



## Hydrocarbons # 83

### FOB TRANSACTION PROCEDURE (TANK TO TANK)

Injection to **VOPAK / KINDER MORGAN / VTTI** / TIER 1 TANK FARMS

**ROTTERDAM - HOUSTON - JURONG** – PORTS

This Procedure is 100% direct from the refinery and does not allow any changes; it must be followed exactly as presented.

1. Buyer issues:
  - a. ICPO
  - b. Tank Storage Agreement (TSA) \*Note: ATV by Manager/Contract TIER 1 - No JVs**
  - c. Buyer passport
2. Seller issues Commercial Invoice, Buyer signs and returns back to Seller for countersigning. Seller sent a (NDA) Non-Disclosure Agreement, have to sign and seal by Buyer and Tank Farm.
3. Seller presents product Injection Report and SGS report (quality and quantity) to Buyer's tank farm, upon verification of Injection Report & SGS report by Buyer tank farm, Buyer contacts their tank farm to secure their storage space.
4. Seller issues Injection Programming Agreement (IPA) to the buyer to be signed by the Buyer and Buyers tank farm company.
5. Seller transfers product allocation to buyer and releases the following documents to buyer:
  - a. Product Passport
  - b. Certificate of Origin.
  - c. Authorization to Sell/Collect (ATSC).
  - d. Unconditional Dip Test Authorization (UDTA)
  - e. Injection schedule along with the NOR (Notice of readiness) to commence the Injection of the product into the buyer's tank commences as per the agreed SPOT Lift Quantity.

6. Buyer conducts dip test on product, and the Seller commences injection into the Buyer's tank storage space. Seller releases the following documents to Buyer:
  - a. Injection Report.
  - b. Recent SGS Quality Survey
7. Buyer proceeds with inspection of product with SGS agent in his own tanks. Upon the buyer's successful Q&Q dip test on the product in his own tanks, the buyer makes the payment for the total value of the product injected into the tanks by TT/MT103.
8. Seller releases to the Buyer the product title, ownership documents, and Seller pays all intermediaries according to the signed NCNDA/IMFPA.

**EURO 4, EURO 5, DIESEL FUEL EN590**

Quantity: 100,000 MT - 1,000,000 MT

**FOB Price: \$500 Gross/ \$480 Net per MT.**

**Commission: \$10/\$10 per MT.**

**JET FUEL A1 (JET A1)**

Quantity: 1,000,000 BBLs - 10,000,000 BBLs

**FOB price: \$74 Gross/ \$70 Net Price per Barrel**

Commission: \$2/\$2.

**VIRGIN FUEL OIL D6**

Quantity: 100,000,000 – 800,000,000 Gallon Monthly

**FOB Price: \$0.80 Gross / \$0.78 Net per Gallon**

Commission: \$0.01 Seller Side closed/ \$0.01 Buyer Side.

ORIGIN: TURKMENISTAN

*NOTE: To prevent unauthorized disclosure of private information (as defined below), the parties agreed to enter into a confidential partnership about non-disclosure and to keep the sensitive data confidential (Injection Report and SGS report (quality and quantity) until "Buyer" secures their storage capacity with the tank storage receipt (TSR) registered under "Refinery Name" as the supplier.*

*The failure to exercise any right provided in this Agreement shall not be a waiver of prior or subsequent rights and face legal consequences of USD 1,000,000 (One Million United States Dollars). The million-dollar payment for sharing the reports is exclusively for Tank Farm, as they are the only ones who will have such reports, and they will provide the buyer with notification of such reports.*

*This Agreement and each party's obligations shall be binding on the*

*representatives, assigns, and successors of such party. Each party has signed this Agreement through its authorized representative. The parties hereby accept to be bound by the information herein.*

*This NDA must be signed by the Buyer and the Tank Farm immediately, since it will contain the date of delivery of the Reports and normally this happens within two days after the NDA is delivered, to be signed and returned. The only way this NDA could not be signed by the Buyer Tank Farm and the Buyer, is to submit a TSR on behalf of the Refinery.*

**IMPORTANT INFORMATION: BUYER IS EXPECTED TO INSERT AND ACCEPT TERMS & PROCEDURES AS STATED IN THE ABOVE IN HIS ICPO FOR APPROVAL BEFORE.**

**PROCEEDING.** Please note that product prices in the SCO are not negotiable.