

## 2007 BP GTCs v 2015 BP GTCs: A QUICK REFERENCE GUIDE

**Key**  
**Red:** significant changes  
**Orange:** moderately significant changes  
**Green:** less significant changes

Term	2007 GTCs <sup>1</sup>	Key Changes in 2015 GTCs
Overall structure	<ul style="list-style-type: none"> <li>Crude oil and petroleum products sales addressed in separate GTCs.</li> </ul>	<ul style="list-style-type: none"> <li>Crude and products sales addressed in a single set of GTCs.</li> </ul>
Delivery	<ul style="list-style-type: none"> <li>Incoterms© 2000 incorporated (as amended by the GTCs).</li> </ul>	<ul style="list-style-type: none"> <li>Incoterms© 2010 incorporated (as amended by the GTCs).</li> </ul>
Measurement/sampling/inspection/certification	<ul style="list-style-type: none"> <li>Measurement and sampling to be in accordance with “Approved Industry Practice”, as defined by reference to BP’s own internal standards. (Sections 1 and 7)</li> </ul>	<ul style="list-style-type: none"> <li>Replaced with “good standard practice” at the loading/discharge terminal, as applicable. (Sections 2, 9 and 18)</li> </ul>
Certificates of quality and quantity	<ul style="list-style-type: none"> <li>Certificates of quality and quantity will be conclusive and binding on both parties for invoicing purposes only. (Sections 1 and 7)</li> </ul>	<ul style="list-style-type: none"> <li>Changes of language but seemingly not of substance. (Sections 2, 9 and 18)</li> </ul>
Risk and property (FOB)	<ul style="list-style-type: none"> <li>Risk and property in all crude/ product delivered passes to the buyer on loading (as crude/ product passes the vessel’s permanent hose connection at the loading terminal). (Section 2.1)</li> </ul>	<ul style="list-style-type: none"> <li>Passing of risk and property remain unchanged. (Although an express reference to title passing under s. 20(A) Sale of Goods Act 1979 has been removed, this is not a change of substance.)</li> <li>A provision that the FOB buyer should be liable for (a) any loss or damage to the crude/ product caused by the vessel, officers or crew and (b) claims arising due to damage to the loading terminal caused by the buyer’s vessel has been <u>deleted</u>. (Section 3.1)</li> </ul>

<sup>1</sup> Unless otherwise stated, references to sections in this column are to sections in BP’s 2007 GTCs for crude oil.

