



Hydrocarbons # 1

REF: SGC/FOB_CIF/092822

October 22, 2022

To: The Principal Buyer / Affiliated Buyer's Representative

We, _____ **Gas Company, SA** issued Soft Corporate Offer with given terms and conditions and confirm our readiness, willingness ability to issue straight to Sales & Purchase Agreement MOU. The supply of products from **Azerbaijan, Turkmenistan, and Netherland** is guaranteed to meet the standard specifications and to pass the stringent requirement of SGS or equivalent in compliance international regulations.

COMMODITY: AVIATION KEROSENE COLONIAL GRADE 54 JET FUEL/JET A1

Supply Ability: 500,000-barrels to 10,000,000-barrels

FOB Price per Barrel: US\$54 Gross/US\$52 Net... . ROTTERDAM / HOUSTON

COMMODITY: VIRGIN FUEL OIL D6

SUPPLY ABILITY: 100,000,000 Gallons, 300,000,000-Gallons

FOB Price: GROSS US\$0.56/ NET \$0.54 FOB ROTTERDAM / HOUSTON

COMMODITY: DIESEL GAS OIL ULSD EN590. 10PPM

SUPPLY ABILITY: 20,000-MT SPOT LIFT, 200,000-MT PER MONTH

CIF Price: US\$260 Gross, US\$250 Net per MT – ASWP

RUSSIAN ORIGIN: PREMIUM MOTOR SPRIT OCTANE 91)

Supply Quantity from: 30,000 - 100,000 Metric Tons per Month

CIF Price: Gross US\$260.00-MT, Net US\$ 250 .00-MT..... CIF ASWP

RUSSIAN ORIGIN: AUTOMOTIVE GAS OIL (AGO)

Supply Quantity from 50,000 MT – 500,000 Metric Tons per Month

CIF Price: Gross US\$ 290.00-MT, Net US\$ 280.00-MT..... CIF ASWP

COMMODITY: EASTERN SIBERIAN PACIFIC OCEAN (ESPO) CRUDE OIL

SUPPLY ABILITY: 1,000,000-Barrels – 5,000,000-Barrels per month

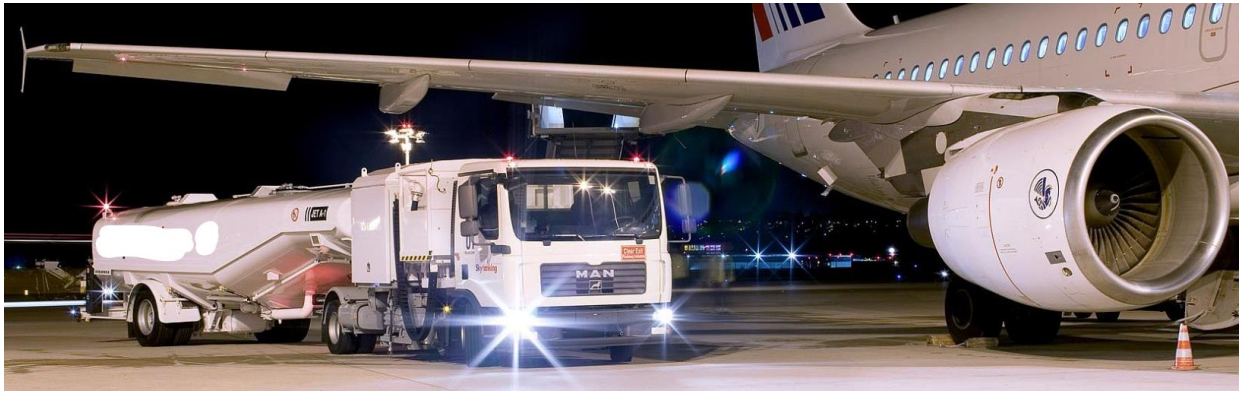
CIF Price: \$54 Gross, US\$52-Net per barrel over price US\$4/- for buyer account

ADDITIONAL INFORMATION:

ORIGIN: **None Russian**

LOADING PORT: Rotterdam & Houston Texas Port

DELIVERY: Rotterdam / Houston and CIF ASWP



INSPECTION: SGS test report will be conducted at the loading port by SGS

PAYMENT INSTRUMENT: MT103/T. T/DLC MT700

PERFORMANCE BOND (PB): 2% PB to be issued by Seller's Bank in favor of the Buyer. SHIPMENT METHOD: Via Vessel

COMMISSION: Split 50/50, Seller side closed, Buyer side open

ACCEPTABLE FOB TRANSACTION PROCEDURE (ALL FOB PORTS)

