

## **CIF NOMINATIONS,**

### **SHIPMENT & TRANSACTION PROCEDURES TO ANY SAFE PORT:**

#### **- China.port.**

Price \$11-\$4

1. Buyer & Seller sign and seal Sales & Purchase Agreement (SPA). Electronically signed copy of the SPA is legally binding and lawfully enforceable. Both parties lodge the fully executed SPA with their respective banks. Buyer sends Seller full details of the Receiving Port of Discharge (POD) to include full details of harbor master, shipping agency, Inspection Company etc. Buyer/Buying Companies must issue their detailed current/updated Client Information Sheet (CIS)/ KYC including passport/license data page of Buyer.

2(a). Buyer's Bank (Any Top 25 World Prime Bank), within three (3) banking days of submitting signed contract to both Banks. Buyer's bank shall issue a Standby Letter of Credit (Sblc MT760 ) with validation of ONE YEAR AND ONE DAY (1YEAR AND 1DAY) via swift to the Seller's fiduciary's nominated bank. Buyer shall send a copy of the swift of sblc mt760 to Seller. Seller confirms receipt of Buyer's sblc. This Sblc only acts as a guarantee for shipment, and the final payment shall be settled MT103.

2(b). Upon receipt of Buyer's dblv, the Seller shall provide a performance bond of 2% that is equivalent to two percent of the received Sblc mt760 amount.

3. Within Fifteen-Twenty (15-20) banking days, Seller nominates vessel and pays for charter. Seller will furnish both Buyer & Vessel Home-office/Foreign Handler with details of LAYCAN for their records.

NB: Fifteen-Twenty (15-20) banking days period involves Nominating the Vessel, Payment for Charter, Securing Laycan & Clearing Vessel with Customs, sailing Vessel into Loading Terminal & Actual Loading & Full Cargo Documentation.

4. Vessel is loaded and Seller Secures Full Cargo Documents and Title issued in both Seller's and Buyer's name to include:

Clean Ocean Bill of Lading, One (1) Original and Three (3) Copies.

Seller's Commercial Invoice, One (1) Original and Three (3) Copies.

Certificate of Origin issued by NNPC, One (1) Original and Three (3) Copies.

Certificate of Authenticity issued by NNPC, One (1) Original and Three (3) Copies.

Cargo Manifest, One (1) Original and Three (3) Copies.

Certificate of Quality, One (1) Original and Three (3) Copies.

Certificate of Quantity, One (1) Original and Three (3) Copies.

Master's Receipt for Samples.

Master's Receipt for Documents.

Tanker Ullage Report.

Tanker Time Sheet.

Charter Party Agreement.(NNPC IS THE SHIPPER NO NEED OF CPA)

Certificate of Ownership & Warranty of Title.

Q&Q Inspection Report Performed at Loading Port.(CALIBERATE INSPECTIONS ,LOCAL INSPECTORS ACCREDITED BY BONNY TERMINAL )

Other relevant documents related to the cargo.

NB: Non-negotiable electronic copies of some of these Above Cargo documents will be sent to the Buyer and Buyer's and Seller's Banks. Q&Q Inspection is conducted at the Buyer's POD and result released to both Buyer & Seller.

5. Vessel is loaded and Seller secures all documentation and outward clearance for loaded vessel to sail to Buyer disport. Seller shall not raise insurance cover on cargo even as loaded vessel captain sends Marine Notice of Readiness (NOR) to Buyer Shipping Agency at Disport. Buyer Shipping agent acknowledges NOR and reply their readiness to receive the cargo on behalf of the Buyer.

6. Vessel sails to Buyer's POD. Further ETA updates to be sent to Buyer's POD at ten (10) and five (5) days and then at forty-eight (48), twenty-four (24), and twelve (12) hours prior to arrival at POD. Upon arrival at Buyer's POD, vessel announces arrival to Port Authority/Navy. Buyer's shipping agency clears vessel into the POD Anchorage.

NB: The loaded vessel will only anchor in the international waters of the POD country pending Clearance from Buyer shipping agent. Any expenses; port charges, levies, security, tugging etc. that might arise as a result of vessel coming into the POD country harbor/port/terminal/storage or waters will be borne by the Buyer. All clearing processes will be carried out by the Buyer's Shipping Agent. If after seventy-two (72) hours upon vessel arrival and there is congestion at the port which thus causes delay, Buyer shall bear cost of demurrage.

7. Vessel is cleared into Buyer's Discharge Port, and Vessel Master issues a Marine Authority To Board (ATB) to Buyer's nominated Inspectors as per Buyer's format. Q&Q analysis is conducted at Buyer's expense. Inspection Agency must be either SGS, INTERTEK, SAYBOLT, CIQ or equivalent and must be acceptable to Seller. The final Q&Q report is sent to both Buyer and Seller respectively.

8. Upon receipt of the Inspector's Q&Q report by both Buyer & Seller. Seller issues the Final Commercial Invoice based on out-turn barrels inspected.

NB: The Calculated Price for The Final Commercial Invoice Shall Be Based on the Q&Q Report at POD and On The THREE-DAY AVERAGE OF DATED (DTD) BRENT Day of Closing. As Stated in The Daily Published PLATT'S CRUDE OIL MARKET-WIRE REPORT/EUROPEAN MARKET-SCAN.

9. Buyer's Bank makes Full Payment in USD to Seller's Nominated Bank Account and commissions to agents/facilitators account via Telegraphic Transfer within three (3) banking days of receiving the Final Commercial Invoice. Buyer's Bank will advise Seller's Bank by SWIFT or tested telex quoting the

value date of the transfer, the amount, the invoice number, and the clearing bank, if any. Such advice is to be sent in due time so as to enable Seller's Bank to credit Seller with value on due date.

NB: If Full Payment is NOT received within a maximum of five (5) banking days of Buyer receiving the Final Commercial Invoice, Full Cargo Document and Title on Cargo, Seller's Bank has the right to call the Buyer's Standby Letter of Credit (SbLC) for settlement of total value of cargo in accordance to item 4 outlined under the clause 7 herein.

10. Seller's Bank and agents banks confirm Payment and Seller sends Original Copies of all Shipping Documents, Title and Discharge Certificate to Buyer via 1st class Courier.

11. Seller instructs Vessel Master of Loaded Vessel to Discharge Cargo into Buyer's Storage Facility.