



TO: End Buyer, Buyer Mandate

Our Ref: fgmc/72795-D2876

**We hereby issue this Offer with given terms and conditions as stated in this offer to confirm our readiness to execute a Sales and Purchase Agreement with end buyer, with the ability to supply the following commodity according to the terms and conditions as below.**

Product: Virgin Fuel Oil D6

Origin: Indonesia

Specification: as provided

Incoterms: FOB TTV

Spot Quantity: 50,000 MT

Price: Gross USD 350 MT / Net USD 330 MT

Commission: Seller \$10 / Buyer \$10

Inspection by: SGS or INTERTEK

Payments Terms: DLC-MT700 + MT103/TT

### **Procedure as below..**

1. The Seller issues the SCO to the Buyer/The Buyer Mandate.
2. The Buyer issues the ICPO to the Seller, detailing the following five pieces of information and transcribing the Sellers procedures.
  - (1) MT103/TT Bank details
  - (2) DLC-MT700 Bank details
  - (3) DLC-MT700 with the agreed verbiage
  - (4) The BUYERs CIS/KYC
  - (5) The BUYER's Company Registration.
  - (6) The BUYER's Passport Copy.
3. Upon the Seller's confirmation and acceptance of the Buyer's issuing DLC-MT700 bank, the Seller issues the Draft of SPA along with past Bill(s) of Lading authorized for disclosure by the refinery.

Note: The Buyer reviews, signs and stamps the SPA, then returns the SPA in Word Format to the Seller within 5 working days.

4. The Seller completes, signs, and sends the mutually signed the SPA to the Buyer, the SPA is to be lodged on each Party's banks respectively, the Seller issues to the Buyer with the following 1 invoice.

(1) Invoice for MT-799 Pre-advice to the Buyer, issued by the Seller.

5. Within five (5) banking days commencing from the date of receipt of the invoice in Point 4, the Buyer shall ensure that the MT799 Pre-Advice is issued in favor of the Seller at the Sellers designated bank.

Note 1: The MT799 Pre-Advice shall be issued in a free format.

Note 2: The Buyer shall provide the Seller with a copy of the SWIFT report for the MT799 Pre-Advice by the next day of its issuance

Note 3: In the event the Buyer fails to issue the MT799 Pre-Advice within the specified deadline, the procedure shall proceed to Point 8.

6. Within five (5) business days after the Seller confirms the receipt of the MT799 Pre-Advice at the Seller's designated bank account, the Seller shall issue to the Buyer the PPOP consisting of the three (3) documents listed below, along with the invoice for the DLC-MT700.

(1) Pre-Test Report, issued by Refinery.

(2) Pre-Shipping Instruction/Voyage, issued by Refinery.

(3) Confirmation Letter about Product Origin, Supply, and Quantity Confirmation, issued by Refinery

7. Within three (3) banking days commencing from the date of the Buyer's receipt of the PPOP, the Buyer shall ensure that the DLC-MT700 is opened in favor of the Seller at the Sellers nominated bank account.

Note 1: The verbiage of the DLC-MT700 shall be mutually agreed upon by both the Seller and the Buyer.

Note 2: The Buyer shall provide the Seller with a copy of the SWIFT report for the DLC-MT700 by the next day of its issuance.

Note 3: In the event that the Buyer fails to issue the DLC-MT700 within the prescribed timeframe, the process shall promptly proceed to Point 8 of the procedure

8. Should the Buyer fail to transmit the required MT799 Pre-Advice or the relevant DLC-MT700 within the prescribed timeframe, the Buyer shall pay a security deposit of USD 500,000 to the Sellers nominated account by swift MT103 as a performance guarantee to secure the allocation already reserved. This payment must be transferred to the no later than the day following the expiry of said deadline. This deposit shall be deducted from the invoice amount of the first shipment.

Note: The Buyer shall provide the Seller with a copy of the SWIFT report for the SWIFT MT103 by the next day of its issuance.



9. The Buyer's vessel shall berth at the loading port in accordance with the schedule set forth in the Shipping Instructions. And the Seller shall complete the loading of the product expeditiously once the Buyer's vessel has berthed.

10. Upon completion of loading, the Buyer shall share the Quality and Quantity (Q&Q) report, issued by an independent inspection company, with the Seller within twenty-four (24) hours.

Note: The independent inspection company appointed by the Buyer shall be subject to the prior approval of the Seller

11. Upon a successful Q&Q inspection report, the Buyer is required to remit 100% of the total product amount to the Seller's nominated bank account via MT103 within a strict timeframe of twelve (12) hours.

Note: The Buyer shall provide the Seller with a copy of the SWIFT report for the SWIFT MT103 by the next day of its issuance.

12. Upon receipt of the Sailing Clearance from PERTAMINA, the Buyer's vessel shall promptly proceed to the designated discharge port.

13. The Intermediaries shall be paid their designated commissions, and subsequently, the parties shall proceed with the next loading schedules as per the terms and conditions of the Sales and Purchase Agreement (SPA)

## **D6 LPFO Test Specifications**

Pls feel free to contact us for further discussion

Sincerely

Fugo Materials