



Crude Against Products Agreement

1. Crude oil

Benefits of storing crude

- Not impacted by change of specifications
- Avoid issues with bio
- No need for refreshment
- Larger storage capacities than for products

Crude oil accounts to cover the obligation (3 categories)
through “normal refining yields”

2. Refining contracts

a. Refining contracts

- Processing agreement:
 - Complex, currently not “off the shelf”, gives access to unwanted molecules,
 - Difficulty to negotiate now, for an implementation at an unknown period (yields, specs, processing fee, ..)
- Crude against products agreement (CAPA):
Double contract whereby, in time of crisis:
 - APETRA sells its crude to Refiner, and
 - Refiner sells finished products to APETRA,
 - All transactions at market conditions.

2. CAPA : how does it work ?

b. Timing



APETRA buys and stores crude oil,

In case of crisis :

- APETRA will launch a tender amongst Refiners having signed the Framework CAPA, to sell its crude oil and buy finished products.
- CAPA activated when Individual CAPA(s) awarded and signed.

2. CAPA : how does it work ?

c. Perimeter

- APETRA crude oil is stored in eligible storage facilities in or around Belgium
- CAPA are open to all Refiners, but according to the CAPA terms and conditions, finished products have to be delivered in or from terminals located in Belgium and/or in the ARA zone including Flushing and Dunkirk

2. CAPA : how does it work ?

d. Crude oil and Finished Products

- APETRA crude oil is low sulfur crude oil (Forties).
- APETRA required finished products are :
 - Gasoline
 - Middle distillates (heating oil, Diesel, Jet A1 and kero)
 - LS fuel oil

e. Market conditions

In time of crisis :

- APETRA will sell its crude FOB (or FIP) at market conditions,
- APETRA will buy the finished products FOB, FOT, FOR from the Refiners terminals, or delivered in APETRA terminals.

3. The Crude Against Products Agreement

Structure

The Agreement is divided into :

- The Framework agreement
- The Individual CAPA

The Framework agreement

- Signed now between APETRA and the willing Refiners,
- applies to all future Individual CAPA(s),
- includes the general terms covering the sale of crude and the purchase of products,
- Implies upon signature no costs / charges for neither party,
- Will facilitate and speed up the process in case of crisis.

3. The Crude Against Products Agreement

The Individual CAPA

In case of a crisis, APETRA will launch a tender.

The Individual CAPA will be used as:

- Tender document: APETRA will indicate :
 - the quantity and quality of crude for sale, its place of delivery
 - its terminals where APETRA would like to have products delivered.
- Offer document : Refiner will offer :
 - Differentials against the quotations of reference for both their purchase of APETRA crude and the sale to APETRA of the Refiners finished products.
 - Yields of the by APETRA required finished products,
 - Terminals where Refiner will deliver the products : own terminals and / or APETRA's terminals.

3. The Crude Against Products Agreement

The Individual CAPA (2)

- APETRA will award the tender to the Refiner(s) who offers APETRA the best economical benefit and response to its actual needs.
- The signature of Individual CAPA(s) will be binding for both parties.

Benefits of this Framework & Individual CAPA

For the Refiner :

- Signing the Framework Agmt. imposes no cost/obligation upon the Refiner,
- In case of crisis of supply where crude supply is short, the CAPA will allow the Refiner to maintain or increase its refinery runs, at the then prevailing market conditions,
- Speed up the process in period of crisis,
- The Products will be put by APETRA at the disposal of the Operators for them to supply their customers .

3. The Crude Against Products Agreement

Benefits of this Framework CAPA (2)

For APETRA :

- Gives APETRA access to refining capacities,
- allows a quick, efficient and transparent reaction to supply the operators with Products in time of crisis,
- Will complement the portfolio of the other compulsory stocks detained by APETRA (tickets and finished products in stocks).