<b>Risk and property (CIF and CFR)</b>	<ul style="list-style-type: none"> <li>• As with FOB sales, risk and property in the goods pass to the buyer upon shipment on board a vessel that was nominated prior to its loading.</li> <li>• If the vessel is nominated after it has commenced or completed loading, property passes upon receipt by the seller of the buyer's acceptance of the nomination relating to that vessel. (Section 8.1.2)</li> </ul>	<ul style="list-style-type: none"> <li>• If the vessel has commenced or completed loading prior to being nominated, property passes upon receipt by the seller of the buyer's acceptance of the seller's vessel nomination or as the crude or product passes the vessel's permanent hose connection, whichever is later.</li> <li>• New provision that if the cargo has been loaded when the vessel is nominated and the buyer is required to provide "Credit Support" (i.e. LC, prepayment etc.) title will not pass until the Credit Support is provided and credit support must be provided within two Business Days of the conclusion of the Agreement. (Sections 10.2 and 10.3)</li> </ul>
<b>Vessel nominations (FOB, CIF/ CFR and Ex Ship)</b>	<ul style="list-style-type: none"> <li>• No express deadline for FOB seller or CIF/CFR/Ex Ship buyer (as applicable) to accept the counterparty's vessel nomination.</li> <li>• BP has the right to reject the nominated vessel where the nominated vessel does not pass internal BP's vetting. (Sections 4, 11)</li> </ul>	<ul style="list-style-type: none"> <li>• FOB seller or CIF/CFR/Ex Ship buyer (as applicable) must give notice accepting or rejecting the counterparty's vessel nomination within one Business Day (as defined) of receipt (Sections 5,14,21), but time is not "of the essence" in this respect. (Section 74.13)</li> <li>• Right of rejection is extended to any party receiving a vessel nomination (and not only BP) where nominated vessel does not comply with that party's "documented marine assurance requirements". (Sections 5, 14, 21)</li> </ul>
<b>Laydays, vessel arrival, berthing, loading, discharging (FOB, CIF/ CFR and Ex Ship)</b>	<ul style="list-style-type: none"> <li>• FOB: Laydays to be "in accordance with standard practice at the loading terminal". Seller has obligation to commence loading as soon as reasonably practicable, even if loading completes outside the Laydays. (Sections 3.1 and 5.2.2)</li> <li>• CIF/ CFR and Ex Ship: Laydays defined as the date range accepted by the loading terminal operator for the presentation of the vessel for loading. (Section 24.1.22)</li> <li>• CIF/ CFR with arrival dates: where the seller expressly or impliedly provides the buyer with arrival date(s) at the discharge port they will be "indicative only" and "an honest assessment without guarantee", and relevant only for laytime and demurrage. (Section 7.3)</li> </ul>	<ul style="list-style-type: none"> <li>• FOB: no reference to "standard practice at the Loading Terminal". Seller has obligation to commence and complete loading as soon as reasonably practicable, even if this is outside of the Laydays. (Sections 4 and 6.2)</li> <li>• Revised obligation upon buyer to give vessel ETAs (Section 6.1), but time not "of the essence" in this respect. (Section 74.13)</li> <li>• CIF/ CFR: revised definition of Laydays as, where specified, the dates on which the seller's vessel must tender NOR at the loading terminal. Seller also under an obligation to commence and complete loading as soon as practicable thereafter (Section 11.1). There is now an express obligation on the CIF/ CFR seller to ensure that the vessel tenders NOR on arrival (Section 15.1.2) and thereafter commences and completes discharge as soon as reasonably practicable (Section 15.2). Revised ETA obligations on seller (Section 15.1), but time "not of the essence". (Section 74.13)</li> <li>• Ex Ship: revised definition of Laydays as the dates within which the seller's</li> </ul>

