



Your Guide to Prosperity in Fuel Procurement

We are close to one year since the Ukrainian war started with no end yet in sight, not surprisingly, we have felt a down-turn in the Russian Fuel supply sector but not to the extent we once feared. Shipments continue and our suppliers can still maintain the low prices many have benefitted from. But we need to be mindful of the ongoing tragic events continuing in Ukraine affecting the lives of the suffering valiant people of Ukraine for whom we must continue to pray!

Despite the heavy sanctions existing on Russia we are able to continue in business. Most refineries have off-shore accounts and are able to overcome the loss of SWIFT facilities. Rotterdam permits the distribution of existing stocks and fuel product direct from RU mainland ports is not subject to sanctions. However, even when the invasion ends we cannot pretend that everything will just carry on as normal. It won't. Putin has committed a most serious error of judgement affecting not only Ukraine, but the Russian people themselves who will inevitably suffer the consequences far far into the future.

The following is our previous introduction to Fuel Procurement.



This revised introduction to the Fuel Business is for both new and old colleagues in the agro/grain or other consumable commodities business. Here you will read about entering into fuel brokering to boost your income and it would be a lot easier than you could have imagined. It's just another

commodity business involving international commerce already very familiar to you. However, the huge advantage of working with us, is that you will not need to be directly involved yourself! That that must sound very appealing?

Your primary role would be only to introduce us to potential new buyers! The buyers could be existing clients, or, if you can make an extra effort – new buyers altogether! You need to spread the word that you can help supply fuel - and then watch your profits grow!

Naturally, your first thought would be 'I'm not going to turn over my valuable contacts to total strangers!' Ordinarily, that would be right. But, time tested experience has proved that it was just impractical to channel every single communication through others – information became imprecise with much time wasted and this created a lack of confidence in our team's capabilities so that some failures ensued. Lessons we learned the hard way! Just a glance at the procedures alone and you will soon realise their complexities and buyers would, ultimately have questions you would certainly have difficulty answering.

However, you would become closely bonded and linked with us by signing an Associate Agent Agreement. Additionally, every communication would be copied to you – including those of your buyer to us. At no time will you not know of the ongoing progress as well as being able to contribute too if you wish.

Our collective goal is to create absolute transparency – at no stage should a buyer have any uncertainties.

Our appointed Russian Federation mandates work directly with the smaller sub-refineries - this is the key to why we can offer lower comparative pricing, some have commented on the disparity in pricing levels - even suggesting that our lower prices must be a scam! But, in the same way, as with the agro/grain & metal commodity business you are already familiar with, there are the 'Official Market Prices' set in New York or London like NYMX – LME etc. You know yourself that your buyers pay nothing like those prices! In the oil business, prices are determined by an organisation known as 'S&P/Platts' and everyone knows OPEC.

Some have commented as to how they would know that a seller is real and has a product. Well, for a start, if you decide to work with us that risk is not an issue - because we work only with genuine entities – which is the exact purpose of the presentation you are reading now! Moreover, all documentation submitted by a seller are government department certified and, very importantly, no hidden 'extra' costs are demanded and product payment is always after delivery!

Commissions are generally an Industry-standard allocation. We divide ours proportionate to the degree of practical participation. Those closest to the buyer and seller, and/or most active – receive the most, and those in-between who served to link us all, a lesser amount.

However, we all form a part of the buyer's team and need each other to help prosper together. Everyone is included in the benefits! Nevertheless, we do need to avoid lengthy chains of inactive intermediaries. Many deals fail because of excessive intermediary chains. Sellers pay our commissions through ICC-IMFPA's and object to numerous payee obligations! Remember too, the more involved, the less commission we each receive.

Both FOB and CIF terms are used. With FOB, buyers ship products themselves from distribution



centres called Tank Farms in Rotterdam or Houston. With CIF, the most common, shipping is directly from mainland Russia – sometimes from tank farms for spot trades or lesser quantities

Unfortunately, common with other industries, the fuel business is not without a degree of criminality. Fake agents, mandates, tank farms, and intermediaries exist. Such nefarious operators plague the industry. Be assured though, Oriole InterTrade diligently maintains its unblemished 17-year reputation. Moreover, we have absolute confidence in our appointed Russian Federation mandates who work only with dependable refineries/sellers.

The reason we branched into fuels was to create a trusted foreign link or bridge into the Russian fuel industry already suffering a somewhat bad reputation. How often have you received email propositions by so-called appointed Russian mandates, unfortunately, some with criminal intent! Another important aspect is that the top major Russian refineries are rarely interested in lower volume buyers that form the majority of our business.

Another very important element in the fuel industry is that transactions strictly require that all ICPO's must include predefined "Procedures" this is to ensure that buyers first agree to, and follow each of the stage processes. See our separate attachment – 'All about Procedures.' All procedures feature ICC-NCNDA/IMFPA, the protection of ALL parties involved in a successful business is essential and guarantees our timely and direct commission payments too!