1. Buyer sends ICPO and TSA
2. Seller provides Commercial Invoice to buyer
3. Buyer signs and returns Commercial Invoice (CI) to seller along with TSR (one day) along with a scanned copy of NCNDA/IMFPA signed by all buyers group with commission structures which was notarized by the Notary Public in Russia as well as Endorsed by sellers Bank. (TSR Must be on current Supplier name and valid)
4. Seller releases Full POP documentation authorized from the Federal Ministry of Energy including
 - a. fresh SGS report less than 48 hours,
 - b. ATSC Authorization to sell and collect,
 - c. ATV authorization to verify,
 - d. Tank Fact Sheet and
 - e. An Unconditional DTA for buyer's optional Dip test if needed.
5. Buyer verifies the full Proof of Product (POP) documentation.
6. Buyer pays after completion of injection for the total value of product injected into the tanks through the means of SWIFT MT103 / TT / SBLC / DLC, the title ownership will be immediately transferred to the buyer.
7. Buyers will pay after buyer's carry out the Dip test in the seller's tank storage and product be injected into the buyer's tank storage.
8. Seller pays commission to all the intermediaries involved in the transaction immediately after confirmation of the Buyers payment in accordance with the signed and sealed NCNDA / IMFPA which was notarized by the Notary Public in Russia as well as Endorsed by the sellers Bank.

OPTIONAL FOB PROCEDURE

1. Buyer issues ICPO with seller's standard procedure and Company profile to seller along



with a copy of their TSA as Proof of storage availability and readiness.

2. Seller issues Commercial Invoice CI, for the requested quantity to Buyer, Buyer signs, amend if needed and returns back to the Seller.
3. Sellers issues Dip Test Authorization letter signed by all parties including Buyer's tank farm.
4. Upon the signing of the DTA letter by all parties, Seller issues the following PPOP:
 - a. Fresh SGS Report not older than 2 days.
 - b. Tank Receipt (TSR).
 - c. Injection Report.
 - d. Certificate of Origin.
 - e. ATV (Physical Verification)
 - f. ATSC
 - g. Refinery Reservoir Receipt.
5. Upon verification of the PPOP, buyer orders SGS (Q&Q) in seller's tank, buyer pays for SGS and all parties sign the NCNDA/IMFPA.
6. Buyer upon satisfactory Q&Q sends (TSR + ATV + copy of SGS) to seller. Seller immediately issues final CI to buyer as per quantity on SGS with title of ownership Certificate to be followed by all export documentation.
7. Buyer makes 100% payment by MT103/TT wire transfer for the total product and Seller starts injection of the product into the buyer's secured tank. Seller pays commission to all intermediaries involved in the transaction within 24hours of receiving TT from the buyer.

STANDARD CIF PROCEDURE (ASWP) FOR ALL PRODUCT

1. Buyer issues ICPO must be with buyer company letterhead and buyer banking information.
2. Seller issues Draft Contract (open for any amendments) to Buyer. Buyer signs, seals and returns the Draft Contract to Seller for final endorsement. Seller gives Partial proof of products.
 - Refinery Commitment to Supply.
 - Certificate of Origin.
 - Statement of availability of product.
 - Product quality passport (Analysis test Report) By Russian standard Gost R.
3. Within 5-7 banking days, Buyer's bank sends SBLC via MT 760 or DLC via MT700 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 5 banking days, buyer will make cash deposit of \$ 180,000 by TT wire transfer for security guarantee to enable seller charter vessel and commence shipment, and this payment will be deducted from the total cost of product after inspection at discharge port, Seller's



Bank issues Full POP Documents to the Buyer's Bank alongside with the 2% PerformanceBond (PB)

- Copy of license to export, issued by the department of the Ministry of Energy, Russian Federation.
 - Copy of Approval to Export, issued by the Ministry of Justice, Russian Federation.
 - Copy of statement of availability of the product.
 - Copy of the refinery commitment to produce the product.
 - Copy of Transnet contract to transport the product to the loading port.
 - Copy of the port storage agreement.
 - Copy of the charter party agreement to transport the product to discharge port.
 - Copy of Vessel Questionnaire 88.
 - Copy of Bill of Lading.
 - SGS Report at loading port.
 - Dip test Authorization (DTA) & ATB
 - NOR /ETA
 - Certificate of Ownership Transfer.
 - Allocation Transaction Passport Code Certificate (ATPCC) by Ministry of Energy.
 - Seller will issue TSR upon successful verification of all documents.
4. Shipment commences as per signed contract delivery schedule and the shipment should arrive at Buyer's discharge port within 5-25 days. The SGS inspection will be borne by the Seller at the loading seaport and Buyer at the unloading seaport.
 5. Buyer releases payment to Seller by TT/MT103 upon receipt of the shipping documents and confirmation of the Q & Q by SGS/CIQ at destination port.
 6. Seller pays commission within 48 hours by swift MT103 to all intermediaries as signed NCNDA/IMPFA.

The above **Soft Corporate offer with the FOB Rotterdam/Houston Transaction Procedure & CIF ASWP Transaction Procedures** is accepted to the Buyer, May kindly **issue us an Official ICPO** with the Seller's Transaction Procedure address to **END SELLER, via: GAS CO. SA** along with Buyer's copy of passport & Company Profile.

Sign & Sealed

Chief Operating Officer