



PETRACO

Third Floor, The Albany South Esplanade, St. Peter Port, Guernsey GY1 1AQ

To: END BUYER/ BUYER MANDATE
Via: BUYER'S REPRESENTATIVE

SOFT CORPORATE OFFER

We "PETRACO OIL COMPANY LTD", on behalf of our great establishment, with full legal responsibility under penalty of perjury hereby issue this Soft Corporate Offer with given terms and conditions as stated in this offer to confirm our readiness and to execute a Sales and Purchase Agreement with the end buyer, with the ability to supply the following commodities according to the terms and conditions stipulated in this soft corporate offer.

ORIGIN: GEORGIAN

INCOTERMS: FOB /CIF/TTO.

LOADING PORT: ROTTERDAM/ HOUSTON/ KULAVI/ BATUMI / NAKHODKA.

DESTINATION PORT: BUYER'S DESIRED PORT

PAYMENT TERMS: SBLC/DLC, T/T WIRE TRANSFER & MT103

INSPECTION: SGS, INTERTECK, CCI OR SIMILAR

INSURANCE: PAID BY SELLER COVERING 110% SHIPMENT VALUE

COMMISSION: 50/50 BETWEEN BUYER/SELLER BENEFICIARY AGENTS

PRODUCTS AND PRICE LIST

D2 – DIESEL GAS OIL L-02-62 GOST 305-82

Minimum Quantity: 50,000 Metric Tons per month

Maximum Quantity: 500,000 Metric Tons per month

Price on FOB: \$330.00 USD GROSS / \$320.00 USD NET

Price on CIF: \$370.00 USD GROSS / \$360.00 USD NET

Commission: Seller's Side \$5.00USD/ Buyer's Side \$5.00USD Per MT

EXPORT BLEND CRUDE OIL GOST 51 858-2002 /9965-76

Minimum Quantity: 1,000,000 Barrels per month

Maximum Quantity: 5,000,000 Barrels per month

Price on FOB: \$94.00 USD GROSS / \$92.00 USD NET

Price on CIF: \$98.00 USD GROSS / \$96.00 USD NET

Commission: Seller's Side \$2.00 USD/ Buyer's Side \$2.00 USD Per BBL

AVIATION KEROSENE COLONIAL GRADE 54 JETFUEL

Minimum Quantity: 2,000,000 Barrels per month.

Maximum Quantity: 4,000,000 Barrels per month

Price on FOB: \$98.00 USD GROSS / \$94.00 USD NET

Price on CIF: \$100.00 USD GROSS / \$96.00 USD NET

Commission: Seller's Side \$2.00 USD/ Buyer's Side \$2.00 USD Per BBL

AVIATION KEROSENE COLONIAL GRADE A1 JET FUEL A1

Minimum Quantity: 2,000,000 Barrels per month.

Maximum Quantity: 4,000,000 Barrels per month

Price on FOB: \$98.00 USD GROSS / \$94.00 USD NET

Price on CIF: \$100.00 USD GROSS / \$96.00 USD NET

Commission: Seller's Side \$2.00 USD/ Buyer's Side \$2.00 USD Per BBL

INN: 9909152423

okpo: 40389448





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#7 WORKING PROCEDURES STANDARD (CIF/AWSP)

