

S.C.O.

Ladies and gentlemen! We are pleased to offer you the following product:					
PRODUCT	AVIATION KEROSENE COLONIAL GRADE				
	JP54 JET FUEL				
MINIMUM LIFTABLE	4 MILLION BBLS MONTHLY				
MAXIMUM	10 MILLION BBLS MONTHLY				
FIRST LIFT	4 MILLION BBLS				
CONTRACT	12 MOUNTHS with R&E				
PRICE	Discount 7% of the PLATTS EUROPEAN				
	MARKETSCAN arithmetic mean price for the last				
	3 days before loading day of each LIFT				
ORIGIN	RUSSIA				
DELIVERY TERMS	FOB VLADIVOSTOK. The Buyer is responsible for				
	timely delivery for loading of its vessels.				
INSPECTIONS	SGS or Equivalent				

For additional payment CPT, CIP, CIF, CFR delivery is possible

Quality of Aviation Kerosene (JP54) delivered shall meet (but not limited to)

the below stated specification: COMPONENT	UNIT	67	MIN		MAX
DERIVED PRODUCT			AVIATION KEROSENE		
QUALITY		JET FUEL COLONIAL GRADE 54			
ORIGIN			RUSSIA		
ADDITIVES					
COMBUSTION PROPERTIES					
Antioxidant in hydro processed fuel	mg/l		min 17		max 24
Antioxidant non-hydro processed fuel		mg/l		max 24	
Static dissipater first doping ASA-3		mg/l		max 1	
Stadis 450	mg/l			max 3	
COMBUSTION PROPERTIES					
Composition					D 4000
1 80	net mj/kg		min 18.4		D4808
Smoke point	mm		min 19		D1322
45 D1740 Naphtalenes	% vol		max 3		D1840
PROPERTY					
Composition					

Total Acidity mg	KOH/g	max 0.01	354 D3242		
Aromatics	% vol	max 22.0	158 D1318		
Sulphur, Total	% mass	max 0.30	107 D1266/2622		
Sulphur, Mercaptan	% mass	max 0.003	342 D3227		
Doctor, test	30	· · · · · · · · · · · · · · · · · · ·	D4952		
VOLATILITY			·		
Initial Boiling Point	Centigrade	Max	Report 123 D96		
10% vol at C		240	·		
20% vol at C		Report	Report		
50% vol at C		Report	Report		
80% vol at C		Report			
End point	Centigrade	Max	300		
Recovered ridicules	% vol,	Max	1.5		
Loss	% vol,	Max	1.5		
Flesh Point	Centigrade	Max	42 170/303 D56/3828		

TRANSACTION PROCEDURE #1

1- Buyer issues ICPO with this working procedure and with fresh POF (according to the given format).

2- Seller Issues Commercial Invoice with tank receipt number and tank number of the product in Seller tanks in Vladivostok, Buyer signs and returns back Commercial Invoice with Tank Storage Agreement (TSA) from his Tank Company and/or his transport company to Seller.

3- Seller issues the Buyer the following POP documents:

Commitment Letter to Supply,

Product Passport (Analysis Result)

Authorization to Verify (ATV)

Tank Storage Receipt (TSR) with barcode and GPS Coordinates for Buyer to contact the Tank Farm to verify the product with Tank Farm Company operator.

4- Within 24/48 hours upon receiving the documents from Seller, Buyer proceeds to extend sellers leased Tanks for a minimum of 4 calendar days to enable his SGS team dip test on the product in the Seller Tanks.

5- Seller issues the Buyer the Dip test authorization.

6- Upon successful Dip Test in Seller's Tanks, Buyer makes payment for the first and last month LIFT via automatic SWIFT MT103.

7- Then, upon loading of each next consignment (except last month LIFT) into Buyer`s vessel, Buyer makes Payment for it via automatic SWIFT MT103.

TRANSACTION PROCEDURE #2

1- Buyer issues ICPO with this working procedure, including the details of the bank, which will issue SBLC for this deal).

2- Seller Issues FCO of the product to the Buyer.

3- Within 72 hours upon receiving FCO from Seller, Buyer issue SBLC in favor of Seller for the annual amount of the product.

4- Immediately after that the Seller issues a Lloyds performance-Bond to the Buyer for 5% of the total annual contract amount. And the received SBLC will only be valid after the Buyer receives the performance-Bond.

5- Seller issues the Buyer the Dip test authorization

6- Then, upon successful Dip Test in Seller's Tanks and loading into Buyer's vessel, Buyer makes revolving payment for each loaded consignment via automatic SWIFT MT103.

7- Upon payment for each LIFT, the total amount of issued SBLC automatically reduced for this payment amount, and after successful payment for the total annual amount of the product, the SBLC amount becomes zero.

Sincerely, Chairman of the Board of "DesignBureau" directors

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