



HYDROCARBONS # 24

	PRODUCT	Measure	\$ GROSS	Consulting Fee	FINAL COST
FOB	EN 590	MT	\$ 440.00	\$ 10.00	\$ 450.00
FOB	JET A 1	BBL	\$ 84.00	\$ 2.00	\$ 86.00
CIF	UREA 46% Gran	MT	\$ 325.00	\$ 5.00	\$ 330.00

TRANSACTION WORKING PROCEDURES

FOB HOUSTON / ROTTERDAM PORT

(TANK TO TANK) # 1

1. Buyer issues ICPO on receipt of 5eiler's Soft Offer along with Tank Storage Agreement (TSA) as proof of storage availability.
2. Seller issues commercial Invoice, for the available quantity in the storage tank to Buyer. Buyer Signs CI and returns to Seller including copy of NCNDA/IMFPA signed by all buyer groups with commissions structures.
3. Seller Issues the Dip Test authorization letter for buyer and Buyer's Tank Fam endorsement along with the following PPOP document:
 - Product Passport
 - Availability of Product endorsed
 - Authority to 9ell 6 Collect (ATSC)

4. Seller issues Complete DTA attached with fresh SGS Report and Tank Receipt to Buyer, Buyer order SGS to conduct Dip Test of the product In the Seller's Tank on Buyer expenses submit the full injection report to the Buyer.
5. Upon successful Dip Test, sellers inject the fuel into buyer lease Storage Tank and sellers submit the Full injection report to the Buyer.
6. Buyer make 100% payment by MT103 TT wire transfer for the total product and Seller pays commission to all intermediaries Involved In the transaction within 24 hours alter confirmation of the buyer's payment.
7. Seller issues draft SPA to buyer to review for R&E monthly deliveries.
8. Buyer review and approves the SPA and issues SBLC/IRDLIC irrevocable, nontransferable, auto-revolving for 12 months shipment value, documentary letter of credit for length of contract and for each lift per schedule. Buyer pays after Dip Test by MT103 Wire Transfer
9. The subsequent delivery shall commence according to the terms and conditions of the contract
10. Seller pays commissions to all intermediaries as per IMFPA/NCNDA 24 hours after receiving payment from buyer

TRANSACTION PROCEDURE FREE ON BOARD (FOB)

TANK TO TANK # 2

1-Buyer issues **ICPO** along with the following documents: buyer ´s TSA, Company Certificate of Registration or Company Profile, and buyers in accordance with seller ´s delivery transaction terms.

2-Seller issues Commercial Invoice, request for Authorization to verify (**ATV**) and Tank to Tank Injection Agreement to be countersigned by the buyer and its logistics company.

*If seller is unable to confirm buyer logistic then buyer immediately extend seller Tank for 4 days.

3-Upon receipt of countersigned Commercial Invoice and Tank to Tank Injection Agreement or extension of seller tank. Note *If buyer tank confirmed by seller then buyer will provide their **TSR** from tank farm, seller proceed to provides the following documents for buyer to verify the product in seller ´s tank.

- a) Fresh **SGS** Report.
- b) Tank Storage Receipt; (**TSR**).

- c) Authorization to verify (**ATV**)
- d) Dip Test Authorization Letter; (**UDTA**)
- e) Authorization to Sell & Collect.
- f) **NCNDA/IMFPA**.
- g) Certificate of Origin.
- h) Statement of product Availability.
- i) Injection Report.
- j) **Product Passport** (includes product analysis report)
- k) Export License

4- (NCNDA/IMFPA) will be signed by all parties involved seller and buyer side and then seller proceed injection into buyer tank on board.

5) Buyer makes payment for total cost of product injected into buyer tanks via **MT103**, Seller transfer title ownership to buyer with all exportation documents required of buyer for the transaction.

6- Upon conclusion of first lift transaction seller pays all intermediaries involved in the Transaction and proceeds with the signing of contract with Buyer.

COST INSURANCE AND FREIGHT (CIF)

1. Buyer issue ICPO with letter of acceptance to seller upon receipt of Soft Corporate Offer.

2. Seller issues Sales Purchase Agreement (SPA) open for amendment

Buyer reviews draft agreement and then returns to seller sign In word format and PDF format. Seller acknowledged and submitted the contract to the Ministry of Energy for legalization

3. The seller releases the following PPOP documents.

- (A) Seller irrevocable Commitment to Supply
- (B) Statement of availability of product
- (C) Certificate of origin.
- (D) Product Passport quality certificate

4. Upon the confirmation of the listed partial PPOP, Buyer bank issues irrevocable, operative, transferable (SBLC/DLC MT760) according to seller's fiduciary bank verbiage to seller nominated fiduciary offshore bank account for first month shipment. Should buyer fail to Issue payment Instrument within 7 banking days, buyer will make deposit of \$499,999 USD by TT wire transfer for security guarantee to establish seller charter vessel and commerce shipment forthwith, and this payment will be deducted from the total cost of product after inspection at discharge port, or legal action will be taken by Ministry of Law and Justice (Department of Legel Affaire) against buyer for default.

5. Seller's Bank issues Full POP Documents to the Buyer's.

- a) Copy of license to export. issued by the department of the Ministry of Energy,
- b) Copy of Approval to Export, Issued by the Ministry of Justice,
- c) Copy of statement of availability of the product
- d) Copy of the refinery commitment to produce the product.
- e) Copy of Transnet contract to transport the product io the loading port
- f) Copy of the port storage agreement.
- g) Copy of de charter party agreement to transport the product to discharger port.
- h) Copy of Vessel Questionnaire (Q88).
- l) Copy of BIII of Lading.
- j) SGS at loading Port
- k) Dip test Authorization (OTA) & ATB
- l) NOR /ETA
- m) Certificate of Ownership Transfer
- n) Allocation Transaction Passport Code Certificate (A7PCC) by Ministry of Energy.

