

FULL COOPERATE OFFER

We **GORNY EXPLORATION** with legal responsibility under penalty of perjury hereby confirm the Availability and Capability to Supply the under list products for Immediate Spot and Contract sales. The Supply is guaranteed to meet the Specification and pass through the stringent requirement of SGS or Equivalent Financial Statement from the Buyer's bank clarifying buyer's financial capability will be required to consider buyer's negotiations. Only direct negotiations from end buyer's representative and mandates will be considered

ORIGIN: RUSSIA

DELIVERING PORT: CIF/FOB ROTTERDAM

INCOTERMS: COST INSURANCE & FREIGHT

LOADING PORT: NOVOROSIYSK, NOVOROSIYSK / PRIMORSK / VLADIVOSTOK / ROTTERDAM & HOUSTON PORTS

PAYMENT TERMS: T/T WIRE TRANSFER & MT103

INSPECTION: SGS

INSURANCE: PAID BY SELLER COVERING 110% OF THE SHIPMENT VALUE

RUSSIA ORIGIN DIESEL GAS D2 OIL GOST 305-82

Minimum Quantity: 10,000 Metric Tons per Month

Maximum Quantity: 500,000 Metric Tons per Month

CIF Price: Gross USD \$ 210.00MT NET / USD \$ 200.00MT on CIF

FOB Price: Gross USD \$ 200.00MT NET / USD \$ 190.00MT on FOB/Novorossiysk/Rotterdam

RUSSIA ORIGIN MAZUT M100 GOST -10585/75/99

Minimum Quantity: 10,000 Metric Tons per Month

Maximum Quantity: 500,000 Metric Tons per Month

CIF Price: Gross USD \$180.00/ USD \$ 170.00 NET on CIF

FOB Price: Gross USD \$170.00 / USD \$160.00 NET on FOB/Novorossiysk/Rotterdam.

RUSSIA ORIGIN AVIATION KEROSENE COLONIAL GRADE 54 JET FUEL

Minimum Quantity: 500,000 Barrels per Month

Maximum Quantity: 5,000,000 Barrels per Month

CIF Price: Gross USD \$ 46.00BBL NET/ USD \$44.00 NET on CIF

FOB Price: Gross USD \$ 44.00BBL NET / USD \$42.00 NET on FOB/Novorossiysk/Rotterdam

VIRGIN FUEL OIL D6

Minimum Quantity: 400,000,000 Gallons per Month

Maximum Quantity: 800,000,000 Gallons per Month

CIF Price: Gross USD \$ 0.59 / USD \$ 0.57 NET on CIF

FOB Price: Gross USD \$ 0.57 / USD \$0.55 NET on FOB/Novorossiysk/Rotterdam

RUSSIA EXPORT BLEND CRUDE GOST 51 858-2002 / GOST 9965-76

Minimum Quantity: 10,000 Barrels per Month

Maximum Quantity: 3,000,000 Barrels per Month

CIF Price: Gross USD \$46.00 / USD \$ 44.00 NET on CIF

FOB Price: Gross USD \$44.00 / USD \$ 42.00 NET on FOB/Novorossiysk/Rotterdam.

10. Seller pays commissions to all intermediaries as per IMFPA/NCNDA 24 hours after receiving payment from Buyer.

TRANSACTION WORKING PROCEDURE FOB ROTTERDAM/HOUSTON

1. The buyer sends a Corporate Profile, along with a FULL ICPO, a current and valid (TSA) not older than 10 days Validity from issued date and buyer passport number, Seller verify and approve Buyer's TSA.

2. The seller issues a Commercial Invoice of the product in the seller's tanks at the port, the buyer signs and returns commercial invoice with an acceptance letter.

3. The seller issues a copy of the fresh SGS strictly to the buyer's tank farm company only for them to verify the SGS in their office.

4. Upon confirmation of a successful verification of the SGS report by the buyer's tank farm company. The buyer provides his tank storage receipt (TSR) from his tank storage company.