		<p>vessel must tender NOR at the discharge terminal (Section 20). Revised ETA obligations upon the seller (Section 22.1), but time not “of the essence” in this respect. (Section 74.13)</p> <ul style="list-style-type: none"> <li>• CIF/ CFR with arrival dates: effect of “indicative discharge dates” depends upon whether Laydays are or are not specified in the Special Provisions. (Section 11.2/3)</li> <li>• FOB, CIF/ CFR and Ex Ship: inclusion of new detailed clauses regarding lightering, floating storage and vessel-to-vessel approval and procedures. (Sections 6, 11, 15, 22)</li> </ul>
<b>Insurance (CIF and CFR)</b>	<ul style="list-style-type: none"> <li>• CFR: buyer to be responsible for arranging cargo insurance. (Section 9.1)</li> <li>• CIF: obligation on the seller to provide original certificate of insurance or insurance company’s cover note to the buyer as part of the documents needed to trigger the buyer’s payment obligations. (Section 29.1.2)</li> </ul>	<ul style="list-style-type: none"> <li>• CFR: no obligation on either party to arrange cargo insurance.</li> <li>• CIF: if requested by the buyer, seller to provide original certificate of insurance or broker’s cover note, but this is not a document necessary for payment. Some changes regarding scope of additional insurance. (Section 12)</li> </ul>
<b>Laytime and demurrage</b>	<p>FOB: no exception to laytime/ demurrage for shore side strikes, lock outs, etc, (only for CFR/ Ex Ship). (Section 6.4)</p>	<ul style="list-style-type: none"> <li>• FOB: new half time exception to laytime/ demurrage for shore side strikes, lock outs, etc, provided cause of delay not within reasonable control of seller. (Section 7.4.5)</li> </ul>
<b>Demurrage claims (excluding barge deliveries)</b>	<ul style="list-style-type: none"> <li>• FOB: buyer’s demurrage claim to be received by the seller within 45 days. Supporting documentation not yet available to be received within <u>180 days</u> of disconnection of loading hoses. (Section 6.1.4)</li> <li>• CIF/ CFR and Ex Ship: seller’s fully documented demurrage claim to be received by buyer within <u>180 days</u> of disconnection of discharging hoses. (Section 13.2.4)</li> </ul>	<ul style="list-style-type: none"> <li>• FOB: buyer’s claim to be received within 45 days (i.e. no change), but supporting documentation not yet available to be received within <u>90 days</u> of disconnection of loading hoses. (Section 7.1.4)</li> <li>• CIF/ CFR and Ex Ship: seller’s fully documented demurrage claim to be received by buyer within <u>90 days</u> of disconnection of discharging hoses. (Sections 16.2.4 and 23.2.5)</li> </ul>
<b>Barge deliveries</b>	<ul style="list-style-type: none"> <li>• “Working day” defined to mean a day when the seller’s office is open for business.</li> <li>• “Deemed” receipt of barge nomination provisions relate to FOB deliveries only.</li> <li>• Only a CIF/ CFR buyer is required to confirm seller’s barge nomination.</li> <li>• Laytime “according to Tankschiff Bedingungen rules”</li> <li>• Certain demurrage provisions, e.g. requirements for demurrage claims and time bars, only relate to FOB deliveries.</li> <li>• Demurrage claims must be received by the seller no later than the 30th day</li> </ul>	<ul style="list-style-type: none"> <li>• “Working day” now defined to mean a day when the party receiving the communication is ordinarily open for business.</li> <li>• “Deemed” receipt of barge nominations now relate to FOB, CFR, CIF and Ex Ship deliveries.</li> <li>• Nominated barge confirmations now required to be given by both FOB sellers and CIF/CFR/ Ex Ship buyers.</li> <li>• Time allowed for loading (for FOB deliveries) or for discharging (for CIF/ CFR/ Ex Ship deliveries) is “one half of the total free hours for loading and discharging specified in the Tankschiff Bedingungen rules”</li> </ul>

