

NIGERIAN BONNY LIGHT CRUDE OIL [BLCO]
STANDARD EXPORT GRADE QUALITY

BONNY LIGHT CRUDE OIL SPECIFICATION

If the specification of the product as per inspection for NNPC Export Grade fails to conform with the Bonny light Crude Oil specification, as agreed to in the contract, the price per barrel shall decrease by USD 0.02 (two United States Cents) for each 1/10th (one tenth) of a percent above 0.15% wt., Sulphur for the Crude Oil.

1. Specific Gravity at 60° F/15.55° C: 0.8397 - 0.8498
2. API Specific Gravity at 60° F/15.55° C: 37.0
3. Density at 60° F/15.55° C - Cg - C M – MAC 0.85 max
4. Pour Point <40 °F / 4.44 °C
5. Sulfur Content, % Wt. 0.14 max
6. Colour Dark Brown
7. Salinity TB at 0.10% BS&W 47 max Yield C1-C4 wt%: 2.10
8. Acid Number 0.39 max
9. Reid Vapour Pressure 6.52 psig max
10. Water Content, Pct. (%) 0.50 max
11. Sediment Content, Pct. (%) 0.50 max
12. Iron Wt. Ppm 1.00 max
13. Nickel Wt. Ppm 4.00 max
14. Vanadium Wt. Ppm 2.00 max

APPROVED BLCO DISCOUNTS

FOB @ \$14.00/\$10.00

TTT West Africa @ \$12.00/\$8.00

TTO West Africa @ \$12.00/\$8.00

CIF West Africa @ \$11.00/\$7.00

CIF Europe @ \$10.00/\$6.00

CIF USA @ \$9.00/\$5.00

CIF Asia @ \$8.00/\$4.00

**Banking instruments: SBLC MT760, BLOCKED FUNDS MT799
(IRDLIC MT700 procedure can be offered if Seller approves Buyer's Bank IRDLIC verbiage. Please
note that IRDLIC does not attract a Performance Bond)**

FOB PROCEDURE:

BRENT PLATT DISCOUNT: US\$14.00 Gross: US\$10.00 Net: BELOW BRENT PLATT
PRICE. US\$4.00 Commission [\$2.00 for Buyer Agents & \$2.00 for Seller Agents - Closed]

VESSEL CAPACITY: TWO (2) MILLION BARRELS.

1. Buyer sends Letter of Intent [LOI] addressed to the Seller and submits its valid CPA, Q88 and
ATL to Seller.

THE AUTHORITY TO LOAD [ATL] MUST BE ADDRESSED

To: NNPC Terminal Operators / JV Partners
Attn: (NNPC Terminals Superintendent General)
Through: Seller

2. Seller issues Contract to Buyer.

3. Buyer and Seller sign and seal Contract Agreement.

4. After Signed contract between both parties. Buyer places its full instrument via Swift MT760
SBLC covering the total cost of Two (2) million barrels crude oil and for the LAYCAN (NOR /
ETA), Loading Programming / Clearance of the receiving vessel. Upon confirmation of Buyer
instrument. Buyer vessel is programmed for loading, while Terminal LAYCAN (NOR / ETA) is
given to Buyer's vessel for immediate loading from the terminal.

5. Upon receipt of the Terminal NOR /ETA, and loading clearance by the vessel captain. Vessel
gets cleared in for loading.

6. Upon completion of loading. The Nigerian National Petroleum Corporation (NNPC) Bonny
Terminal through Seller shall submit to Buyer: (proof of product) the complete full set of
original shipping documents in favor of the Buyer including:

a) Original and 3 Copies of Commercial Invoice.

- b) Full Set of 3 Original and non-negotiable Copies of Bill of Lading.
- c) 1 Original and 3 Copies of Certificate of Quantity.
- d) 1 Original and 3 Copies of Certificate of Quality.
- e) 1 Original and 3 Copies of Certificate of Origin.
- f) 1 Original and 3 Copies of Master's Receipt of Samples
- g) 1 Original and 3 Copies for Master's Receipt of each one-copy document
- h) 1 Original Ullage Report issued at loading Terminal.
- i) 1 Original and 3 Copies of Cleanliness Report at loading Port.
- J.) 1 Original and 3 Copies of Customs clearance certificate
- k.) 1 Original and 3 Copies Certificate of Ownership & Warranty of Title.

