

Seller's PROCEDURE

Following Points needs to be strictly followed by the Buyer before starting and during the process of completing the deal:

Buyer should send LOI Address to the End Seller, Through: KAPTAAN BUSINESS SOLUTIONS, Email: globaltrade@kaptaanbs.com

LOI Should Include Target Price, Quantity and Destination Port (Remember we only do CIF orders therefore, Payment terms should be included as:

Payment Terms: Irrevocable SBLC/DLC revolving at Destination Sight Payment through MT103

After approval of below given CIF procedures and after confirmation of the price seller will send you FCO including the same procedure and price as approved before.

Buyer will send ICPO Including and attaching strictly the following documents.

- (1) Below given Procedure in the FCO (word by word it should be same as in FCO)
- (2) Passport of the Buyer
- (3) Company registration (Signature of the signatory should match the passport signature of the buyer)
- (4) Copy of the SBLC/DLC Verbiage of the buyer should be attached in ICPO for approval of the Seller's Bank

(Without these above 4 points ICPO will be rejected by the seller)

After buyer sends ICPO seller will issue SPA Including the approved verbiage of the buyer

After signing of the SPA within 3 Days buyer Should and Must issue MT799 followed by MT700

Note: If buyer asks for past performance or SGS report from the seller then buyer needs to send Past Buying Performance Report in ICPO then only seller will provide past performance after buyer opens MT799)

CIF Procedure for Fuels

Buyer issues ICPO addressed to Seller address to Seller through Seller representative, together with the Buyer's company profile.

Seller conducts due diligence, approves and issues draft Contract (Sales & Purchase Agreement) and Performa Commercial Invoice for one month cargo Face value, for all parties' review, amendment and endorsement.

Buyer approves, signs, seals and sends the Sales & Purchase Agreement to Seller via email along with copy of the buyer company registration, signatory passport copy and Performa Commercial Invoice.

Seller registers, legalizes and notarizes the hard copy of the signed and sealed Sales and Purchase Agreement and sends via email the scanned certified true copy to Buyer as an advance copy.

Both parties lodge the final Contract with their respective banks.

Buyer's issuing bank issues SWIFT MT-199 to Seller's receiving bank irrevocably confirming with full bank responsibility that Buyer's issuing bank, on behalf of their Buyer/client, is ready, willing and able to issue and deliver the financial instrument, IRREVOCABLE, NON-TRANSFERABLE, CONFIRMED, REVOLVING DOCUMENTARY LETTER OF CREDIT (DLC) via SWIFT MT-700 in accordance with the Seller bank's verbiage in favor of the Seller's beneficiary. within three (3) working days after receipt of the notarized Sales and Purchase Agreement from the Seller.

After confirmed receipt by the Seller's bank of Buyer bank's SWIFT MT-199, Seller issues and sends the below Partial POPs (Proof of Products) to the Buyer via secured e-mail:

- a. Certificate of Origin
- b. Signed Commercial Invoice
- c. Statement of Product Availability
- d. Refinery Commitment to Produce and Supply the Product
- e. Refinery Registration Certificates
- f. Refinery Export Certificate, issued by the Department of the Ministry of Energy
- g. Product Passport

Buyer's bank issues and sends an IRREVOCABLE, NON-TRANSFERABLE, CONFIRMED, REVOLVING DOCUMENTARY LETTER OF CREDIT (DLC) via SWIFT MT700 in the amount equivalent to one month cargo delivery's face value to Seller's bank within five (5) working days from receipt of the PPOPs from the Seller. Should Buyer fails to issue said bank instrument within five (5) working days, Buyer will make cash deposit of \$330,000 USD via SWIFT MT-103/TT/Wire Transfer for security guarantee to enable Seller to charter vessel and commence shipment. This payment will be deducted from the total cost of product after inspection at discharge port, otherwise legal action will be taken against the Buyer for default.

NOTE: Should the Buyer not be able to fulfill said financial obligations, all costs incurred by the Seller will be subject to recovery from the Buyer in full favor of the Seller.

After receipt of the financial instrument by the Seller's Bank, Seller's bank responds by issuing the 2% Performance Bond to Buyer's Bank.

Seller issues the below Full POPs (Proof of Products) to the Buyer's secured email:

- a. Copy of the Export Permit
- b. Copy of Transnet Contract to transport the product to the loading port.
- c. Copy of the Port Storage Agreement

- d. Copy of the Charter Party Agreement/s (CPA)
- e. Copy of Tank Receipt.
- f. Copy of Vessel Questionnaire 88
- g. Copy of Bill of Lading.
- h. Copy of Dip Test Report by surveyor at loading Port
- i. Dip Test Authorization.
- j. Authorization to Verify
- k. Authorization to Board
- l. ETA – Vessel Estimated Time of Arrival

Shipment commences within 5 (five) working days from the receipt and acknowledgment of the Buyer's financial instrument or Buyer's security guarantee deposit (should the Buyer fails to issue financial instrument), and arrival of the vessel tanker at the discharge port will be 15 to 25 calendar days. Upon arrival of the cargo at the discharge port, the Buyer conducts Dip test or Q&Q inspection at Buyer's cost.

