

RIL USA, INC.

RIL USA, Inc.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholder
RIL USA, Inc.

We have audited the accompanying financial statements of RIL USA, Inc. (the "Company"), which comprise the statement of financial position as of December 31, 2014, and the related statements of comprehensive income, changes in equity and cash flows for the one year ended December 31, 2014, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RIL USA, Inc. as of December 31, 2014, and the results of its operations and its cash flows for the one year ended December 31, 2014 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Predecessor Auditors' Opinion on 2013 Financial Statements

The financial statements of the Company as of and for the year ended December 31, 2013 were audited by other auditors whose report, dated March 31, 2014, expressed an unmodified opinion on those statements.

April 10, 2015

STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2014 AND 2013

	2014	2013
ASSETS		
NONCURRENT ASSETS:		
Property, plant, and equipment	\$ 270,997	\$ 293,515
Security deposits	2,000,000	2,000,000
Deferred tax asset, net	1,414,329	9,230,659
Total noncurrent assets	3,685,326	11,524,174
CURRENT ASSETS:		
Inventories	147,529,377	208,860,393
Trade and other receivables	101,266,275	10,745,064
Other current assets	6,142,083	2,916,543
Cash and cash equivalents	474,317	3,060,486
Total current assets	255,412,052	225,582,487
TOTAL ASSETS	\$ 259,097,378	\$ 237,106,661
EQUITY AND LIABILITIES		
EQUITY:		
Common stock; \$10,000 par value, 1000 shares authorized, 300 shares issued and outstanding	\$ 3,000,000	\$ 3,000,000
Additional paid-in capital	22,100,000	22,100,000
Accumulated income (deficit)	3,179,673	(14,932,027)
Total equity	28,279,673	10,167,973
CURRENT LIABILITIES:		
Interest-bearing loan from affiliate	10,000,000	5,000,000
Interest-bearing loans and borrowings	20,000,000	29,000,000
Accrued expenses and other liabilities	16,429,181	9,447,149
Provision for taxes	4,039,534	430,000
Advances from Customers	4,233,600	-
Accounts payable	176,115,390	178,061,539
Total current liabilities	230,817,705	221,938,688
NON CURRENT LIABILITIES		
Interest-bearing loan from affiliate	-	5,000,000
TOTAL EQUITY AND LIABILITIES	\$ 259,097,378	\$ 237,106,661

See accompanying notes to the financial statements

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Revenue	\$ 2,798,649,588	\$ 4,318,519,647
Cost of Goods Sold	(2,750,764,350)	(4,269,173,365)
Trading Costs	206,567	(18,729,226)
Other Income—Service Charges	140,119	-
Gross Profit	48,231,924	30,617,056
Storage Rentals	(11,831,732)	(12,154,306)
Payroll Expenses	(2,292,935)	(1,406,734)
Other Expenses	(2,252,979)	(1,362,195)
Operating Income	31,854,278	15,693,821
Finance Costs	(1,886,714)	(3,402,329)
Income Before Tax	29,967,564	12,291,492
Income Tax Expense	(11,855,864)	(4,265,577)
Total Comprehensive Income	<u>\$ 18,111,700</u>	<u>\$ 8,025,915</u>

See accompanying notes to the financial statements

**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	Common Stock	Additional Paid-in Capital	Accumulated Income (Deficit)	Total Equity
BALANCE – December 31, 2012	\$ 3,000,000	\$ 22,100,000	\$ (22,957,942)	\$ 2,142,058
Comprehensive income	-	-	8,025,915	8,025,915
BALANCE – December 31, 2013	3,000,000	22,100,000	(14,932,027)	10,167,973
Comprehensive income	-	-	18,111,700	18,111,700
BALANCE – December 31, 2014	<u>\$ 3,000,000</u>	<u>\$ 22,100,000</u>	<u>\$ 3,179,673</u>	<u>\$ 28,279,673</u>