5. The seller issues the following POP documents to the buyer; the buyer conducts a dip test on the product at his own expense.

- a. Q & Q report
- b. Injection report
- c. Unconditional Dip test Authorization Letter (DTA)
- d. Fresh SGS Report
- e. Authorization to Verify physically the product in the seller's tank (ATV)
- f. Copy of the Certificate of Origin
- g. Copy of the Export License
- h. Injection report at Rotterdam
- i. Allocation Certificate
- j. Authority to sell and collect (ATSC)

6. Following the completion of the dip test, The buyer makes 100% payment by MT103 TT Wire Transfer for the total product.

7. The seller will inject the fuel into the buyer's leased storage tank and the seller pays commission to all the intermediaries on the sell side and likewise the buyer pays the

TRANSACTION PROCEDURE ON CIF (DELIVERY STATED IN SPECIFICATIONS)

1. Buyer issues ICPO with this procedure incorporated on the ICPO along with Buyer's company registration certificate.

2. Seller Issues Sale & Purchase Agreement (SPA), Buyer review, amend (if necessary), signs and return the SPA in WORD format to Seller within 3 banking days. Seller sends final SPA to Buyer inPDF format, Buyer confirms final SPA and issues letter of acceptance of the final SPA.

3. Seller issues to Buyer via email the following transaction documents: A. commitment to supply B. statement of product availability C. certificate of origin) D. product passport and ATSC. Buyer confirms the receipt of the documents by mail and issue confirmation letter within 24hrs.

4. Seller makes arrangement for the chartered freight with a renowned shipping company for the transportation of the product to buyer designated discharge port, both Seller and Buyer sign the Charter Party Agreement (CPA) together with the shipping company (A three party CPA) this is applicable only for 1st shipment. (Seller & Buyer jointly pays CPA cost 50/50 via T/T wire transfer directly to the shipping company. Fee would later be refunded/deducted when Buyer is paying for the total product cost).

5. After completion of the above, Seller issues to Buyer product title transfer agreement, Buyer signs and returns. Seller legalizes the Contract with the authorities in charge and sends to buyer the legalized contract, the certificate of product title transfer and then proceeds with the port & custom clearance of product and all internal routines operations accordingly

6. Upon completion of the above and confirmation of this export approval by the Authority to Seller with the endorsement of the Charter Party Agreement (CPA) and the Shipping Schedule by the Port Authority, to enable Seller release the below Proof of Product Documents: ~ Legalized Charter Party Agreement (CPA) with the Loading Port Authority. ~ Injection Report ~ Product Allocation Certificate. ~Allocation Title Transfer Certificate. ~ Export License ~ Export Approval ~ Tank Receipt. ~ Dip Test Authorization.

7. Seller issues the commercial invoice and sends to Buyer and within 5 working days, Buyer's bank issues to Seller's bank swift operative Standby Letter of Credit (SBLC) via Swift MT760 or Documentary Letter of Credit (DLC) via Swift MT700 for the entire 1st shipment total product value, and for Seller to lodge and activate a 2% PB (Performance Bond/Performance Guarantee) in the favor of the Buyer. If Seller fails to supply the cargo/shipment of the product to the Buyer this 2% Performance Bond will be paid/forfeited to the Buyer.

8. The product SGS inspection charges will be borne by Seller at the loading port. Seller invites buyer for visitation to witness the final inspection and TTM for negotiation of future transaction (Optional to Buyer). Seller signs NCNDA/IMFPA between all intermediaries involved with the notarized copy sent to Seller's bank.

9. Loading & Shipment of product commences as per schedule. Upon Vessel's arrival and finalization of SGS at destination port, Buyer release payment via swift fund transfer within 3 to 5 banking days to Seller for total.

Regards
Mr. Igor Ruslanovich
Refinery Rep:
Office Of Sales Director,
GORNY EXPLORATION