Seller transfers the Title Ownership to Buyer. Buyer's bank upon arrival of the cargo at the discharge port, issues full payment for the total product via MT103/TT Wire Transfer within three (3) working days after confirmation of the Q & Q by Independent surveyor /CCIC (successful dip test) on the vessel at discharging port.

Succeeding shipping commences as per contract.

ICPO must be clearly indicated. Otherwise, the document has no legal value; the documents must be fresh (recent date – the most 1-3 days old max.). The letterhead of the Company requesting the commodity must correspond to the Bank Account Holder on the banking information provided. Please refer to the attached International Standard Specification for Fuels. We look forward to a successful business relationship with your esteemed company.

CIF Procedure for All Other Products

Buyer issues ICPO addressed to Seller address to Seller through Seller representative, together with the Buyer's company profile.

Seller conducts due diligence, approves and issues draft Contract (Sales & Purchase Agreement) and Performa Commercial Invoice for one month cargo Face value, for all parties' review, amendment and endorsement.

Buyer approves, signs, seals and sends the Sales & Purchase Agreement to Seller via email along with copy of the buyer company registration, signatory passport copy and Performa Commercial Invoice.

Seller registers, legalizes and notarizes the hard copy of the signed and sealed Sales and Purchase Agreement and sends via email the scanned certified true copy to Buyer as an advance copy.

Both parties lodge the final Contract with their respective banks.

Buyer's issuing bank issues SWIFT MT-199 to Seller's receiving bank irrevocably confirming with full bank responsibility that Buyer's issuing bank, on behalf of their Buyer/client, is ready, willing and able to issue and deliver the financial instrument, IRREVOCABLE, NON-TRANSFERABLE, CONFIRMED, REVOLVING DOCUMENTARY LETTER OF CREDIT (DLC) via SWIFT MT-700 in accordance with the Seller bank's verbiage in favor of the Seller's beneficiary. within three (3) working days after receipt of the notarized Sales and Purchase Agreement from the Seller.

After confirmed receipt by the Seller's bank of Buyer bank's SWIFT MT-199, Seller issues and sends the below Partial POPs (Proof of Products) to the Buyer via secured e-mail:

- a. Certificate of Origin
- b. Signed Commercial Invoice
- c. Statement of Product Availability
- d. Refinery Commitment to Produce and Supply the Product
- e. Refinery Registration Certificates
- f. Refinery Export Certificate, issued by the Department of the Ministry of Energy
- g. Product Passport

Buyer's bank issues and sends an IRREVOCABLE, NON-TRANSFERABLE, CONFIRMED, REVOLVING DOCUMENTARY LETTER OF CREDIT (DLC) via SWIFT MT700 in the amount equivalent to one month cargo delivery's face value to Seller's bank within five (5) working days from receipt of the PPOPs from the Seller. Should Buyer fails to issue said bank instrument within five (5) working days, Buyer will make cash deposit of \$330,000 USD via SWIFT MT-103/TT/Wire Transfer for security guarantee to enable Seller to charter vessel and commence shipment. This payment will be deducted from the total cost of product after inspection at discharge port, otherwise legal action will be taken against the Buyer for default.

NOTE: Should the Buyer not be able to fulfill said financial obligations, all costs incurred by the Seller will be subject to recovery from the Buyer in full favor of the Seller.

Seller issues NCNDA/IMFPA to all concerned intermediaries.

Seller issues the below Full POPs (Proof of Products) to the Buyer's secured email:

- (a) Original quantity and quality certificates plus two (2) copies as issued at the designated Port in Russia by an Independent Surveyor Company.
- (b) Certificate of Origin plus two (2) copies countersigned by a local Chamber of Commerce
- (c) Signed Commercial Invoice based on the delivered quantity/quality as determined by clause of this Contract
and Owner Title
- (d) Statement of Product Availability

- (e) Commitment to Supply the Product
- (f) Seller Registration Certificate
- (g) Seller's Export Permit
- (h) Copy of the Charter Party Agreement/s to transport the product to discharge port
- (i) Vessel Questionnaire 88 (Q88)
- (j) Copy of Bill of Lading
- (k) Nominated international Surveyor Company Report /Fresh at loading port

Shipment commences within 5 (five) working days from the receipt and acknowledgment of the Buyer's financial instrument or Buyer's security guarantee deposit (should the Buyer fails to issue financial instrument), and arrival of the vessel tanker at the discharge port will be 23 to 28 calendar days. Upon arrival of the cargo at the discharge port, the Buyer conducts Dip test or Q&Q inspection at Buyer's cost.

Seller transfers the Title Ownership to Buyer. Buyer's bank upon arrival of the cargo at the discharge port, issues full payment for the total product via MT103/TT Wire Transfer within three (3) working days after confirmation of the Q & Q by Independent surveyor /CCIC (successful dip test) on the vessel at discharging port.

Seller pays commission to intermediaries as per NCNDA/IMFPA within forty-eight (48) after confirmed receipt of Buyer/s payment via MT103/TT Wire Transfer.

Succeeding shipping commences as per contract.

Order Products

We usually complete documentation procedure for our buyer's orders within 7 working days including SPA contract. Make sure you are ready with Buyer's ICPO, Bank Draft Verbiage and Banking Instruments like SBLC/DLC etc. If buyer is ready with all required documents and ready to order, then you can contact us now.

Contact Us

Corporate Office Address: KAPTAAN BUSINESS SOLUTIONS
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