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## **THE CIF PROCEDURE**

1. Buyer Issues LOI along with company profile, Company Registration Document and the Product Specification
2. Seller issues FCO includes buyer Product Specification
3. Buyer sign and return this FCO along confirmed Product-Specifications, and Company Registration, Buyer Information Sheet and returns all to Seller along with a verifiable proof of fund
4. Seller issues draft SPA for Buyer's review and after endorsement returns to Seller after which both parties lodge SPA with their respective Banks.
5. Seller issues Proforma Invoice for First Lift/First Delivery.
6. Buyer's Bank issues to seller bank, draft irrevocable Confirmed DLC (as per UPC 600) payable at sight at Port of Discharge for seller's bank approval
7. In response to the draft, Seller bank will issue a pre-advice 2% PBG Swift to buyer bank
8. Buyer bank will issue a pre-advice DLC via Swift and which will be activated with the 2% PB at the same time between both the banks
9. Upon Seller's Bank approval of DLC, within 7-10 working days Seller's Bank sends to Buyer's Bank following original legal documents:
  - a. Fresh SGS report or equivalent; not older than 72 hours,
  - b. Certificate of Origin,
  - c. Company Registration Certificate,
  - d. Charter party agreement (Q88).
  - e. Seller's Bank also sends a Loading and Delivery schedule.
10. After a maximum of 10 working days ( of DLC confirmation) Seller loads First Lift/Trial Shipment at Port of Loading.

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11. After loading, Seller's Bank sends to Buyer's Bank Commercial Invoice and full set of Bill of Lading.
  12. At Port of Discharge Buyer organizes Q&Q by SGS and after positive report Buyer's Bank releases full CI amount to Seller's Bank-account following DLC and simultaneously Title of Ownership is transferred.
  13. After successful completion of First Lift/Trial Shipment further supply continues following SPA, whereby timing of deliveries is planned and agreed upon beforehand between Seller and Buyer in a separate Loading and Delivery schedule.
  14. Seller pays commissions to Seller side intermediaries and Buyer pays to Buyer side intermediaries / as agreed in the IMFPA

**Mandatory Note / Compliance Required**

1. Prior to the loading commencement, the buyer must present the Buyer's confirmed Storage facility at discharge port for Seller's verification
2. Buyer is always entitled to do an additional Q&Q by SGS or equivalent international agency on Buyer's own expense.
3. For china - Payment confirmation after CIQ is not acceptable. It shall be against the load port documents or buyer can conduct additional SGS / the same inspection agency of international repute who conducted the inspection at load port
4. Require to receive Passport of Authorized representative, Copy of Import license during SPA stage