



TO: End Buyer, Buyer Mandate

Our Ref: fgmc/42953-C95

We hereby issue this Offer with given terms and conditions as stated in this offer to confirm our readiness to execute a Sales and Purchase Agreement with end buyer, with the ability to supply the following commodity according to the terms and conditions as below.

Heavy crude oil Malaysian

There is 1M bbls API 16 in tanks in Rizhao.
1M bbls API 16 on vessel in front of Qingdao.
2M bbls of API 10.4 ON VESSELS in Malaysia.
2M bbls API 10.4 IN TANKS IN MALAYSIA.

Commodity: Malaysian Heavy Crude Oil API 10.4

Quality Specification: See specifications in Annex I

Delivery Quantity: 951,818 Barrels

Offering period: June 21 - June 28, 2022 Beijing Time

Vessel location: On Vessel in Malaysian Straights

Incoterms: STS Malaysia

Inspection QQ: Fresh CCIC Test Paid 100% by the Buyer Onboard vessel at STS Location Malaysia

Payment Mode: 100% via MT103 after successful QQ Test and flanges of mother vessel and sister vessel connect at STS location

Payment Guarantee: DLC welcome, but not necessary

Discount: Brent PCAASOO key benchmark prices (3/barrel) indicated in the S&P Global Platts Crude Oil Market wire for the pricing period - \$29,0 (USD twentynine)

Payment Currency: RMB or EUR

Title And Risk: Risk and Title Transfer after 100% payment

Price -\$19 is for crude IN TANKS IN RIZHAO.

Price for API 16 IN VESSEL IN FRONT OF QINGDAO is -\$20.

Price for API 10.4 in Malaysia ON VESSELS IS -\$25 - if delivered CIF QINGDAO then price is -\$23.

Procedure as below..

1) Buyer sends ICPO and Seller sends SPA for Buyer signature.

2) Once SPA is signed, Buyer will send the details of his Port Agency and the details of the CCIC inspector that will make the Q&Q in the Tank Terminal.

- 3) Seller will send to Buyer the following documents: First Commercial Invoice (A), last Q&Q made on the product and Certificate of Origin.
- 4) CIQ/CCIC to be organized and paid by Buyer and performed in the tank Terminal within 24 hours after receiving the documents from Seller.
- 5) When the Q&Q results are received and inspection has passed successfully, the Seller will issue: the Final Commercial Invoice (B) according to the Quantity obtained in the results.
- 6) Buyer makes full payment of the Final Commercial Invoice (B) for the cargo value via SWIFT MT103 within 24 hours after receiving the Final Commercial Invoice (B) from Seller.
- 7) After receiving payment for 100% of the Final Commercial Invoice (B) and Title is transferred to Buyer.

Specification

CERTIFICATE OF QUALITY

The above sample was tested and following results have been obtained :

ANALYTICAL ITEMS	UNIT	METHOD	SPECIFICATIONS		RESULTS
			MIN	MAX	
Ship's Volumetric Tanks Composite					
Density @15°C		ASTM D1298-12b(2017)	-	-	0.9570
API		Calculated	-	-	16.27
Water Content	%(v/v)	ASTM D95-13(2018)	-	-	1.800
Sediment By Extraction	%(v/v)	ASTM D473-07(2017)e1	-	-	0.00
BS&W	%(v/v)	Calculated	-	-	1.800
Kinematic Viscosity@50 deg C	mm ² /s	ASTM D445-19	-	-	207.3
Sulfur Content	m/m%	ASTM D4294-16e1	-	-	2.85
Asphaltene Content	m/m%	IP 143/04	-	-	7.5
H2S Content In Liquid	mg/kg	IP 570/14a	-	-	<1.0
Flash Point	°C	ASTM D93-20	-	-	23
Total Acid Number	mgKOH/g	ASTM D664-18 ⁹²	-	-	2.12
Pour Point	°C	ASTM D97-17b	-	-	-6

Delivery



Sales Procedure

1. Buyer sends ICPO and Seller sends SPA for Buyer signature.
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3. Seller will send to Buyer the following documents: First Commercial Invoice (A), last Q&Q made on the product and Certificate of Origin.
4. CIQ/CCIC to be organized and paid by Buyer and performed in the tank Terminal within 24 hours after receiving the documents from Seller.
5. When the Q&Q results are received and inspection has passed successfully, the Seller will issue: the Final Commercial Invoice (B) according to the Quantity obtained in the results.
6. Buyer makes full payment of the Final Commercial Invoice (B) for the cargo value via SWIFT MT103 within 24 hours after receiving the Final Commercial Invoice (B) from Seller.
7. After receiving payment for 100% of the Final Commercial Invoice (B) and Title is transferred to Buyer.

Pls feel free to contact us for further discussion

Sincerely

Fugo Materials