See accompanying notes to the financial statements

STATEMENTS OF CASH FLOW FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
OPERATING ACTIVITIES:		
Profit After Tax	\$ 18,111,700	\$ 8,025,915
Add: Provision for Income Tax	11,855,864	4,265,577
Pretax income	29,967,564	12,291,492
Adjustments:		
Depreciation and amortization	34,007	41,953
Finance costs	1,886,714	3,402,329
Changes in operating assets and liabilities:		
Trade and other receivables	(90,521,211)	112,911,152
Inventories	61,331,016	273,531,600
Other current assets	(3,225,538)	30,899,695
Accounts payable	(1,946,149)	(450,806,942)
Advance from Customers	4,233,600	-
Other Liabilities (Income Tax)	1,600,000	270,000
Accrued expenses and other liabilities	7,146,897	(6,020,264)
	10,506,900	(23,478,985)
Income taxes paid	(2,030,000)	(280,302)
	8,476,900	(23,759,287)
Net cash flows (used in) from operating activities	8,476,900	(23,759,287)
INVESTING ACTIVITY – Purchase of fixed assets	(11,488)	(12,075)
	(11,488)	(12,075)
Cash flows used in investing activity	(11,488)	(12,075)
FINANCING ACTIVITIES:		
Interest paid	(2,051,581)	(3,156,265)
Payments on loans and other borrowings, net	(9,000,000)	29,000,000
	(11,051,581)	25,843,735
Net cash flows (used in) financing activities	(11,051,581)	25,843,735
CHANGES IN CASH AND CASH EQUIVALENTS	(2,586,169)	2,072,373
CASH AND CASH EQUIVALENTS – Beginning of period	3,060,486	988,113
	474,317	3,060,486
CASH AND CASH EQUIVALENTS – End of period	\$ 474,317	\$ 3,060,486

See accompanying notes to the financial statements

NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

1. NATURE OF BUSINESS

RIL USA, Inc. (the “Company”), a Delaware corporation, was formed on May 16, 2005. The Company is a wholly owned subsidiary of Reliance Global Business, B.V. Netherlands, a Dutch corporation, whose ultimate parent is Reliance Industries Limited, an Indian corporation.

The Company is engaged in the commercialization of gasoline and blended gasoline products of Reliance Industries Limited and its affiliates in the United States and Caribbean markets and domestic spot trading with third-party companies. The Company takes ownership of the products upon purchase, is responsible for providing goods to the customer, establishes pricing, and bears the customer’s credit risk. The Company leases storage tanks in two locations, New York Harbor and in the Bahamas, for inventory storage and blending. The lease for Bahamas storage tanks expired in August 2014 and was not renewed.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements have been presented in United States dollars (USD), which is the functional currency of the Company.

The financial statements of the Company for the year ended December 31, 2014, were authorized for issuance by the directors on March 17, 2015.

Subsequent events have been evaluated for purposes of analysis and disclosure from January 1, 2015 through April 10, 2015.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the Company’s most critical accounting policies, which are defined as those policies most important to the portrayal of its financial condition and results of operations and requiring management’s most difficult, subjective, or complex judgment, particularly because of the need to make estimates concerning the impact of inherently uncertain matters.

Use of Estimates—The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant assumptions and estimates include accrued liabilities, accrued income and expense, allowance for doubtful accounts, and deferred income taxes. Actual results could differ from those estimates.

Revenue Recognition—Revenues are recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. This is generally when the products are delivered, which occurs when the customer has taken title and assumed the risk of loss, prices are fixed or determinable, and collectibility is reasonably assured. Revenues are recorded net of any discounts.

Shipping Costs—All amounts related to shipping billed to a customer in a product sales transaction represent revenues earned and are reported as revenue, and the costs incurred by the Company for shipping are reported as an expense.

Cash and Cash Equivalents—Cash and cash equivalents comprise cash at banks and investments in overnight interest-bearing deposits.

Accounts Receivable—Trade accounts receivable are recorded at the invoiced amount and do not bear interest. Estimated allowances for doubtful accounts are provided for based on an evaluation of potential uncollectible accounts. The allowance, if considered necessary, is based on an analysis of current and past-due accounts, collection experience in relation to amounts billed, and other relevant information. The allowance for doubtful accounts represents the estimated uncollectible portion of accounts receivable.

Inventories—Petroleum products, blends, and other inventories are stated at the lower of cost or market, cost being determined on a weighted-average basis. There is no obsolete inventory.

