SHINING SUPPLY

FOB PROCEDURES

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FOB PROCEDURES – Non-Negotiable

1. Issuance of ICPO & Bank Confirmation Letter (BCL)

The buyer shall issue an **ICPO** (or **ICPO-BCL**) signed and stamped by the buyer's bank.
Upon verification, the seller shall issue a completed, signed, and sealed **FCO** (Full Corporate Offer), followed by a draft contract for mutual review and countersignature.

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2. Review & Counter-signing

The buyer must review the draft contract and either countersign or suggest amendments within **three (3) business days**.

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3. Issuance of Proforma Invoice and Payment Terms

Within **two (2) business days**, the seller shall issue a **Proforma Invoice**, enabling the buyer to open the necessary financial instrument.

- The buyer's bank shall issue a **100% financial instrument** guaranteeing the product price, from a **top-tier international bank** acceptable to the seller.

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4. Verification of Financial Instrument & POP Submission

Within **ten (10) working days** of verifying the financial instrument, the seller shall submit:

- Full **Proof of Product (POP)**
- A **2% performance bond** for the total contract value

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5. Commencement of Loading

Loading of the product onto the vessel shall begin within **fourteen (14) days** at any **non-sanctioned port worldwide.**

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6. Inspection Fees

Inspection by **SGS** or equivalent (appointed by the buyer) will be conducted at the **loading port**, and **fees will be paid by the seller**.

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7. Release of Financial Instrument

The seller's bank shall release the financial instrument **at sight** after receiving the **SGS** or equivalent **inspection report**.

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8. Commission Payment

An **NCNDA/IMFPA** (Non-Circumvention, Non-Disclosure & International Master Fee Protection Agreement) shall be signed and endorsed by both the buyer's and seller's banks.

- Within **72 hours** of the release of the financial instrument, all involved parties shall receive their respective commissions.

Documents Provided by the Seller (POP Documents)

The seller shall provide the following **Proof of Product (POP)** documents via **bank-to-bank** transmission:

- A. Copy of the commercial invoice
- B. Copy of the export certificate approval
- C. Copy of the statement of availability of the product
- D. Copy of the refinery commitment to produce the product
- E. Copy of the contract with Transnet for product transportation to the port
- F. Copy of the port storage agreement
- G. Copy of the charter party agreement for transportation to the discharge port
- H. Customer formalities and test report sent to the buyer's bank
- I. Certificate of origin
- J. Copy of the vessel questionnaire (Form 88)
- K. Dip test authorization *(upon buyer's request; cost borne by buyer)*
- L. Copy of the bill of lading
- M. SGS inspection report
- N. Tank receipt

Important Notes

Payment Terms for Manufactured Oils and Coal Products

For petroleum-derived oils, lignite, petroleum coal, or sulfur, the payment terms are:

- **30% TT in advance**
- **70% LC released at sight**, on:
  - **FOB (Free On Board)** basis
  - Or **CIF (Cost, Insurance, Freight)** basis (at destination port)

Shipping and Storage

- The seller **does not maintain global storage facilities**.
- All products are shipped **directly** from **factories/refineries** to the buyer.
- The seller **does not engage in**:
  - "Dip and pay" procedures
  - "Vessel-to-vessel" transactions
- The seller ships only **unsanctioned products from unsanctioned ports** to **non-sanctioned destinations** globally.

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