- 1.) Buyer issues ICPO with Buyer letterhead and Buyer bank detail.
- 2.) Seller issues Draft Contract (open for any amendments) with (ICC) Prevention of Disregards and Breach of Contract per (ICC) three party agreement, to be endorsed by all three parties: this agreement is a guarantee the parties adhere to terms of the contract. Buyer signs, seals, returns Draft Contract to Seller for the final endorsement.
- 3.) Seller gives Partial proof of products.
 - a.) SGS Report
 - b.) Refinery Commitment to Supply.
 - c.) Certificate of Origin.
 - d.) Statement of availability of product.
 - e.) Product quality passport (Analysis test Report) By R.gost standard
- 4.) Within 5 banking days, Buyer bank sends SBLC/MT 760 or DLC/MT700 according to Seller's fiduciary bank verbiage to Seller nominated fiduciary offshore bank acct. for first month shipment. Should Buyer fail to issue payment instrument within 5 banking days, Buyer makes payment with Escrow Deposit USD (\$198,000) into Seller nominated Escrow Account, for security guarantee, to enable Seller Charter vessel to commence shipment. This payment shall be deducted from total cost of product after inspection at discharge port. Seller's Bank issues Full POP Documents to Buyer's bank with 2% Performance Bond (PB)
 - *A. Copy of license to export, issued by Department of 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 to the loading port.
 - *F. Copy of the port storage agreement.
 - *G. Copy of the charter party agreement to transport the product to discharge port.
 - *H. Copy of Vessel Questionnaire Q88.
 - *I. Copy of Bill of Lading.
 - *J. SGS Report at loading port.
 - *K. Dip test Authorization (DTA) & ATB
 - *L. NOR /ETA
 - *M. Certificate of Ownership Transfer.
 - *N. Allocation Transaction Passport Code Certificate (ATPCC) by Ministry of Energy.
 - *O. Seller will issue TSR upon successful verification of all documents.
- 5.) Shipment commences per signed Contract delivery schedule, the shipment should arrive at Buyer's discharge port within 5-25 days. SGS inspection borne by Seller at loading port and Buyer at unloading Port.
- 6.) Buyer releases payment to Seller by TT/MT103 upon receipt of shipping documents and confirmation of Product Q&Q Test Report by SGS/CIQ at destination port.
- 7.) Seller pays commission within 48 hours by Swift MT103 to all intermediaries as signed in the NCNDA/IMPFA.

#8 ALTERNATIVE WORKING PROCEDURES (CIF/AWSP)

1. Buyer issues ICPO must be with Buyer company letterhead and Buyer bank details.
2. Seller issues (SPA), Escrow Agreement Contract, with (ICC) Letter of Warning for the Prevention of Disregards and Breach of Contract, (ICC) three party agreements, Buyer countersigns and sends back to Seller and direct Copy to this agreement is a guarantee to for the parties to adhere to the terms of the contract.

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- A. SGS Report.
- B. Authorization to sell and collect.
- C. Statement of availability of product.
- D. Marine Data Analysis Report
- E. Passport of Product Result Q&Q.
- F. Registered, Legalized, Approved SPA.
- G. Endorsed Escrow Agreement Contract
- H. Certificate of origin GOST
- I. Charter Party Agreement (CPA)

3. Within 5 banking days, Buyer's bank sends SBLC via MT 760 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 \$ 220,000 by TT wire transfer for security guarantee into Escrow Account to guarantee both parties' capability to perform. 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.

- 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 contract to transport the product to the loading port.
- F. Copy of the port storage agreement.
- G. Copy of the charter party agreement to transport the product to discharge port.
- H. Copy of Vessel Questionnaire 88.
- I. Copy of Bill of Lading.
- J. SGS Report at loading port.
- K. Dip test Authorization (DTA) & ATB
- L. NOR /ETA
- M. Certificate of Ownership Transfer.
- N. Allocation Transaction Passport Code Certificate (ATPCC) by the Ministry of Energy.
- O. Seller will issue TSR upon successful verification of all documents.

- 4. Shipment commences as per signed contract delivery schedule and shipment should arrive at Buyer's discharge port within 5-25 days. SGS inspection borne by Seller at loading port and Buyer at unloading port.
- 5. Buyer releases payment to Seller by TT/MT103 upon receipt of shipping documents and confirmation of the Product Q&Q Test Report by SGS/CIQ at destination port.
- 6. Seller pays commission within 48 hours by swift MT103 to all intermediaries as signed per the NCNDA/IMPFA.

STAMP & SIGNATURE:
MR. VUKMAN JOSSIP
SALES & EXPORT DIRECTOR



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