



OBOSA RESOURCES INTEGRATED LTD
Petroleum, Gas & Energy Division | **Info@obosaresourcesgroup.com**

25, Aguiyi Ironsi Way, Abuja, F.C.T., Nigeria

Tel: +234 805 916 4702

RC 1434678.

STRUCTURED CRUDE OIL LIFTING PROCEDURES

FINANCIAL, NOMINATION, SHIPPING & DELIVERY PROCEDURE (CIF)

1. Buyer & Seller sign and seal this Sales & Purchase Agreement (SPA) after due acceptance of terms and conditions contain therein by both sides. Electronically signed copy of the SPA is legally binding and lawfully enforceable. Both parties lodge the fully executed SPA with their respective banks. Buyer sends Seller full details of the Receiving Port of Discharge (POD) to include full details of harbor master, shipping agency, Inspection Company, Winter/Summer Draught, discharge port OCIMF requirements and all necessary documents.

NB: Buyer/Buying Company shall issue their detailed current/updated Client Information Sheet (CIS)/ KYC including passport data page/driver license of Buyer Authorized signatory.

2. Within Five (5) banking days from lodging the SPA at each of the parties bank, Buyer Bank shall issue Pre-Advice via MT799 swift transmission as per Seller acceptable SBLC verbiage in Annex (A) and stating Buyer's bank readiness to issue operative, irrevocable, divisible, transferable and cash backed SBLC via MT760 transmission (say: US\$160m) covering average cost of 2,000,000 barrels of Nigerian light crude oil to Seller financing bank within 3-5 banking days on receipt and authentication of Seller's bank readiness to receive the SBLC. Telex copy of Buyer Pre-advice MT799 transmission shall be sent to Seller Financing bank officer for authentication and confirmation and copy seller:

3. Seller Financing bank within 3-5 banking days of receipt and authentication of Buyer MT799 Pre-advice shall issue RWA via MT799 transmission confirming readiness to receive the SBLC. Telex copy of the machine generated copy of the RWA shall be sent to Buyer bank for confirmation and authentication.

4. Within 3-5 banking days on receipt and authentication of Seller's Financing bank RWA, Buyer's bank shall swift SBLC via MT760 transmission to Seller financing bank with a face value covering the cost of 2,000,000 barrels of Nigerian Light crude oil (say: US\$160m) with a tenor of three hundred and sixty five (365) days plus one (1) day, as per Seller acceptable verbiage included in Annex (C) of this SPA. The telex machine generated copy of the SBLC MT760 shall be sent to Seller Financing bank for authentication and confirmation. Seller shall authenticate the SBLC and within 3-5 banking days shall issue 2% PB and give telex copy to Buyer bank for authentication

5. Within Fifteen-Twenty (15-20) banking days of receipt of SBLC and posting of 2% PB, Seller shall nominate a vessel and pays for single voyage/one-way charter. Details of Chartered Vessel are sent to N.N.P.C for acceptance and programming of Loading Window & issuance of LAYCAN based on the Provisional Lifting Right (PLR) of The NNPC. Upon acceptance of vessel by N.N.P.C Marine Transport Department, Seller pays mandatory and official 'BUT' deductible cargo deposit of \$5m (Five Million US Dollars) to N.N.P.C and also raise \$2m bank Draft as Vessel Indemnity to N.N.P.C. (MTD) Marine Transport Department confirms these payments and issues Laycan, Stem Number, Keyboard Pin Number for the cargo documentation. Seller pays all Port Charges (N.P.A, N.I.M.A.S.A, Customs, Naval Clearance etc.) and clears vessel into loading terminal/berth for loading. Seller raises MT103 Payment Guarantee to N.N.P.C to cover total cost of quantity of cargo to be loaded into Seller Vessel as allocated on the issued Laycan and gives Swift copy to N.N.P.C for confirmation. Vessel is loaded and Seller conducts Q&Q inspection even as Seller Secures Full Cargo Documents and Title on cargo (to be issued in both Seller's and Buyer's name). Seller furnishes Buyer with copies of the Laycan (PLR), CPA, Q88 and secures the issuance of full shipping cargo documentation and proof of payment on cargo from NNPC including export clearance permit.

N.B: Fifteen-Twenty (15-20) banking days period involve Nominating the Vessel, Payment for Charter, Securing LAYCAN & Loading Window from N.N.P.C, Clearing Vessel with Customs, NIMASA & N.P.A & sailing Vessel into Loading Terminal & Actual Loading & Full Cargo Documentation.

