



Headquarters: Milan, 15 Moscova Street, Italy
Work Office: Roma, 4 Tevere Street, Italy
Tel : +39 02 82955117 / +39 351 8006510
@mail : info@generaltradingllc.net

**** PROCEDURE 2-5**

STANDARD BANKING PROCEDURE CIF ASWP [EDIBLE OILS]

1. Buyer issues **ICPO** along with Buyer's company registration certificate.
2. Seller issues Sale & Purchase Agreement (**SPA**), Buyer review, amend (if necessary), signs, and return the **SPA** in WORD format to Seller within seven (7) banking days along with buyer's Client Information Sheet (**CIS**) and stating the exact bank issuing the Financial Instrument and the Financial Instrument issuer's Client Information Sheet (**CIS**) "if different from the buyer's company name". Seller sends Final Approved **SPA** to Buyer in PDF Format along with the Proforma Invoice for buyer's issuance of **SBLC MT760** pre-advise to Seller's fiduciary bank confirming their readiness and capability to execute the transaction.
3. Buyer sends swift copy of their issued **SBLC MT760** pre-advise to Seller's fiduciary bank. Upon confirmation, Seller issues to Buyer via email the following transaction documents (Partial **POP**):
 - (3.1) Unconditional Commitment to Supply.
 - (3.2) Certificate of Analysis (**COA**) also known as Product Passport.
 - (3.3) Statement of Product Availability.
 - (3.4) Commercial Invoice for the total 1st shipment product value.
4. Within seven (7) banking days, Buyer's bank in accordance with seller's verbiage issues swift fully funded **SBLC MT760** to Seller's fiduciary bank account to cover the 1st shipment total product value and send swift copies sent to Seller to enable seller to commence loading of product with the shipping company. Seller's bank issues **2% PB** to Buyer's bank to activate Buyer's financial instrument within seven (7) days. **NOTE: If due to any reason buyer can't issue the SBLC MT760 pre-advise in procedure #2, buyer is to request for the Commercial Invoice for the direct issuance of SBLC MT760 immediately after signing of the Contract.** Meanwhile, the alternate solution to all is to request for invoice and make a **REFUNDABLE/DEDUCTIBLE 5% security guarantee deposit** of the total 1st shipment value via **T/T Wire Transfer** after signing of the contract. Upon confirmation, Seller will proceed straight into shipment and furnish buyer with the **FULL POP** Documents via bank to bank.
The Duration of the financial instrument issuance must be more than 180 days.
5. Upon Seller's bank successful exchange of instrument method with buyer's bank or **REFUNDABLE/DEDUCTIBLE Security Guarantee Deposit / Payment of 20%** of the total 1st shipment product value via **T/T Wire** to seller's fiduciary bank, Seller to finalize loading within five - seven (5-7) working days. Seller invites buyer for visitation to witness the final inspection and **TTM** for negotiation of future transactions (Optional to Buyer).



Headquarters: Milan, 15 Moscova Street, Italy
Work Office: Roma, 4 Tevere Street, Italy
Tel : +39 02 82955117 / +39 351 8006510
@mail : info@generaltradingllc.net

6. Seller loads product within six (6) international working days, signs **NCNDA/IMFPA** between all intermediaries involved with the notarized copy sent to Seller's bank and registers & legalizes the contract and sends to Buyer the following **Full POP** Document by email to buyer and representative. Seller sends one full set of **ORIGINAL POP** documents to our authorized Customs Clearance agent at destination port and send one full set of **COPIES POP** documents to Buyer's address via DHL or FedEx expedite (overnight) service and provide tracking numbers. (14 sets bellow):
 - (6.1) Charter party Agreement to transport the product to discharge port.
 - (6.2) Allocation Title Ownership Certificate.
 - (6.3) Product Allocation Export Permit.
 - (6.4) Trans-Neft Contract to transport the product to the loading port.
 - (6.5) Port storage agreement.
 - (6.6) Certificate of origin and customs declaration.
 - (6.7) Certificate of Weight and Quality.
 - (6.8) Certificate of Health Certificates of products
 - (6.9) All of Inspection Reports of the Product in accordance with CCIC's Requirement.
 - (6.10) Certificate of Weight and Quality.
 - (6.11) Packing List.
 - (6.12) SGS Quality and Quantity Certificate.
 - (6.13) Bill of Landing.
 - (6.14) Vessel Questionnaire 88.
7. The product **SGS** inspection charges will be borne by Seller at the loading port.
8. Loading & Shipment of product commences as per schedule. Upon Vessel's arrival and finalization of **SGS** at the destination port, Buyer releases payment via swift fund transfer within 15 banking days to Seller for total shipment value after the discharge of product at destination port and receipt of the entire relevant shipping and export documents. Seller within 48 hours pays the intermediaries involved according to signed & notarized **NCNDA/IMFPA**.