6. Shipment commences aa per signed contract delivery schedule and the shipment should arrive at Buyer discharge port within 5-24 days. The SGS Inspection will be borne by the Seller at the loading seaport and Buyer at the unloading seaport.

7. Buyer's bank upon arrival of the cargo at the discharge port, payment will be made for the product at Seller

CIF # 2

TRANSACTION PROCEDURE ON CIF

1. Buyer Issue ICPO with this procedure incorporated on the ICPO along with Buyer's Company registration Certificate.
2. Seller issues Sale & Purchase Agreement (SPA). Buyer review amend (If is necessary). Sign ends return the SPA In WORD format to Seller within 3 banking days, Seller sends final SPA to the Buyer in PDF format, Buyer confirm final SPA and issues letter of acceptance of the final SPA.
3. Seller Issues to Buyer via email the following transaction documents:
 - A. Commitment to supply
 - B. Statement of product availability
 - C. Certificate of origin
 - D. Product Passport, and ATSC Buyer confirms the receipt of the documents by email, and issue confirmation letter within 24 hours.
4. Seller make agreement for the chartered freight with a renowned shipping company for the transportation of the product to buyer designated discharge port, both seller and buyer sign the Charter Party Agreement (CPA) together with the shipping company (A three party CPA). This applicable only for 1ST Shipment. (Seller & Buyer jointly pays CPA cost 50/50 via T/T wire transfer directly to the shipping company. Fee would later be refunded/deducted when buyer is paying for the total product cost.)
5. After completion the above, Seller Issues to Buyer product title transfer agreement, Buyer signs and returns. Seller legalizes the Contract with the authorities in charge and sends to buyer the legalized contract, the certificate of product title transfer and then proceeds with the port & custom clearance of product and all internal routine operation accordingly.
6. Upon completion of the above and confirmation of this export approval by the Authority to seller with the endorsement of the Charter Party Agreement (CPA) and the Shipping Schedule by the port Authority to enable seller to release the below proof of products documents: Legalized Charter Party Agreement (CPA) with the loading port authority *Injection Report* Product Allocation Certificate.

“Allocation Title Transfer Certificate. “Export License “Export Approval - Tank Receipt”. “Dip Test Authorization”.

7. Seller issues the commercial invoice and sends to Buyer and within 5 working days, Buyer’s bank issues to Seller’s bank swift operative Standby Letter of Credit (SBLC) via Swift MT760 or Documentary Letter of Credit (DLC) via Swift MT700 for the entire 1st shipment total product value. and for Seller to lodge and activate a 2% PB (Performance Bond/Performance Guarantee) in the favor of the Buyer. If Seller fails to supply the cargo/shipment of the product to the Buyer, this 2% Performance Bond will be paid to the Buyer.

8. The product SGS inspection charges will be borne by Seller at the loading port. Seller invites buyer for visitation to witness the final inspection and TTM for negotiation of future transaction (Optional to Buyer). Seller signs NCNDA/IMFPA between all intermediaries Involved with the notarized copy sent to Seller's bank.

9. Loading & Shipment of product commences as per schedule. Upon Vessel’s arrival and finalization of SGS at destination port, Buyer release payment via swift fund transfer within 3 to 5 banking days to Seller for total.

C O M P A N Y:

ABOUT US

THE REFINERY is the leader of Kazakhstan’s petroleum industry and the world’s largest publicly traded petroleum company. Company’s main activities include prospecting and exploration of hydrocarbon deposits, oil, gas and gas-condensate production, upstream offshore projects, processing, as well as oil, gas, and product marketing in Kazakhstan and abroad.

"THE COMPANY" LLP key objectives are the reserve replacement ratio at a minimum level of 100%, effective production at brownfields, and production increase through the development of Greenfields, creation of new production clusters on the shelf, development of technologies, and implementation of high-level project management practices, monetization of gas reserves and competitive production growth, optimal configuration of the refineries and maximization of profits in distribution. Company’s successful performance in

2015 is evidence of the efficiency of the applied strategy and the significance of our priorities. All this makes it possible to rely on "THE COMPANY" LLP sustainable development in the future to benefit its shareholders.



STRATEGY

"THE COMPANY" LLP has a strong focus on the Sea as its core area of operations. ONE has the ambition to significantly expand its operated and non-operated business in this region over the next 3 to 5 years and is looking to further build on its existing presence around the globe. Through our excellent subsurface, operational and commercial capabilities, we are uniquely positioned to capture growth opportunities and create both short and long-term value for all its stakeholders. Successful acquisitions of Sterling and Sean are excellent examples of ONE's ability to execute this strategy with significant success. We are also actively looking at development and exploration opportunities to support our long-term growth aspiration, preferably "THE COMPANY" LLP operated assets, both within and outside of our existing portfolio.



COMPANYS POLICY

The mission of the company is the production and sale of competitive petrochemical products and services in accordance with the requirements and expectations of interested parties, the development of existing markets, the achievement of the Company's sustainability, the improvement of the quality of life of employees and the company as a whole. The main corporate priorities and the determinants of its development, Volgasintez sees in Safe working environment, protecting the health of employees, improving environmental and energy efficiency, industrial safety and information security Creating a stable professional team capable of achieving the Company's goals.