6. Loaded Vessel issues Notice of Readiness (NOR) to Buyer discharge port and Buyer shipping agent and copy both Buyer and Seller. Buyer shipping agent replies and confirms readiness to receive cargo at Buyer discharge port in Asia. Loaded vessel is cleared out of loading terminal/berth and sends Expected Time of Arrival (ETA) to Buyer disport, buyer shipping agent and copy both Buyer and Seller even as it sails to Buyer choice POD. Further ETA updates to be sent to Buyer's POD at five (5) days and then at forty-eight (48), twenty-four (24), and twelve (12) hours prior to arrival at POD. Upon arrival at Buyer's POD, vessel announces its arrival to Port Control Towers. Buyer's shipping agency pays all port levies and charges and clears loaded vessel into the POD Anchorage.

NB: The loaded vessel will only anchor in the international waters of the POD country pending Clearance from Buyer shipping agent. Any expenses: port charges, levies, security, tugging etc. that might arise as a result of vessel coming into the POD country harbor/port/terminal/storage or waters will be borne by the Buyer. All clearing processes will be carried out by the Buyer's Shipping Agent. If after seventy-two (72) hours upon vessel arrival and there is congestion at the port which thus causes delay, Buyer shall bear cost of demurrage.

7. Vessel is cleared into Buyer Discharge Port and Vessel Master issues Marine Authority To Board (ATB) as invitation to Buyer's nominated Inspectors to come onboard and conduct Quantitative survey and take samples for Qualitative analysis. Q&Q inspection is conducted at Buyer's expense. Inspection Agency must be either SGS, INTERTEK, SAYBOLT, CIQ or equivalent internationally recognized and must be acceptable to Seller. The final Q&Q report is sent to both Buyer and Seller respectively.

8. Upon receipt of satisfactory Inspector's Q&Q report by both Buyer & Seller. Seller issues the Final Commercial Invoice based on Q&Q certificate on cargo inspected along with Full cargo and shipping document to Buyer bank. Buyer confirms Shipping document and issues MT103 covering total cost of cargo to Seller Account.

The documents to be sent by Seller to Buyer will include but not limited to the following:

Clean Ocean Bill of Lading, One (1) Original and Three (3) Copies

Seller's Commercial Invoice, One (1) Original and Three (3) Copies

Certificate of Origin issued by N.N.P.C, One (1) Original and Three (3) Copies

Certificate of Authenticity issued by NNPC, One (1) Original and Three (3) Copies

Cargo Manifest, One (1) Original and Three (3) Copies

Certificate of Quality, One (1) Original and Three (3) Copies

Certificate of Quantity, One (1) Original and Three (3) Copies

Master's Receipt for Samples

Master's Receipt for Documents

Tanker Ullage Report

Tanker Time Sheet

Charter Party Agreement

Certificate of Ownership & Warranty of Title (N.N.P.C Certified Title on cargo & Proof of Full Payment on Cargo)

N.N.P.C Authority to Sell (A.T.S)

Export Clearance Permit (Nigerian Ports Authority waiver, Custom Export Clearance Certificate etc.)

Q&Q Inspection Report Performed at Loading Port by Intertek

Other relevant documents related to the cargo.

N.B: Non-negotiable electronic copies of some of these Above Cargo documents will be sent to the Buyer after loading in Nigeria prior to Loaded vessel sailing out to Buyer disport in Europe.

9. Upon positive Q&Q Result, Buyer pays for the full cargo via MT103 wire transfer based on 3 days average on Dated London

Brent Platts within 48 hours while the crude oil is discharged into the buyer's tanks. Seller sends Original Copies of all Shipping Documents, Title and Discharge Certificate to Buyer via Bonded Courier. Buyer confirms receipt of Cargo and Original Copies of Shipping and Cargo document including Title.

NB: Buyer's Bank will advise Seller's Bank by SWIFT or tested telex quoting the value date of the transfer, the amount, the invoice number, and the clearing bank, if any. Such advice is to be sent in due time so as to enable Seller's Bank to credit Seller with value on due date and if Full Payment is not received within a maximum of five (5) banking days of Buyer receiving the Final Commercial Invoice, Full Cargo Document and Title on Cargo, Seller's Bank has the right to call the Buyer's StandBy Letter of Credit for settlement of total cost of cargo.

10. The next delivery starts.