

NIKVAL PETROL CHEMICAL

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To: End Buyer/End User/Mandate/Agent.

RefSCO/TY567H-BW

Date issues: 25-01-2014. Valid 24-06-2014

SOFT CORPORATE OFFER

We, NIKVAL PETRO-CHEMICAL, on behalf of our end seller hereby issue this SOFT CORPORATE OFFER with given terms and conditions and confirm our Sellers readiness to execute the Sales and Purchase Agreement with the end buyer, for the following product:

PRODUCT	QUANTITY (from MIN to MAX)	PRICE/CIF
Fuel Oil Mazut M-100		
GOST 10585-75	50.000 MT – 400.000 MT	US\$420 gross / \$390 net
GOST 10585-99	100.000 MT – 300.000 MT	US\$410 gross / \$380 net

COMMISSION: The mark-up is USD 30.00 per MT = gross price. USD 10.00 of this mark-up is closed for the seller-mandate and seller facilitators to be apportioned as per mutual agreement. USD 20.00 is closed for buyer mandate(s).

PROCEDURE FOR SELLING THE PRODUCT:

1. Buyer issues ICPO.
2. Seller issues FCO.
3. Buyer signs and returns FCO.
4. Seller issues draft contract open for amendments.
5. Buyer signs and seals the draft contract and sends via e-mail to seller with a letter of acknowledgement and scanned copies of the buyer's company registration license and passport copy of buyer.
5. Seller issues Allocation Certificate of the product, Certificate of ownership and Passport of the product to the buyer.
6. Seller registers the contract. Buyer bonds the change of ownership and Title Documents through the Ministry of Energy that is in charge of Ownership Title of the product from the Seller name to the Buyer's name as legal owner to be approved for export to destination Port.
7. Judicial Broker Company sends the registered contract and POP documents to the buyer together with the Charter Party Agreement.
- A. Copy of License to Export issued by the department of the Russian Ministry of Energy, Russian Federation;
- B. Copy of Approval to Export issued by the department of the Russian Ministry of Justice, Russian Federation;
- C. Copy of statement of Availability of the product.
- D. Copy of the refinery commitment to produce the product.
- E. Copy of Deeds/Title Ownership.



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8. Seller Company appoints a shipping company and sends to the buyer the full details of the shipping company.

9. Buyer contacts shipping company and signs shipping agreement with the shipping company and procures insurance policy. The Shipping Company releases the following document to the buyer/seller:

- a. Copy of shipping scheduled document.
- b. Copy of shipping particulars.
- c. Copy of custom clearance certificate.
- d. Copy of SGS Report.
- e. Copy of license to export, issued by the department of the ministry of energy.
- f. Copy of approval to export, issued by the department of the ministry of justice

10. Seller issues 2% Performance Bond Guarantee & full POP via SWIFT to Buyer Bank. Buyer Bank reply with irrevocable revolving Non-transferable documentary letter of credit to seller bank and the assignee names by means of prime 50 first world ranking bank's guarantee Model ICC458 acceptable in written by Buyer and if Seller Company fails to supply the cargo of the product this 2% PBG will be paid to buyer.

- A. Copy of License/permit to export, issued by the department of the ministry of energy, Russian Federation.
- B. Copy of Approval to export, issued by the department of the ministry of Energy, Russian Federation.
- C. Copy of statement of availability of the product.
- D. Copy of the refinery commitment to produce the product.
- E. Copy of the pipeline corporation contract to transport the product to the loading port.

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- F. Refinery certificate of product.
 - G. Copy of the port storage agreement.
 - H. Copy of the charter party agreement(s) to transport the product to discharge port.
 - I. Copy of tank storage receipt.
 - J. DIP test authorization letter.
 - K. Copy of SGS report.
 - 11. Delivery commence as per contract. (First Shipment commences within 14-20 days).
- Seller's bank valid shipping documents which shall include the following:
- A). Charter Party Agreement and Full Set (3 Original and 3 Copies) of Clean on Board Bill of Lading made out to order; Bank endorsed and Marked: "Freight Pre-Pay", indicating the name of the carrying vessel with the buyer as the "Notifying Party".
 - B). Certificate of Origin in 1 (one) Original plus 3 (Three) copies countersigned by a local Chamber of Commerce.
 - C). Shipping advice indicating, designated vessel name, Loading Port, Estimated Loading Time, Estimated time of departure, Estimated time of Arrival in Destination Port (Full ETA).
 - D). Signed Commercial Invoice in 1 (one) Original plus 3 (Three) copies indicating the contract number and the name of the Carrying vessel, the number of the contract, number of L/C, customer reference no., number of B/L and date of B/L.
 - E). Certificate of Change Ownership in 1 (one) Original plus 3 (Three) copies.
 - F). Quality Certificate issued by SGS in 1 (one) Original plus 3 (Three) copies at the Loading Port.
 - G). Quantity Certificate issued by SGS in 1 (one) Original plus 3 (Three) copies at the Loading Port.
 - H). Quality Certificate issued by SGS in 1 (one) Original plus 3 (Three) copies at the Destination Port.
 - I). Quantity Certificate issued by SGS in 1 (one) Original plus 3 (Three) copies at the Destination Port.
 - J). Insurance Policy issued by a Prime international insurance company for 110% DLC value covering all mariner risks, war risks, hijacking and explosion indicating that the beneficiary is the Buyer in 1 original and 3 copies.
 - K). Confirmation of ship's Master receipt in 4/4 of sealed control (Arbitration) samples.
- 11. All brokers and mandates will be paid as per agreement on the commission Issued and Signed.
 - 12. The SGS inspection will be borne by Seller Company at the loading port and Buyer at the unloading port.
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 - 13. Delivery commence as scheduled. Buyer release payment to Seller Company via Swift Fund Transfer within 7 banking days after the discharge of cargo and receipt of the entire relevant shipping document for immediate negotiation and credited at Buyer's Bank Account.

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- a. Copy of license to export, issued by the department of the Ministry of Energy, Russian Federation.
- b. Copy of Approval to Export, issued by the Ministry of Justice, Russian Federation.
- c. Copy of statement of availability of the product.
- d. Copy of the refinery commitment to produce the product.
- e. Copy of Transneft contract to transport the product to the loading port.
- f. Copy of the port storage agreement
- g. Copy of the charter party agreement(s) to transport the product to discharge port.
- i. Copy of Tank Receipt.
- j. Copy of Vessel Questionnaire Q88.
- k. Copy of SGS Report

Nikitin Valentinovich

