



# KAPTAAN BUSINESS SOLUTIONS

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PRIVATE AND CONFIDENTIAL  
SUBJECT TO CONTRACT

## Procedures For Fuels, Metals & Other Products

**(Pick the Procedure & Include It in Your LOI/ICPO)**

### **Fuels Procedure No.1 :**

1. Buyer issues ICPO addressed to Seller through Seller representative, along with the Buyer's company profile.
2. Seller conducts due diligence, approves, and issues a draft Contract (Sales & Purchase Agreement) and Performa Commercial Invoice for one month cargo Face value for all parties' review, amendment, and endorsement.
3. Buyer approves, signs, seals, and sends the Sales & Purchase Agreement to Seller via email, along with a copy of the buyer company registration, signatory passport copy, and Performa Commercial Invoice.
4. Seller registers, legalizes, and notarizes the hard copy of the signed and sealed Sales and Purchase Agreement, sending the scanned certified true copy to Buyer via email as an advance copy.
5. Both parties lodge the final Contract with their respective banks.
6. Buyer's issuing bank issues SWIFT MT-199 to Seller's receiving bank, confirming readiness to issue IRREVOCABLE, TRANSFERABLE/NON-TRANSFERABLE, CONFIRMED, REVOLVING DOCUMENTARY LETTER OF CREDIT SBLC MT 760 OR (DLC) via SWIFT MT-700 within three (3) working days after receipt of the notarized Sales and Purchase Agreement from the Seller.
7. After confirmed receipt of Buyer bank's SWIFT MT-199, Seller issues and sends Partial POPs (Proof of Products) to the Buyer via secured e-mail, including Certificate of Origin, Signed Commercial Invoice, Statement of Product Availability, Refinery Commitment to Produce and Supply the Product, Refinery Registration Certificates, Refinery Export Certificate, and Product Passport.
8. Buyer's bank issues IRREVOCABLE, TRANSFERABLE/NON-TRANSFERABLE, CONFIRMED, REVOLVING DOCUMENTARY LETTER OF CREDIT SBLC MT 760 OR (DLC) via SWIFT MT700 within five (5) working days from receipt of the Partial POPs from the Seller. If not, Buyer makes a cash deposit of \$330,000 USD via SWIFT MT-103/TT/Wire Transfer for security guarantee.
9. After receipt of the financial instrument by the Seller's Bank, Seller's bank issues a 2% Performance Bond to Buyer's Bank.
10. Seller issues Full POPs to the Buyer's secured email, including Copy of the Export Permit, Copy of Transnet Contract, Copy of Port Storage Agreement, Copy of Charter Party Agreement, Copy of Tank Receipt, Copy of Vessel Questionnaire 88, Copy of Bill of Lading, Copy of Dip Test Report, Dip Test Authorization, Authorization to Verify, Authorization to Board, and ETA – Vessel Estimated Time of Arrival.
11. Shipment commences within 5 working days from the receipt and acknowledgment of the Buyer's financial instrument or Buyer's security guarantee deposit.
12. Upon arrival of the cargo at the discharge port, the Buyer conducts Dip test or Q&Q inspection at Buyer's cost.

13. Seller transfers the Title Ownership to Buyer.
14. 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 on the vessel at the discharging port.
15. Succeeding shipping commences as per contract.

Please note the critical points for successful completion of the transaction. The ICPO must be clearly indicated, and 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. Refer to the attached International Standard Specification for Fuels for further details.

## **Fuels Procedure Transaction Procedure TTO/OPL/STS No. 2:**

1. Buyer accepts the seller's offer/Procedure, and Buyer will issue an ICPO, CP and Passport Copy.
2. The seller will issue MOU, Bill of Lading and Cargo Marine Insurance Agreement to Buyer for Buyer Endorsement and obtain Cargo Marine Insurance Certificate.
3. Upon signing and returning the MOU and Cargo Marine Insurance Certificate. All party sign NCNDA/IMFPA.
4. The seller will issue the following POP documents and order the re-routing of the vessel to the buyer's desired port and transfer the title to the potential buyer's company's name.
  - a) Product Passport (Quantity & Quality Dip Test Analysis Report)
  - b) Certificate of Origin
  - c) Commitment to Supply
  - d) Ullage Report
  - e) Cargo Manifest
  - f) Vessel Q88
  - g) Title Transfer Invoice
  - h) Fresh SGS Report
  - i) Injection Report
5. The vessel will arrive at the discharge port, and the buyer will carry out the CIQ/SGS inspection. Upon successful inspection, the buyer will make the full payment for the product to the seller through MT103 T/T.