What buyer need to provide:

- 1) **Proof of funds** from the Buyer (**BCL** signed by two bank officers) must be presented, to be considered to advance towards an **ICPO**. **BCL** need to be released from **DLC/SBLC** Bank issuer.
- 2) Buyer must be able to submit a banking instrument from a **Top 50 World Bank**, no corresponding banks are acceptable.



Headquarters: Milan, 15 Moscova Street, Italy
Work Office: Roma, 4 Tevere Street, Italy
Tel : +39 02 82955117 / +39 351 8006510
@mail : info@generaltradingllc.net

PROCEDURE 2-5
STANDARD BANKING PROCEDURE CIF ASWP [EDIBLE OILS]
[PRODUCT LIST]

Product	Sub-Product	UM	Min Quantity	Max Quantity
Edible Oil	Rapeseed Oil (CRUDE DEGUMMED)	MT	10,000	500,000
Edible Oil	Rapeseed Oil (CRUDE)	MT	10,000	500,000
Edible Oil	Rapeseed Oil (REFINED)	MT	10,000	500,000
Edible Oil	Sunflower Oil (CRUDE)	MT	10,000	500,000
Edible Oil	SUNFLOWER OIL (REFINED)	MT	10,000	500,000
Edible Oil	Wheat	MT	10,000	500,000



Headquarters: Milan, 15 Moscova Street, Italy
Work Office: Roma, 4 Tevere Street, Italy
Tel : +39 02 82955117 / +39 351 8006510
@mail : info@generaltradingllc.net

LEGEND

ATB:	Authority To Board. Used for oil shipments – issued by the seller, it provides the authority to enable the buyer to board the vessel to confirm cargo availability, quantity and quality.
ATL:	Authority To Load: Authority to load buyer's vessel
ATPCC:	Allocation Transaction Passport – Code Certificate
ATSC:	Sellers Authorization to Sell & Collect
ATV:	Authority to verify
BG:	Bank Guarantee
CFR:	Cost and Freight. The price includes the cost of the goods, loading, and freight to the named Destination Port. This does not include unloading charges. e.g. CFR Rotterdam.
CI:	Commercial Invoice
CIF:	Cost, Insurance and Freight. This is the same as CNF, but also includes insurance to the named Destination Port.
CP:	Charter Performance Agreement
DLC:	Documentary Letter of Credit
DTA:	Dip Test Authorization / Direct Transfer Agreement
FCO:	Full Corporate Offer
FOB:	Free on Board. This means that the supplier pays only to the point where the goods are loaded on board the carrying vessel. The seller must clear the goods for export. As soon as the goods are over the ship's rail they become the responsibility of the buyer.
ICPO:	Irrevocable Corporate Purchase Order
LOI:	Letter of Intent. A document by which the buyer states that he intends to enter into a transaction.
MT103:	standardized SWIFT payment message used specifically for cross border/international wire transfers. We use SWIFT for all payments made via Money Mover. MT103s are globally accepted as proofs of payment and include all payment details such as date, amount, currency, sender and recipient.
MT199:	Interbank Message used between two banks to transmit a SKR or a free format message engaging two bank's readiness to move forward with a transaction, usually a private one. A MT199 swift message is easily explained as a "chat" message.
NOR:	Notice of Readiness
PB:	Performance Bond
POF:	Proof of Funds. A note from a buyer's bank to the seller/seller's bank that money is available to complete the proposed transaction.
POP:	Proof of Product
Q & Q Report:	quantitative and qualitative record
RWA:	(Ready, Willing, and Able) A banking term meaning Readiness, Willingness and Availability of funds for a particular transaction.
SBLC:	Stand-By Letter of Credit. Is a financial guarantee or performance bond issued by a bank on behalf of a buyer. i.e. a written obligation of the issuing bank to pay a sum to a beneficiary on behalf of their customer in the event that the customer himself does not pay the beneficiary. The SL/C is regulated by the ICC-500 rules.
SGS:	(formerly Société Générale de Surveillance). This is an international company (SGS Group) who are the definitive quality/specification testing agency for many commodities. Their certificates are internationally accepted.
SPA:	Sale and Purchase Agreement
TSA:	Tank Storage Agreement/ Trans-Pacific Stabilization Agreement
TSR:	Tank Storage Receipt
TTT:	Tanker to Tanker Transfer. (Relates to a method of consignment for Crude Oil)
TTV:	Tanker to Vessel Transfer (relates to a method of consignment for Crude Oil)
UDTA:	Unconditional Dip Test Authorization