Trading Costs—Trading costs comprise of derivative gains (losses) and other variable costs including but not limited to Renewable Identification Numbers (RINs), Customs Duty, Port fees, terminal costs, Insurance, Inspection costs, Demurrage, Brokerage, LC & Security, Environmental taxes etc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

	December 31,	
	2014	2013
Derivative (gain) / loss	\$ (28,439,276)	\$ (12,403,997)
Trading (gain)/loss	50,080	(6,261,852)
Renewable Identification Number	14,748,945	23,334,088
Port Fees	3,352,333	2,333,784
Inspection Fees	2,768,400	2,711,861
Demurrage	2,147,749	3,991,785
Other	5,165,202	5,023,557
	\$ (206,567)	\$ 18,729,226

Property, Plant and Equipment—Leasehold, furniture, computer and equipment are initially recognized at cost where it is probable that they will generate future economic benefits. They are subsequently carried at cost less accumulated depreciation. They are depreciated on a straight-line basis over their estimated useful lives.

	Useful Life
Leasehold	39 years
Furniture	15 years
Computer and equipment	5 years

Income Taxes—Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Derivative Instruments—The Company is exposed to market risk primarily due to fluctuations in commodity prices between the purchase and the delivery date of inventory. In order to minimize this risk, the Company enters into certain derivative instruments, primarily exchange-traded futures contracts, which allow management to significantly reduce pricing risk prior to the physical delivery of the products.

The accounting for changes in the fair value of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and, if so, the nature of the risk being hedged and how the Company will determine if the hedging instrument is effective. If the derivative instrument does not qualify or is not designated as part of a hedging relationship, then the Company accounts for changes in fair value of the derivative in earnings and includes any gains or losses in other expense.

Accordingly, all open derivative contracts are recorded at fair value on the statement of financial position under other current assets, and income effects are recorded in trading costs in the statements of comprehensive income (loss). The fair values are based on market quotes found on the New York Mercantile Exchange (NYMEX).

Contingencies—The Company accrues for contingencies, including legal matters, when it is probable that a liability has been

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

incurred or an asset will not be recovered and an amount can be reasonably estimated based upon currently available facts and estimates of the ultimate outcome or resolution. Actual results may differ from the Company's estimates, resulting in an impact, positive or negative, on earnings. As of December 31, 2014 and 2013, the Company did not have any claims or litigations pending that would have a material adverse effect on the Company's financial position, results of operations, or cash flows.

Fair Value of Financial Instruments—The fair value of cash and cash equivalents, accounts receivable, accounts payable, due to and from affiliates, and interest-bearing loans and borrowings approximate their carrying values because of the short-term nature of these financial instruments.

The Company uses market prices quoted on the NYMEX as of the balance sheet date to determine the fair value of derivative assets and liabilities.

The fair value hierarchy prioritizes inputs to valuation techniques based on observable and unobservable data and categorizes the inputs into three levels, with the highest priority given to Level 1 and the lowest priority given to Level 3. The levels are described as follows:

Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2—Significant observable pricing inputs other than quoted prices included within Level 1 that are either directly or indirectly observable as of the reporting date.

Level 3—Generally unobservable inputs that are developed based on the best information available and may include the Company's own internal data.

Concentration of Credit Risk—Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents and trade accounts receivable. The Company maintains cash deposits with major banks which, from time to time, may exceed federally insured limits. Management periodically assesses the financial condition of these institutions and believes that any possible credit risk is minimal.

The Company sells on a secured basis to most customers, except those that the Company believes are high credit quality customers, which typically are large international oil companies, major financial institutions, and certain government-owned oil companies.

All derivative contracts are subject to margin requirements.

Liquidity Risk—Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company will ensure that sufficient liquidity is available to meet all of its commitments by raising loans or arranging other facilities as and when required.

Capital Management Risk—The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies, or processes during the periods ended December 31, 2014 and 2013. Capital comprises equity contributed and additional paid in capital.

Commodity Price Risk—The Company is exposed to the risk of commodity market price fluctuations. The Company's policy is to manage these risks through the use of contract based prices with customers and derivative contracts.

Standards Issued But Not Yet Effective—

IFRS 9 Financial Instruments: Classification and Measurement—IFRS 9 issued in November 2009 introduced new requirements for classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a 'fair value through other comprehensive income' measurement category for certain simple debt instruments. The standard is effective for annual periods beginning on or after 1 January 2018. A reasonable estimate of the effect of IFRS 9 will be determined upon a detailed review by the Company.