	<p>from bill of lading date.</p> <p>(Sections 17 and 18 Products GTCs, as amended by BP's published supplement to the barge-related provision in the 2007 products GTCs.)</p>	<ul style="list-style-type: none"> <li>• Demurrage provisions relate to FOB, CIF, CFR and Ex-Ship deliveries.</li> <li>• New provisions relating to the applicable demurrage rate and when demurrage becomes payable.</li> <li>• Demurrage claims must be received by the receiving party no later than 14:00 CET on the 30th day from the bill of lading date, except where the 30th day is a non-Working Day, in which case the claim must be received by the receiving party no later than 14:00 CET on the previous Working Day. (Sections 23 - 27)</li> </ul>
<b>Ex Tank, Into Tank, In Situ, FIP, Ex Pipeline and DAP Deliveries</b>	<ul style="list-style-type: none"> <li>• Short-form procedures for delivery Ex Tank, Into Tank, In Situ and Free into Pipeline. (Sections 15 - 22)</li> </ul>	<ul style="list-style-type: none"> <li>• Expanded to include new "Ex Pipeline" and "DAP in Pipeline" terms.</li> <li>• Revised provisions for quantity determination, sampling and analysis. (Sections 31 - 33)</li> </ul>
<b>Deliveries by road tanker (FCA, CPT, CIP, DDP or DAP)</b>	<p>Short form nomination procedures for products delivered FCA, CPT, CIP, DDU, DDP or DAP. (Sections 22 - 24, 2007 products GTCs)</p>	<ul style="list-style-type: none"> <li>• Applies to updated Incoterms© and to crude as well as products. Longer form procedures. (Sections 35 - 40)</li> </ul>
<b>Deliveries by rail car (FCA, CPT, CIP, DDP or DAP)</b>	<p>Short form nomination procedures for products delivered FCA, CPT, CIP, DDU, DDP or DAP. (Sections 22 - 24, 2007 products GTCs)</p>	<ul style="list-style-type: none"> <li>• Applies to updated Incoterms© and to crude as well as products. Longer form procedures. (Sections 46 - 51)</li> </ul>
<b>Warranty of title</b>	<ul style="list-style-type: none"> <li>• No express warranty of title.</li> </ul>	<ul style="list-style-type: none"> <li>• Express terms as to title, quiet possession, etc. (Section 58).</li> </ul>
<b>Health, safety, environment</b>	<ul style="list-style-type: none"> <li>• Buyer to provide its employees, agents, contractors, customers and other persons to whom it supplies with material safety data sheet. (Section 27.1 – Products) (Section 26.1 – Crude)</li> </ul>	<ul style="list-style-type: none"> <li>• Supplemented by new procedures addressing the parties' compliance with the EU REACH Regulation, where products are loaded or discharged within the EEA. (Section 60.1)</li> </ul>
<b>VAT/GST, customs, excise, etc.</b>		<ul style="list-style-type: none"> <li>• New provisions inserted setting out procedures to be followed where VAT/GST or similar taxes become payable. (Section 62)</li> </ul>
<b>Payment</b>	<ul style="list-style-type: none"> <li>• No restriction on buyer's right of set-off.</li> <li>• No obligation on buyer to gross up for withholding tax.</li> <li>• No default payment due date.</li> <li>• Interest on late payment at LIBOR +2%.</li> <li>• Seller's right to demand prepayment, LC, etc. (Section 29)</li> </ul>	<ul style="list-style-type: none"> <li>• Buyer must pay without set off, deduction, etc. save where expressly permitted (see e.g. netting rights in Section 63.11 and Non-Defaulting Party's rights under Section 68).</li> <li>• Buyer to gross up payments in respect of any withheld tax.</li> <li>• Default payment due date (i.e. if not agreed in Special Provisions) of three New York banking days after title passes to buyer.</li> <li>• Interest on late payment at LIBOR +3%.</li> <li>• Seller's right to demand "Performance Assurance", as newly defined.</li> <li>• Buyer may be obliged to undertake directly to seller's bank to make payments</li> </ul>