7. Seller notifies Buyer with copies within (48 hours) following the Agreement upon confirmation of complete loading.

8. Buyer confirms the vessel with the owners/Managers and opens full communication with the vessel captain, confirms its vessel of 2,000,000 Barrels fully loaded and instructs its vessel captain to issue Authority To Board (ATB) to Buyer nominated inspectors to board loaded vessel and carry out the Q&Q inspection.

9. Upon confirmation of Q&Q inspection by Buyer's inspectorates, Payment is made by Swift Wire Transfer through Seller's commercial invoice presented after Q&Q ascertained at loading port against presentation of the original loading / shipping documents to the buyer and its bank.

TTO PROCEDURE:

BRENT PLATT DISCOUNT: US\$12.00 Gross: US\$8.00 Net: BELOW BRENT PLATT PRICE. US\$4.00 Commission [\$2.00 for Buyer Agents & \$2.00 for Seller Agents - Closed]

1. Buyer sends Letter of Intent [LOI] addressed to the Seller. Seller signs and seals the contract and dispatches to the Buyer in form of email.
2. Buyer countersigns the contract and dispatches a duplicate copy to the Seller in form of email.
3. Buyer and Seller deposit it at their respective Banks.
4. Buyer's Bank issues a Pre advice in form of RWA in the Format or MT-199 or MT-799 to enquire of Seller's willingness to issue a 2% PB if received SBLC in the form of MT-760.
5. Seller responds accepting willingness.
6. Buyer's Bank issues SBLC in the Format of MT-760 (See ANNEX "A").

7. Seller's Bank issues 2% PB to Buyer's Bank.
8. Seller makes a Pre- Charter of Vessel, loads it and sends Document for Buyer's Confirmation.
9. Buyer Places Pay Order to Seller and all Intermediaries' Accounts in the Contract.
10. Seller upon Verification and Confirmation, issues Authority to Board (ATB) to Buyer's Appointed Surveyors and Supercargo at the agreed point.
11. Buyer's Surveyors and Supercargo go On board; Supercargo Remains On board while Surveyor Collects Sample, comes down for Laboratory Test Analysis and releases Report to Buyer and Seller respectively.
12. Seller grants Buyer access to vessel owners through the Agents and Buyer Perfects Charter Agreement, Voyage Charter or Full Charter.
13. Payment released by KTT [SWIFT TRANSFER] at Out Turn Barrels to Seller's Bank and Intermediary Accounts, upon presentation of Transaction Document at the Buyer's Bank within 72hours of Surveyors Report.
14. Buyer's Vessel sails to Discharge Port.

CIF PROCEDURE:

BRENT PLATT DISCOUNT: US\$8.00 Gross: US\$4.00 Net: BELOW BRENT PLATT PRICE.
US\$4.00 Commission [US\$2.00 for Buyer Agents & US\$2.00 for Seller Agents - Closed]

1. Buyer sends Letter of Intent [LOI] addressed to the Seller. Seller and Buyer sign and seal Sales/Purchase Agreement and copies sent to both parties' bankers, the electronically signed copy considered legally binding and enforceable in international arbitration laws.
2. Buyer's Corresponding bank via MT199 Pre-advice Seller's financier's bank and states its readiness, willingness and ability to swift an operative MT760 SBLC to seller's bank. Also request the seller's bank to confirm to it via MT199 its readiness, willingness and ability to receive MT760 SBLC and swift 2% performance bond (PB) to it.
3. Seller's bank shall confirm via MT199 Pre-advice to Buyer's bank its readiness, willingness and ability to receive MT760 SBLC and swift 2% performance bond (PB) to Buyer's bank.
4. Buyer's Bank shall swift an operative MT760 SBLC for total cargo to Seller financier's bank in Seller financier's acceptable Verbiage (see ANNEX "A").

5. Seller financier's bank upon receipt of the Buyer's bank instrument shall within 72 hours swift an operative 2% Performance Bond (PB) to Buyer's bank.

6. Seller immediately nominates vessel, programs and loads Vessel with NNPC cargo in Buyer's Company Name and sends all relevant documents to the Buyer for verification.

7. Captain of the loaded vessel sends Notice of Readiness (NOR)/ Expected Time of Arrival (ETA) to Buyer's Port of Discharge [POD].

8. Vessel sails to discharge port where Q&Q analysis is conducted by Buyer's nominated Inspection Company. Inspection Company must be SGS, Saybolt or comparable inspection company. Vessel discharges its cargo at Buyer's designated port and within three (3) international banking days after Buyer has received the Discharge Report and all relevant documents presented by the Seller to the Buyer's bank, as confirmed by the vessel Captain.

