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PROCEDURE 3-2

FOB TRANSACTION PROCEDURE TANK TO VESSEL (TTV)

[NOT APPLICABLE FOR FIRST TRIAL]

1. Buyer sends **ICPO** to Seller.
2. Seller issues commercial invoice **CI**, for the available quantity to Buyer, Buyer Signs and returns to Seller along with **NCNDA/IMFPA** signed by all buyer groups with commission structures to issue the deal true Tank to Vessel.
3. Seller receives signed **CI** with **NCNDA/IMFPA** issues to Buyer (3days) Seller tank extension payment invoice for immediate storage payment.
4. Buyer proceeds with payment and send back transfer evidence confirmation copy to Seller for confirmations and storage activations.
5. Seller Legalized/Register **PPOP** documents including **UDTA** with the ministry of energy and issue to Buyer:
 - (A) Product passport
 - (B) Certificate of Origin
 - (C) Refinery commitment Letter to supply
 - (D) Company Certificate of Incorporation
 - (E) Unconditional Dip Test Authorization (**UDTA**)
 - (F) Fresh **SGS** Report
 - (G) Tank Storage Receipt (**TSR**)
6. Buyer verifies documents and proceeds with dip test in the Sellers tanks according to tank numbers in the **TSR**.
7. Buyer provides **Q88** and Authorization to inject from the shipping company.
8. Seller shall immediately submit the (**SGS** or **INTERTEK**) inspection Report along with the full Proof of Product (**POP**) to the Buyer including Notice of Readiness to Inject.
9. Seller commences injection into Buyer vessel and issued Injection Report to Buyer.
10. Upon the confirmation of the total quantity Injected into buyers' vessel, Buyer makes 100% payment by **MT103 TT** wire transfer for the total product.
11. Seller pays Commission to all intermediaries involved in the transaction within 24 hours after confirmation of the Buyer Payment.



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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**
- 2) To proceed with a first trial (min quantity) on **CIF** basis. (see CIF Procedure)

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Product	Sub-Product	UM	Min Quantity	Max Quantity
Jet Fuel	Aviation Kerosene Colonial Grade 54 (JET FUEL JP54)	BBL	500,000	10,000,000
Jet A-1	Aviation Turbine Fuel (JET A-1)	BBL	500,000	10,000,000
Diesel	Diesel D2 Gasoil Gost 305-2013	MT	50,000	500,000
Diesel	Diesel D6 Virgin Low Pour Fuel Oil	GLN	25,000,000	50,000,000
Diesel	Diesel Fuel EN590 Euro 5 (ULSD 10PPM)	MT	100,000	1,000,000

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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