		to a nominated account. (Section 63)
<b>Force majeure</b>	<ul style="list-style-type: none"> <li>• FM events include strikes, boycotts and similar events but excluding the premises of the party seeking to rely on the FM clause.</li> <li>• Notice of FM to be given “immediately”.</li> <li>• FM relief applies to delivery obligations only. Termination of delivery obligations following FM automatic in all cases. (Section 31)</li> </ul>	<ul style="list-style-type: none"> <li>• Strikes, boycotts and similar events affecting premises of party seeking to rely on the FM clause are no longer excluded.</li> <li>• Notice of FM to be given “as soon as reasonably practicable”.</li> <li>• FM relief extended to obligations other than delivery. Some optionality regarding termination/ suspension introduced. (Section 65)</li> </ul>
<b>Limitation of liabilities</b>	<ul style="list-style-type: none"> <li>• Mutual exclusion of indirect or consequential losses. (Section 32.1)</li> </ul>	<ul style="list-style-type: none"> <li>• Recovery of “hedging or other derivative losses” no longer expressly excluded. (Section 66)</li> </ul>
<b>Time bar</b>	<ul style="list-style-type: none"> <li>• Legal proceedings in respect of claims arising under the Agreement must be commenced within two years of delivery. (Section 32.3)</li> </ul>	<ul style="list-style-type: none"> <li>• Legal proceedings must be commenced within one year of delivery. (Section 67)</li> </ul>
<b>Events of default/ termination</b>	<ul style="list-style-type: none"> <li>• Express rights of termination or suspension upon counterparty’s insolvency. (Section 33)</li> </ul>	<ul style="list-style-type: none"> <li>• Significantly expanded events of default clause which includes a much broader range of events of default: insolvency-related events (including those affecting a party’s parent or credit support provider); repudiatory breach; failure to provide credit support; failure to pay sums when due if not cured; buyer’s (but not seller’s) failure to take delivery; change of control (as defined).</li> <li>• Non-defaulting party’s rights include: suspension of deliveries; termination of individual cargoes; termination of all cargoes under term contracts; rights of set off. (Section 68)</li> </ul>
<b>Assignment</b>	<ul style="list-style-type: none"> <li>• Bar of assignment without consent of counterparty, such consent not to be unreasonably withheld. (Section 34)</li> </ul>	<ul style="list-style-type: none"> <li>• Seller may freely assign its right to payment for certain finance-related purpose without the buyer’s consent, subject to certain conditions. (Section 69.2)</li> </ul>
<b>Sanctions and boycotts</b>	<ul style="list-style-type: none"> <li>• Parties cannot be compelled to act inconsistently with laws of the US or UK as far as they relate to trade controls, boycotts etc. (Section 36)</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with anti-boycott laws/ regulations limited to US.</li> <li>• Revised sanction clause referencing a more broadly-defined concept of “Trade Restrictions”. A party that risks violating such restrictions must give notice to other party of inability to perform. (Section 71)</li> </ul>
<b>Facilitation payments and anti-corruption</b>	<ul style="list-style-type: none"> <li>• Obligation to comply with applicable anti-corruption or similar laws in UK and USA. (Section 37.1)</li> </ul>	<ul style="list-style-type: none"> <li>• Now laws of this type of “any other relevant jurisdiction” must also be complied with. Express reference to UK Bribery Act 2010 in the list of relevant laws. (Section 72)</li> </ul>

<b>Dispute resolution</b>	<ul style="list-style-type: none"> <li>• Seller's option to arbitrate disputes in ad hoc under arbitration under the Arbitration Act 1996 (in lieu of English High Court).</li> <li>• Procedures in relation to appointment of referee to determine certain matters. (Section 38)</li> </ul>	<ul style="list-style-type: none"> <li>• Seller's option to arbitrate removed. All disputes to be determined by English High Court, save for small claims and demurrage claims (LMAA arbitration).</li> <li>• Referral of disputes to a referee optional in some cases. (Section 73)</li> </ul>
<b>Notices &amp; miscellaneous</b>	<ul style="list-style-type: none"> <li>• Notice by email excluded, unless the parties have agreed specific protocols. (Sections 35 and 39.8)</li> </ul>	<ul style="list-style-type: none"> <li>• Notices may be given by email, save for notice of legal proceedings, assignment and default/ termination (but still not by instant messaging). (Section 70.2)</li> <li>• New confidentiality provisions. (Section 74.12)</li> </ul>
<b>Applicable law</b>	<ul style="list-style-type: none"> <li>• English law governing law clause. (Section 40.1)</li> </ul>	<ul style="list-style-type: none"> <li>• Remains English law. Insertion of post-Rome II Regulation wording extending English law to non-contractual disputes. (Section 75.1)</li> </ul>
<b>Schedules</b>	<ul style="list-style-type: none"> <li>• Standard form seller's parental guarantee provided.</li> <li>• Standard form letter of credit (i.e. documentary credit) provided.</li> <li>• Standard form standby letter of credit provided.</li> <li>• Requirements for vessels at the loading terminal or discharge port.</li> <li>• Supplement for LPG provided.</li> </ul>	<ul style="list-style-type: none"> <li>• Standard form seller's parental guarantee deleted.</li> <li>• Amendments to standard form letter of credit (i.e. documentary credit).</li> <li>• Amendments to standard form standby letter of credit.</li> <li>• Amendments to requirements for vessels at the loading terminal or discharge port.</li> <li>• Supplement for LPG now applies to Ex Ship deliveries.</li> <li>• Insertion of supplement for electronic documentation.</li> </ul>

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