9. Buyer's Bank shall make payment in United States Dollars by KTT (via MT103) Wire Transfer directly to Seller's Nominated bank account and all Intermediaries accounts simultaneously.

ANNEX "A"

APPROVED SBLC/BG SWIFT MT760 VERBIAGE

SWIFT OUTPUT:

SENDER BANK:

ADDRESS:

SWIFT CODE:

CLIENT/ACCOUNT NAME:

ACCOUNT NUMBER:

BANK OFFICER:

BANK NAME:

ACCOUNT NAME:

ACCOUNT NUMBER:

SWIFT:

BANK ADDRESS:

TEL NO.:

FAX:

BANK OFFICER:

EMAIL:

WE, BANK XXXXXXXXXX ADDRESS XXXXXXXXXXXXXXXXXXXXXXXX,
REPRESENTED BY AUTHORIZED BANK OFFICERS SIGNED BELOW CONFIRM WITH

ANNEX “B”

MT-799 APPROVED VERBIAGE

WE,(BUYER'S FINANCIER'S BANK: - NAME and ADDRESS)....., REPRESENTED BY UNDERSIGNED OFFICERS, HEREBY CONFIRM WITH FULL BANK RESPONSIBILITY AND LIABILITY ON BEHALF OF OUR ACCOUNT HOLDER -----, CASH FUNDS IN THE AMOUNT OF ----- MILLION UNITED STATES DOLLARS (USD \$00,000,000.00) HAS BEEN BLOCKED FOR THIS TRANSACTION IN ACCOUNT NUMBER _____ AS OF THE DATE OF THIS TRANSMISSION.

FURTHER, THIS LETTER CONFIRMS THAT THESE FUNDS/ASSETS ARE VALID FOR A PERIOD OF SIXTY DAYS AND THE FUNDS/ASSETS WILL REMAIN UNENCUMBERED DURING THIS PERIOD.

THIS PROOF OF FUND IS VERIFIABLE AND CONFIRMABLE BY RESPONSIBLE BANK INQUIRY.

DATE RECORDED: ... [INSERT DATE]

BANK OFFICER 1

BANK OFFICER 2

ANNEX “C”

VERBIAGE OF THE REVOLVING SWIFT **MT 760 SBLC**

----- INSTANCE TYPE AND TRANSMISSION -----

NOTIFICATION (TRANSMISSION) OF ORIGINAL SENT TO SWIFT (ACK) NETWORK DELIVERY STATUS:

PRIORITY/DELIVERY:

MESSAGE INPUT REFERENCE:

MESSAGE HEADER

SWIFT INPUT: FIN 760 GUARANTEE/STANDBY LETTER OF CREDIT

SENDER:

.....

.....

APPLICANT NAME:
IBAN:

RECEIVER: SWIFT CODE:
UNITED STATES DOLLAR (ACCOUNT): (DOLLARS)

BANK NAME:
BANK ADDRESS:

TITLE OF ACCOUNT:
CURRENCY: UNITED STATES DOLLARS
ACCOUNT NUMBER: IBAN
SWIFT CODE:
BANK OFFICER'S NAME:
ON ACCOUNT OF:
FOR:

MESSAGE TEXT

27: SEQUENCE OF TOTAL

1/1

: 20: TRANSACTION REFERENCE NUMBER

.....

:23: FURTHER IDENTIFICATION ISSUE

:30C: DATE OF ISSUE YYMMDD 2020

:31D: DATE AND PLACE OF EXPIRY DATE: YMMOD2021 PLACE:

:32A: CURRENCY/INSTRUCTED AMOUNT CURRENCY: UNITED STATES DOLLARS
(\$)

AMOUNT: \$ (DOLLARS)

:40E: APPLICABLE RULES OTHER:

:59: BENEFICIARY:

TITLE OF ACCOUNT:

CURRENCY: USD

ACCOUNT NUMBER: IBAN#

SWIFT CODE:

BANK OFFICER'S NAME:

BANK OFFICER EMAIL ADDRESS:

ON ACCOUNT OF:

FOR:

.....

:77C: DETAILS OF GUARANTEE ISSUING INSTITUTION

.....

