

**TRANSACTION WORKING PROCEDURE FOR FOB ROTTERDAM PORT(T2T&T2V-MMR)  
ORIGIN : AZERBAIJAN**

1) Buyer issues;

1.1. Buyer issues LOI

1.2. Seller issues SCO

1.3. Buyer issues ICPO containing ;

**1.3.1. The Seller's Working Procedure,**

**1.3.2. CIS, Banking Details,**

**1.3.3. Buyer's nominated TSA and Tank Farm Acceptance Letter,**

**1.3.4. Company Registration Certificate,**

**1.3.5. Buyer's Passport.**

2) Parties sign Contract.

3) Seller issues Commercial Invoice of the product in tanks at the port, buyer sign and return Commercial Invoice along with a Procedure Acceptance Letter and **issues BCL bank to bank.**

4) Seller issues a copy of SGS Report to buyer Tank Farm Company only to verify SGS Report. (SELLER REPRESENTATIVE MAY MEETS WITH BUYER TANK FARM IN ROTTERDAM AND PHYSICALLY PRESENTS SGS REPORT STRICTLY TO BUYER TANK FARM COMPANY FOR IMMEDIATE VERIFICATION.)

**Tank Farm Company must issue a Letter to Seller. ( See Annex 1 below)**

5) Upon confirmation of the successful verification of SGS Report by Buyer Tank Farm Company.

Buyer issues MT103 Confirmation Letter(**need only for first tranche, till the Seller received the MT760**) and MT799 and leases and pays his own tanks for 4 days first and then,

**Seller pays** for Buyer's Tank Farm Company for 3 days after Tank Farm Company has received the payment from Buyer.

6) Seller issues following POP documents to buyer and buyer issues MT760 valid 13 months and Buyer conducts Dip test on the product and makes the payment for the total value of product injected into the tanks through the means of MT103-TT.

**A) Q&Q Report**

**b) Injection Report.**

**c) Unconditional Dip test authorization letter (DTA)**

**d) Authorization to sell.**

**e) Fresh Update SGS Report.**

**f) Authorization to verify physically the product in seller's tank (ATV).**

7) Seller pays all intermediaries involved in the transaction and subsequently monthly shipments continue as per terms and conditions of the SPA between Buyer and Seller.

**ANNEX 1 :**

Tank Farm companies can make immoral demands to get extra money. Since the refinery will pay the 3-day rent, it wants to secure both sides against extra demands that may hinder our trade.

For these reasons, the Refinery requests a **letter** from Tank Farm Company stating that Tank Farm accepts the following:

- 1.) He unconditionally accepts that the refinery personnel come to Tank Farm to physically deposit the SGS Report and to carry out verification by Tank Farm, and undertakes not to make any difficulties or demands,
- 2.) Tank Farm company will accept the SGS Report submitted to it by the Refinery representatives who have come to Tank Farm, and will immediately take initiatives for verification by its own SGS team and necessary persons and institutions while the Representatives are waiting,
- 3.) As soon as Tank Farm complete the verification, should promptly write the result of the verification on the letterhead, seal and sign and will give by hand the original copy ; **to the Refinery Representatives(1)** and send a copy from his official mail **to Refinery's official mail(2)** and should give or submit the original one **to the End Buyer(3)**.
- 4.) The Tank Farm will accept the 4-day rent payment of the End Buyer and to give a 4-day receipt (TSR) and,
- 5.) After the 4-day payment of End Buyer and submitting TSR to the Seller, Tank Farm Company will make a 3-day rental to the Seller and will unconditionally accept the 3-day payment from Seller from the TSA price and agrees and undertakes to issue TSR to Seller.
- 6.) **BUYER TANK FARM SHOULD PROVIDES A TOTAL OF 7 DAYS TSR FOR INJECTION.**