## **Fuels Procedure No. 3 :**

### **CIF Transaction Terms and Procedure (Allocation Procurement)**

1. Buyer issue LOI, seller issue FCO for buyer to sign and return with following below:
  - a) Buyer official Irrevocable Corporate Purchase Order (ICPO).
  - b) Buyer company certificate of business incorporation/ registration.
  - c) Buyer Company comprehensive profile.
  - d) Buyer's Copy of identification materials (international passport).
2. Seller issue Draft Contract to buyer for review/countersign forward back to seller with acceptance letter, and buyer pay Allocation Procurement cost.
3. Seller issue Product Passport/Company Certificate to buyer, buyer open BG/MT760 to Seller fiduciary agent bank from top 25 banks in the world for total products value of one-month shipment with validation of one year and one day.

4. Seller ships out the cargo to the buyer destination port and sets of Full POP documents below to buyer/delivery documents send to buyer below. All party sign NCNDA/IMFPA.
  - a) Certificate of Authenticity.
  - b) Bill of Lading.
  - c) Q88.
  - d) Fresh SGS Report (At Loading Port)
  - e) Packing List Certificate.
  - f) Export Clearance Permit.
  - g) Insurance Policy.
  - h) Commercial Invoice.
  - i) Company registration certificate.
  - j) Certificate of origin GOST.
  - k) Passport of the Product.
  - l) Commitment to Supply.
  - m) Statement of Availability of the Product.
  - n) Export clearance Affidavit.
  - o) Registered, Legalized, Approved SPA.
5. The Buyer makes the product payment in full via MT-103/TT and seller fiduciary agent bank will return BG/760 to buyer. Seller transfers the Title Ownership to the Buyer Company and the Seller pay commissions to all involved via NCNDA/IMFPA.

### **Fuels Procedure No. 4 :**

#### **FOB CI DIP & PAY Transaction Procedure**

1. Seller mandate issues SCO, buyer issues official ICPO including buyer company certificate and buyer international passport to the seller.
2. Seller Acknowledges Buyer ICPO and issues Commercial Invoice, Buyer signs and return back Commercial Invoice (CI) along with Tank Storage Agreement (TSA).
3. Seller provides Buyer with the Below Listed PPOP.
  - a) Certificate Of Origin
  - b) Dip Test Authorization (DTA).
  - c) Injection Report (IR)
4. Buyer endorse DTA with his Tank Farm or Extend Seller Tank to enable Buyer to receive full GPS coordinates of the tanks, Hub Numbers, Terminal Access Permit to dip test in Seller Tank and obtain fresh SGS Report.
5. After a successful Dip Test in Seller's tanks, Buyer takes over seller's tank or Seller injects into buyer's vessel / Tank and the buyer makes the payment for the total value of the product injected into the tanks through the means of MT103-TT.
6. Upon seller receives the payment for the product from the buyer, the seller issues to the buyer the Title ownership of the product and all exporting documents of the Product. The seller pays all Intermediaries involved in the transaction.

