the causes herein enumerated, provided however that the foregoing shall not release a party from any obligation to timely make a payment required hereunder.
17. **Notices.** All notices, consents, approvals, change orders, and other communications that are required or permitted to be given under the Agreement shall be sufficient in all respects if given in writing and delivered in person or by email, overnight courier, or certified mail, postage prepaid, return receipt requested, to the receiving party at the address shown on the Confirmation, or to such other address as such party may have given to the other by notice pursuant to this Section. Notices, consents, approvals, change orders, and other communications shall be deemed delivered, given, and received on the date of delivery, in the case of

personal delivery, email, or on the delivery or refusal date, as specified on the return receipt in the case of certified mail or on the tracking report in the case of overnight courier.

18. **Governing Law and Forum.** The Agreement shall be governed and enforced in accordance with the Laws of the State of Texas, without regard to its conflict of laws principles. Any litigation with respect to the Agreement shall be brought in the appropriate courts located in Dallas County, Texas, and Buyer irrevocably submits to such personal jurisdiction and venue. The United Nations Convention on Contracts for the International Sale of Goods is excluded from application to the Agreement. **THE PARTIES WAIVE THE RIGHT TO TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATING TO THE AGREEMENT.**
19. **Attorney's Fees.** If Seller is required to take any action to enforce the terms of the Agreement, Seller shall be entitled to reasonable attorneys', consultants', expert witnesses', and other professionals' fees and costs, costs of collection, and interest at the statutory rate on any unpaid amount from *the* date due.
20. **Amendments; No Buyer Assignment; Severability.** The Terms (a) may be amended or cancelled only in writing signed by Buyer and Seller's Vice President, Marketing, and (b) may not be assigned by Buyer without Seller's prior written consent, and any attempt to assign it without such consent shall be void. If any of the provisions herein shall for any reason be held void or unenforceable, the remaining provisions shall remain in full force and effect.
21. **No Third Party Beneficiaries.** The Agreement shall not create a contractual relationship between Seller or Buyer and a third party, including a Customer, or a cause of action of a third party or a Customer against Seller or Buyer.