SWIFT.....
APPLICANT:.....
BENEFICIARY AGENT.....
SWIFT CODE:
SBLC NUMBER:
CURRENCY CODE: UNITED STATES DOLLARS (\$)
AMOUNT: \$ (DOLLARS) ISSUING DATE: DDMM2020
EXPIRY DATE: DDMM2021
BENEFICIARY:.....
ACCOUNT NUMBER:.....
BANK SWIFT BIC:
BANK ADDRESS:
.....

FOR THE VALUE THAT WE RECEIVED, WE, THE UNDERSIGNED,
....., WITH ADDRESS AT
BY ORDER OF OUR CLIENT,..... (HEREAFTER THE APPLICANT), HEREBY
OPEN OUR IRREVOCABLE, UNCONDITIONAL, ASSIGNABLE, DIVISIBLE,
TRANSFERABLE, REVOLVING, OPERATIVE AND ACTIVATED STANDBY LETTER OF
CREDIT NUMBER:..... IN FAVOR OF

.....
AS UNDER:
ACCOUNT NUMBER:FOR:

.....
THE SUM OF DOLLARS: \$XXXXXXXXXXXX (XXXXXXXX DOLLARS)

THIS STANDBY LETTER OF CREDIT (SBLC) IS IRREVOCABLE, OPERATIVE,
ACTIVATED, UNCONDITIONAL, FREELY DIVISIBLE, ASSIGNABLE AND
TRANSFERABLE WITHOUT PROTEST OR NOTIFICATION. REDEEMABLE AND
PAYABLE UPON PRESENTATION BY BENEFICIARY FIRST WRITTEN DEMAND VIA
SWIFT WIRE SYSTEM OR ON DUE DATE AT OUR COUNTERS AGAINST YOUR
DRAFT DRAWN AT SIGHT ON US ACCOMPANIED BY YOUR SIGNED, NOTARIZED,
AND DATED CERTIFICATE THAT THE AMOUNT CLAIMED HAS BECOME DUE AND
REMAINS UNPAID.

THIS STANDBY LETTER OF CREDIT (SBLC) IS IRREVOCABLE, OPERATIVE,
ACTIVATED, UNCONDITIONAL, FREELY DIVISIBLE, ASSIGNABLE, AND
TRANSFERABLE WITHOUT PRESENTATION OF IT TO US AND WITHOUT THE
PAYMENT OF ANY TRANSFER FEE.

THE DRAFT DRAWN UNDER THIS STANDBY LETTER OF CREDIT MUST BE
MARKED ON THE FACE "DRAWN UNDER STANDBY LETTER OF CREDIT
NUMBER:.....

WE HEREBY ENGAGE WITH YOU THAT THE DRAFT DRAWN HEREUNDER WILL BE
DULY HONORED BY US IF DRAWN IN ACCORDANCE WITH THE TERMS AND
CONDITIONS STATED IN THE STANDBY LETTER OF CREDIT, SUCH PAYMENT

SHALL BE MADE WITHOUT SET OFF, PREJUDICE, PROTEST AND CLEAR OF ANY DEDUCTIONS OR CHARGES, FEES, OR

WITHHOLDING OF ANY NATURE, NOW OR HEREINAFTER IMPOSED, LEVIED, COLLECTED, WITHHELD, OR ASSESSED BY THE GOVERNMENT OR ANY POLITICAL SUBDIVISION OR AUTHORITY THEREIN OR THEREOF.

MULTIPLE DRAWINGS ALLOWED WITHIN THE TERMS AND CONDITIONS OF THIS SBLC.

WE FURTHER CONFIRM THAT THE FUNDS ARE GOOD, CLEAN CLEARED FUNDS OF NON- CRIMINAL ORIGIN AND FROM A LEGAL SOURCE AND SATISFY THE INTERNATIONAL REQUIREMENTS OF ANTI-TERRORISM AND ANTI-DRUGS LAWS.

THIS STANDBY LETTER OF CREDIT IS VALID FOR ONE (1) YEAR AND (1) ONE MONTH FROM THE DATE OF ISSUE.

THIS STANDBY LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICES FOR DOCUMENTARY CREDITS ICC PUBLICATIONS N°600 LATEST EDITION.

THIS IS AN OPERATIVE INSTRUMENT AND IS VALID FOR ONE (1) YEAR AND ONE (1) MONTH FROM THE DATE OF ISSUE. THIS STANDBY LETTER OF CREDIT EXPIRES ON DD MM 2022.

THIS STANDBY LETTER OF CREDIT SHALL BE GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF.....

TRADE DEPT
MESSAGE TRAILER

SIGNATURE:.....

END OF MESSAGE