## **Metals Products Procedure No. 5:**

### **Non- Negotiable Transaction Procedure For Metal Products**

1. Buyer issues LOI.
2. Seller issues FCO.
3. Buyer approves, signs, and returns FCO + CIS.
4. Buyer issues ICPO WITH POF (can be BCL or RWA). OPTIONAL.
5. Seller issues SPA draft.
6. Buyer studies, amends, or signs SPA. If no amendment, then returns it to Seller for countersigning.
7. Seller returns the amended contract duly signed and sealed as the final contract to Buyer, together with the Pro-forma Invoice.
8. Buyer opens Non-Transferable SBLC MT 760 OR DLC MT-700/DLC MT-700 for 100% invoice amount of each shipment from a top 50 prime Bank. (WE DO NOT ACCEPT DLC IN THE FORM OF MT-720).
9. After receiving operative DLC/SBLC, Seller issues 2% PB: A. Guaranteed by Irrevocable, Confirmed, Non-Transferable, and Divisible SBLC MT760 from one of the top 50 banks. B. 100% Payment by MT103/TT within 3 banking days after the receipt of the shipping documents, including Bill of Lading and the SGS Report at the Port of Destination.
10. Shipping begins 20 to 30 days after Seller receives the LC.
11. SGS inspection arranged and paid by the Seller at the loading port. A copy of the SGS Report will be emailed to the Buyer.
12. Shipment arrives. SGS inspection arranged and paid by the Buyer at the destination port. A copy of the SGS Report will be emailed to the Seller on the same day that it is received by the buyer.
13. Seller issues final Commercial Invoice.
14. Buyer pays 100% of the Commercial Invoice by TT Wire Transfer MT103 within 2 banking days after receiving the shipping documents, including Bill of Lading and the SGS Report done at the destination Port.
15. The next shipment commences as per the shipping schedule in the SPA.
16. All Pre-Shipment Documents shall be shared by the Seller, and all Post-Shipment Documents shall be shared by the end Supplier.
17. DLC is received as a payment guarantee and will be issued to the end Seller's fiduciary partner bank account only.
18. Buyer's Visit and POP are only available after an operative DLC is received in the Seller's bank.
19. One of the Past Performance redacted documents is only available after signing the SPA.
20. **We do not accept DLC in the form of MT-720. The buyer shall issue SBLC MT 760 OR DLC – MT-700 to the seller without routing it through an intermediary.**

#### **SPECIAL NOTE:**

1. In principle, we do not share past performance documents, proof of product (POP), or product videos. However, in cases where it is feasible, such information will be shared via email with the end buyer only after the receipt of an operative Letter of Credit (LC) and the specified documents outlined below.
2. The company issuing the Letter of Intent (LOI) / Irrevocable Corporate Purchase Order (ICPO) or the end buyer must share the last three months' bank statements or a current dated Bank Comfort Letter (BCL) along with the last six months' customs clearance (bill of entry) in the name of the end buyer.
3. Note: The Standby Letter of Credit (SBLC) / Documentary Letter of Credit (DLC) shall be issued by the buyer in favor of the seller's fiduciary partner.
4. All legitimate documents, such as the General Administration of Customs of China (GACC) / Specific Information Filing (SIF), comply with the customs rules and regulations of the destination country. These documents will be included as part of the shipping documents and will be available with us. We will not share the documents before shipment.
5. During the contract's duration, if both the buyer and seller find the need to amend the terms of the agreement, and if agreeable to both parties, such amendments may be executed through a supplementary agreement. Details regarding packaging, delivery schedule, vessel discharges, and laycan will be included in the Sales and Purchase Agreement (SPA).