IFRS 15 Revenue from Contracts with Customers—In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective on or after 1 January 2017. The core principle of IFRS 15 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under IFRS 15, an entity recognizes revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Prescriptive guidance has been added in IFRS 15 to deal with certain scenarios as well as guidance on required disclosures. A reasonable estimate of the effect of IFRS 15 will be determined upon a detailed review by the Company

New and Amended Standards and Interpretations—The accounting policies adopted are consistent with those of the previous financial year, except for the following amendment to IFRS effective as of January 1, 2014:

IAS 32 Offsetting Financial Assets and Financial Liabilities—Amendments to IAS 32—These amendments clarify the meaning of “currently has a legally enforceable right to set-off.” The amendments also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The application of the amendments has had no impact on disclosures or on the amounts recognized in the Company’s financial statements.

4. TRADE AND OTHER RECEIVABLES

Trade accounts receivable are recorded at the invoiced amount and do not bear interest. Estimated allowances for doubtful accounts are provided for based on an evaluation of potential uncollectible accounts. The allowance, if considered necessary, is based on an analysis of current and past-due accounts, collection experience in relation to amounts billed, and other relevant information. There was no valuation allowance for the year 2014 and 2013.

	December 31,	
	2014	2013
Accounts receivable	\$ 101,266,275	\$ 9,956,990
Other	-	788,074
	<u>\$ 101,266,275</u>	<u>\$ 10,745,064</u>

5. INVENTORIES

Inventories at December 31 are given below:

	2014	2013
Inventory in tanks	\$ 37,343,396	\$ 104,376,234
Inventory in transit	110,185,981	104,484,159
	<u>\$ 147,529,377</u>	<u>\$ 208,860,393</u>

6. LINE OF CREDIT

At December 31, 2014 and 2013, the Company had lines of credit with Citibank and Bank of America totaling \$40,000,000 and \$45,000,000, respectively, bearing interest at London Interbank Offered Rate (LIBOR) plus spreads. Both lines of credit are guaranteed by Reliance Industries Limited. There were \$11,000,000 and \$18,000,000 in borrowings outstanding under the lines of credit for Citibank and Bank of America, respectively, at December 31, 2013. There was \$20,000,000 in borrowings outstanding under the lines of credit for Citibank at December 31, 2014.

During the ordinary course of business, the Company also provides standby letters of credit to certain parties as required for certain transactions initiated by the Company. As of December 31, 2014 and 2013, the maximum potential amount of future payments that the Company could be required to make under these letters of credit was \$8,665,000 and \$4,190,000, respectively, with Citibank. As of December 31, 2014 and 2013, the maximum potential amount of future payments that the Company could be required to make under these letters of credit was \$20,805,953 and \$19,235,255, respectively, with Bank of America. The Company has not recorded any liability in connection with these letters of credit. These letters of credit are part of the \$40,000,000 and \$45,000,000 lines of credit RIL USA, Inc. has with Citibank and Bank of America respectively. The Company does not believe, based on historical experience and information currently available, that it is likely that any amounts will be required to be paid under these letters of credit arrangements.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. FAIR VALUE MEASUREMENTS

The following table sets forth recurring fair value measurements at December 31:

	Level 1	
	2014	2013
Assets: Futures	\$ 12,604,171	\$ 471,811
Cash collateral for margin requirements	(9,198,909)	1,589,683
	<u>\$ 3,405,262</u>	<u>\$ 2,061,494</u>

All open positions of derivative instruments at December 31, 2014, are exchange-traded instruments and, as such, qualify as Level 1 in the fair value hierarchy. Level 1 fair value measurements are based on market settlement prices actively quoted on the NYMEX, and are recorded in other current assets.

8. DERIVATIVE INSTRUMENTS

The Company is exposed to price risk inherent with fluctuations in commodity prices. In order to reduce this exposure, the Company uses derivatives (primarily futures) to manage the price risk.

The Company used market prices quoted on the NYMEX to determine the fair value for all its open positions as of year-end.