When studying the procedures, note well that with all the documents exchanged - not a penny of a buyer's money is paid until after the product is injected into a buyer's tank or vessel! Nor would any up-front 'expenses' be requested either. The exceptions to this are payments made for third party tank farm rental fees which buyers must pay to the tank farm. However, should a product ever prove deficient in any way, a safeguard clause in a reputable tank farm contract guarantees a 100% refund if a tank is not used. International fuel procurement is a long-established industry and many protections were introduced over the years to protect all parties. However, it is hoped that any buyer you bring would probably already be somewhat familiar with fuel trading and therefore mindful of potential issues.

In October we announced a new provision that buyers should sign a consent form for sellers banks to conduct BCLs or other financial ability checks. Unfortunately, most sellers declined to entertain that safeguard. We carried on and, surprise, surprise went on to suffer a series of major set-backs because certain 'buyers' caused some CIF contracts to fail due to financial failings. These so-called 'buyers' were in fact RESELLERS who generally do not have the financial ability of End Buyers and although they signed contracts found themselves unable to continue. Their failures created us to lose credibility with many sellers to the extent we have had to place requirements on all First-Time Unknown buyers. Full details in the companion 'All About Procedures.'

Some of the most popular products
Should you have other needs please let us know we can probably supply



- JET FUEL A-1
- JET FUEL TS-1
- DIESEL OIL D2/D6
- DIESEL OIL EN-590
- FUEL OIL CST-180/380
- MAZUT M100
- GASOLINE 87-93-95-98 OCTANE
- GASOLINE DTN EN 590 10PPM
- LIQUEFIED NATURAL GAS - LNG
- LIQUEFIED PETROLEUM GAS - LPG
- REBCO BLEND CRUDE 1-2
- ESPO BLEND CRUDE 2
- RANGE OF BITUMENS
- SULPHURS & PETCOKES
- RANGE OF BASE OILS
- LIGHT CYCLE OIL + EDIBLE OILS



How it all works for you

Already we have outlined the various aspects of the fuel business. The following lays out what happens from your perspective. Having found some potential prospects you need to inform them that you are partnered with an experienced European managed independent company with specialised knowledge of fuel product procurement.

Find out your buyer's product needs and quantities. You more or less know already the needed questions. Try too, to find out their background and experience - the last thing we need is time-wasting tyre kickers! You would need to try to know they are serious genuine people and have the financial ability to honour their contract!

A buyer's ability to fulfil the contract is paramount; to this end, our sellers could choose to have their bank enact the BCL as part of their initial protocol. Provided buyers know this initially, it could save us all a lot of unnecessary effort.

We will submit a quotation ourselves which you pass the details on yourself. Once your buyer accepts, our Russian mandate will produce a detailed SCO on behalf of his selected seller whose identity will not be known to protect the interests of us intermediaries and will come with a pre-prepared ICPO and a BCL consent form which you forward to your buyer. It is at this time you can introduce us (after signing the AAA Associate Agent Agreement) because there are bound to be questions we can readily answer to help move the project forward. The completed ICPO, selected procedure, and BCL form we will forward on to our mandate. Following the seller's acceptance, they prepare their SPA/IC and send it directly to the buyer. Thereafter, they confer directly together.

If you have not guessed already, you are reading this because WE NEED YOU! We need you to try to recruit more buyers as well as to form a partnership together with you for the future!

We're sorry the above was a bit long, but hopefully, it does serve as an insight into the way things work and especially, how it could benefit you, probably more information was better than less!

Of course, we are open to field any questions you may have, so please feel free to contact us.

A few other bits of information:

- All contract SPA's are directly between buyer and seller – no third parties ever involved.
- There are never any supplemental charges levied, sellers or us will never request a single cent.
- We will send a specimen ICPO and BCL in WORD format at the appropriate time.
- We can send you specimen documents for you to study.
- Sellers will reject any ICPO without a signed selected Procedure attached within.
- The Procedures are primarily non-negotiable.
- All intermediaries shall complete an ICC-NCNDA/IMFPA at the contract stage.
- Commissions are set by sellers and indicated in the SPA.
- Your buyers may also wish to pay you a commission too.
- As partners, we would apportion the buyer's group commission shares ourselves.
- Buyers Group commission shall not include any for the end-buyer himself.
- Seller's bank pays commission to each intermediary after receipt of buyer's remittances.
- Your Buyers may check out our website www.oriol-intertrade.com.

Our hope is you will join us and let us help you in your quest for added prosperity in your life and business, and embrace the lucrative fuel supply business. We are here to help you achieve that.....

It may take you some time to attract some worthy serious buyers, but with determination, effort and, perseverance we hope you will succeed and join us in enjoying a more prosperous future.