## **Other Products Procedure No. 6 : Non- Negotiable Transaction Procedure**

1. Buyer issues ICPO addressed to Seller through Seller representative, along with the Buyer's company profile.
2. Seller conducts due diligence, approves, and issues a draft Contract (Sales & Purchase Agreement) and Performa Commercial Invoice for one month cargo Face value. All parties review, amend, and endorse the documents.
3. Buyer approves, signs, seals, and sends the Sales & Purchase Agreement to Seller via email, along with a copy of the buyer company registration, signatory passport copy, and Performa Commercial Invoice.
4. Seller registers, legalizes, and notarizes the hard copy of the signed and sealed Sales and Purchase Agreement. The Seller sends the scanned certified true copy to the Buyer as an advance copy via email.
5. Both parties lodge the final Contract with their respective banks.
6. Buyer's issuing bank issues SWIFT MT-199 to Seller's receiving bank, confirming with full bank responsibility that the Buyer's issuing bank is ready to issue an IRREVOCABLE, TRANSFERABLE/NON-TRANSFERABLE, CONFIRMED, REVOLVING DOCUMENTARY LETTER OF CREDIT SBLC Via SWIFT MT 760 OR (DLC) via SWIFT MT-700 within three (3) working days after receiving the notarized Sales and Purchase Agreement from the Seller.
7. After the Seller's bank confirms the receipt of the Buyer bank's SWIFT MT-199, Seller issues Partial POPs (Proof of Products) to the Buyer via secured e-mail, including:
  - 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 g. Product Passport
8. Buyer's bank issues an IRREVOCABLE, TRANSFERABLE/ NON-TRANSFERABLE, CONFIRMED, REVOLVING DOCUMENTARY LETTER OF CREDIT SBLC Via SWIFT MT 760 OR (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.
9. Seller issues NCNDA/IMFPA to all concerned intermediaries.
10. Seller issues Full POPs (Proof of Products) to the Buyer's secured email, including:
  - a. original quantity and quality certificates
  - b. Certificate of Origin
  - c. Signed Commercial Invoice
  - 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
  - i. Vessel Questionnaire 88 (Q88)
  - j. Copy of Bill of Lading
  - k. Nominated international Surveyor Company Report/Fresh at loading port

11. Shipment commences within 5 (five) working days from the receipt and acknowledgment of the Buyer's financial instrument or Buyer's security guarantee deposit. The arrival of the vessel tanker at the discharge port will be 23 to 28 calendar days.
12. Upon arrival, the Buyer conducts Dip test or Q&Q inspection at Buyer's cost.
13. 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 on the vessel at the discharging port.
14. Seller pays commission to intermediaries as per NCNDA/IMFPA within forty-eight (48) hours after confirmed receipt of Buyer's payment via MT103/TT Wire Transfer.
15. Succeeding shipping commences as per contract.

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

1. Buyer should send LOI addressed to the End Seller through KAPTAAN BUSINESS SOLUTIONS, Email: [globaltrade@kaptaanbs.com](mailto:globaltrade@kaptaanbs.com). The LOI should **include the Target Price, Quantity, and Destination Port.**
2. Payment terms should be specified as Irrevocable Transferable/Non-Transferable SBLC/DLC revolving at Destination Sight Payment through MT103.
3. After the approval of the CIF procedures and confirmation of the price, the seller will send the Buyer an FCO including the same procedure and price as approved before.
4. Buyer will send ICPO, attaching strictly the following documents:
  - a. Accepted Procedure as in the FCO (**word by word, it should be the same as in FCO**)
  - b. Passport of the Buyer
  - c. Company registration (**Signature of the signatory should match the passport signature of the buyer**)
  - d. Copy of the SBLC/DLC Verbiage (Optional) of the buyer, attached in ICPO for approval by the Seller's Bank (Note: ICPO will be rejected by the seller without these four points)
5. After the buyer sends ICPO, the seller will issue SPA, including the approved verbiage, of the buyer.
6. After signing the SPA, within 3 days, **the buyer should and must issue MT799 followed by MT700.**

**Note:** If the buyer requests past performance or SGS report from the seller before MT 799 then, the buyer needs to send the **Past Buying Performance Report in ICPO**. or else the seller will provide past performance after the buyer opens MT799.

**Order Products:** We usually complete the documentation procedure for our buyer's orders within 7 working days, including the SPA contract. Ensure you are ready with Buyer's ICPO, Bank Draft Verbiage, and Banking Instruments like SBLC/DLC, etc.

**If the buyer is ready with all required documents and ready to order, they can contact us now**

**Special Regards and All the Best.**

**For KAPTAAN BUSINESS SOLUTIONS**  
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 Position: Director  
 Nationality: INDIAN  
 ID No: 36CHQP55248K1ZH

**For KAPTAAN BUSINESS SOLUTIONS**  
 Name: Mohd Faizullah BAIG  
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Signature and Corporate Seal:  

 Signature: Quazi  
 Corporate Seal: KAPTAAN BUSINESS SOLUTIONS COMPANY INDIA

Signature and Corporate Seal:  

 Signature: [Handwritten Signature]  
 Corporate Seal: KAPTAAN BUSINESS SOLUTIONS COMPANY INDIA