

COMMERCIAL SALE & PURCHASE TRANSACTION PROCEDURE FOR LNG

This is a formal Soft Corporate offer for the supply of LNG as per the attached specification sheet on Page 3 below.

The details of the product is outlined as follows : -

1. Product : LNG (Tentative specifications attached)
2. Quantity Uplift : 100,000 MT per month.
3. Contract Duration : Minimum 12 months.
4. Delivery Terms : CIF (Cost, Insurance, Freight).
5. Buyer's Destination Port : for example - Nansha Port Guangdong China or any safe destination Port in China.
6. Seller's Loading Port : Port of Qalhat - Oman / TBA.

Pricing Mechanism & Reference

First Shipment : Based on "CME's LNG JKM Platts Futures Prices" at the date of the payment instrument's SWIFT inward transmission & Beneficiary Bank Confirmation.

Subsequent Shipments : Based on "CME's LNG JKM Platts Futures Prices" as of each shipment's Bill of Lading date.

CME Group - LNG JKM Platts Futures

<https://www.cmegroup.com/markets/energy/natural-gas/lng-japan-korea-marker-platts-swap.html#venue=globex>

7. **Price** : 9% discount on CME's LNG Japan / Korea Marker (Platts) Futures
(9% discount is excluding commission, inclusive of ocean freight and insurance).

8. **Payment Terms** : Irrevocable, Confirmed, Transferable / Non-Transferable Standby Letter of Credit (LC) from a top-tier bank, issued via SWIFT MT760 as a payment guarantee. Actual payment will be made via MT 103 / TT after SGS (or equivalent) inspection and upon submission of shipping documents at the Destination / Discharging Port.

If the Buyer issues **DLC** (USANCE 30 days), Payment is Made at the Loading Port against submitting Shipping documents and quality-quantity reports performed by SGS or an equivalent inspection company.

However the Final decision regarding to acceptance of Usance LC is a responsibility of our Authorized Trading S&P Supplier on behalf of the Refinery - its CEO of Merchant Trade with offices in New Delhi, India, Singapore and Dubai. UAE.

9. **Inspection** : SGS or equivalent.

SALES & PURCHASE TRANSACTION PROCEDURE FOR JA1, EN590 (10 PPM), D6, LPG & CRUDE OIL ENERGY COMMODITIES

- 1) Buyer issues ICPO / Purchase Order, KYC, Registration Certificate & Import Trade License.
- 2) Seller issue Commercial Offer. Buyer formalizes and returns the Commercial Offer in conjunction with a Bank by RWA POF via Swift MT 199.
(RWA POF must check on the Buyer's credentials before engaging in SPA etc. However, if the Buyer has agreeable credentials we can directly advance to pre-advice along with signing the SPA.)
- 3) The Seller issues the Sales & Purchase Agreement (SPA). Buyer formalizes and returns the Sales & Purchase Agreement within (3~4) Business Days.
- Thereafter Seller signs the SPA and returns the same in due course.
- 4) The SPA- Sales & Purchase Agreement is lodged with both Buyer & Seller's Bank & The Buyer's Banker.
- 5) The Buyer's Banker transmits a SBLC via SWIFT MT 760 or Usance LC 30 days (Must be line up Credit with ICICI Bank India, first-class top 30 Banks in USA, Switzerland or UAE & Final Payment at Loading Port against submitting Shipping documents).



6) Upon validation of the Collateral Instrument, the vessel will be nominated to the Buyer. Approximately 4 to 6 weeks before the loading time, our colleague in the shipping department will inform the Buyer.

The Seller will load the vessel at their own expense after SGS or equivalent inspection, according to the agreed schedule in the SPA, and will issue the Product & Delivery Documentation.

Product & Delivery Documentation is submitted digitally & via courier when created. Documentation comprises of, but is not limited to:

1. Ocean Bill of Lading
2. Certificate of Origin
3. Certificate of Quantity
4. Certificate of Quality
5. Notice of Readiness
6. Vessel Questionnaire 88
7. Vessel / Product Insurance Policy (Underwritten by Lloyd's)
8. Commercial Invoice.

7) Product & Delivery Documentation are submitted digitally and via courier when created.

8) Payment via TT / or MT 103 / 202.

The Procedure outlined above pertains specifically to the issuance of an ICPO.

This is a general process, and the complete and final Procedure will be detailed in the SPA (Sales and Purchase Agreement), as it depends on the payment guarantee instrument chosen by direct / qualified Buyers.

All such specifics will be clearly mentioned in the SPA for mutual clarity and agreement.

Additional Notes :

1. The Seller does not provide any past performance documents due to NCNDA with the existing signed Buyers and any disclosure would be a violation of the contract.
2. Buyers often ask for PPOP documents before the issuance of SBLC MT760. The product documentation is not created until the Seller procures the fuel (at their own expense) and the Seller does not procure the fuel until the collateral financial instrument from the Buyer is in place.
3. The instrument is a guarantee which may be auto-revolving for the contract period equal to one month's value of the cargo. SBLC / Usance LC is not a direct payment instrument it's subjective.

Please feel free to contact us at management@horizonoffshoreservices.com further any questions or clarifications.

S&P Commercial Process

Qualified Buyer Approval

Once the Buyer approves the outlined Procedures, Horizon Offshore Services VA Group (HOSVAG) will issue a formal B2B NCNDA for the qualified Buyer to complete in due course. Upon completion, HOSVAG will facilitate a direct meeting on behalf of our reputable Authorized Energy Commodities Trading JV Partner with designated refinery offices located in the UAE, Oman, India, and Singapore.

Price Requests and Specifications

Should credible Buyers require price ideas, discounts, or detailed product specifications, they must submit a Letter of Intent (LOI) outlining their request. Along with the completed NCNDA, qualified Buyers will be diligently informed of all relevant details prior to any scheduled meeting with HOSVAG Suppliers.

This streamlined process ensures transparency and efficiency, maintaining the highest standards of professionalism while safeguarding the interests of all parties involved.



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No Limits - Working jointly for a safer world

ANNEXURE A : PRODUCT/LNG SPECIFICATIONS

	COMPONENT	LIMITS
	Gross Heating Value Range	9,340 - 10,420 Kcal/SCM
	Methane	No less than 85.0 Molecular %
	Ethane	No more than 9.2 Molecular %
	Propane	No more than 3.00 Molecular %
	Butanes (and Heavier)	No more than 2.00 Molecular %
	Pentanes (and Heavier)	No more than 0.25 Molecular %
	Nitrogen	1.0 Molecular %
	Total Sulphur	10 Part Per Million (w)
	Sulphur as Hydrogen Sulphide	10 Part Per Million (w)
	Maximum variation in Wobbe Index	+/-5.0%
	Liquid Content	Nil
	Moisture	112 Kg/Million SCM
	Hydrogen Content	1.00 % (By Volume)
	Acetylene	0.10% (By Volume)
	Higher Hydrocarbons for N>=3	10.0% (By Volume)
TRACE METALS	Lead + Zinc	.50 Part Per Million (w)
	Sodium + Potassium	.30 Part Per Million (w)
	Vanadium	.50 Part Per Million (w)
	Calcium	2.0 Part Per Million (w)
	Magnesium	2.0 Part Per Million (w)
	Sum of Heavy Metals	1.0 Part Per Million (w)
SOLID	Total for Particle Size up to 10 Microns	---
	For 2 Micron < d< 10 Micron	20.0 Part Per Million (w)
	Particle Size Greater than 10 Microns	1.50 Part Per Million (w)