9. INCOME TAX

The income tax expense consists of the following:

	Years Ended December 31,	
	2014	2013
Current:		
Federal	\$ 3,500,825	\$ 141,028
State and local	538,709	10,302
	<u>4,039,534</u>	<u>151,330</u>
Deferred:		
Federal	7,210,614	4,170,900
State and local	605,716	(56,653)
	<u>7,816,330</u>	<u>4,114,247</u>
	<u>\$ 11,855,864</u>	<u>\$ 4,265,577</u>

The following table is a reconciliation of income tax expense to the federal statutory rate of 35%. The effective tax rate for the year 2014 and 2013 was at 39.56% and 34.7% respectively.

	Years Ended December 31,	
	2014	2013
Expense for federal income tax at 35%	\$ 10,814,346	\$ 4,302,023
Expense (benefit) for state taxes, net of federal	955,877	(49,957)
Nondeductible expenses	85,641	13,511
	<u>\$ 11,855,864</u>	<u>\$ 4,265,577</u>

At December 31, 2013, the deferred tax assets were primarily comprised of net operating loss carryforwards. At December 31, 2014, the deferred tax assets relate to deferred balanced of accrued expenses.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

	Statement of Financial Position	Statement of Comprehensive Income
2014		
Losses available for offsetting against future taxable income	\$ -	\$ 5,890,477
Other	1,414,329	1,925,853
Deferred tax expense		\$ 7,816,330
Net deferred tax assets	<u>\$ 1,414,329</u>	
	Statement of Financial Position	Statement of Comprehensive Income
2013		
Losses available for offsetting against future taxable income	\$ 5,890,477	\$ 2,425,638
Other	3,340,182	1,688,609
Deferred tax expense		\$ 4,114,247
Net deferred tax assets	<u>\$ 9,230,659</u>	

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Deferred tax assets of the Company relate to income tax levied by the United States federal government and the New Jersey state government.

10. COMMITMENTS AND CONTINGENCIES

The Company has entered into commercial leases for storage tanks and for the corporate office space. These leases have remaining terms between one and five years. There are no restrictions placed on the Company by entering into these leases.

Future minimum rentals payable under noncancelable operating leases as of December 31 are as follows:

	2014	2013
Within one year	\$ 13,636,684	\$ 7,211,454
After one year but not more than five years	9,634,333	747,629
	<u>\$ 23,271,017</u>	<u>\$ 7,959,083</u>

The Company also has commitments to purchase a minimum of 60,000 Metric Tons per month of Gasoline/ components from Reliance Industries Limited for the period from Jan-Mar 2015.

11. RELATED-PARTY DISCLOSURES

Related-party balances reported in the accompanying statements of financial position as of December 31 are as follows:

	2014	2013
Interest-bearing loan from affiliate:		
Reliance Europe Limited	\$ 10,000,000	\$ 10,000,000
Included in accounts payable:		
Reliance Industries Limited	168,260,659	167,480,925
Reliance Holding USA, Inc.	47,726	122,754

At December 31, 2014, notes payable to Reliance Europe Limited consist of two \$5 million notes scheduled to mature in April 2015 and October 2015, respectively. Interest rates on the notes are charged based on six-month LIBOR plus a margin. The Company may at anytime with a prior notice prepay all or any part of the facility.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Related-party transactions are as follows:

Name of the Company/Firm	Nature of Transaction	2014	2013
Reliance Industries Limited	Product purchases	\$ 1,806,749,006	\$ 1,952,649,640
Reliance Industries Limited	Interest incurred on purchases	1,214,531	2,892,757
Reliance Industries Limited	Guarantee commission	279,594	268,505
Reliance Industries Limited	Demurrage/deviation	1,797,407	7,070,888
Reliance Industries Limited	Storage charges	1,012,897	3,126,872
Reliance Holding USA, Inc.	Rent expense	242,949	212,293
Reliance Europe Limited	Interest incurred on loan	223,929	247,267

The remuneration paid to the Key Management personnel during the year 2014 and 2013 was \$389,519 and \$484,380 respectively.

12. SIGNIFICANT CONCENTRATIONS

Suppliers—For the years ended December 31, 2014 and 2013, total purchases were from:

	2014		2013	
Third-party suppliers	\$ 987,707,599	35 %	1,991,413,263	50 %
Reliance Industries Limited	1,806,749,006	65	1,952,649,640	50

Customers—for the year ended December 31, 2014, one customer accounted for approximately 11% of revenue. For the year ended December 31, 2013, one customer accounted for approximately 8% of revenue.