



Offshore Crude Oil Trading // Offshore Refined Oil Product Trading

STANDARD OPERATING PROCEDURE (SOP)

Standard Fuel Transaction Framework (STS / TTT / TTV)

Pre-Qualification Phase

The transaction officially initiates once the Buyer reviews and accepts the Seller's **Full Corporate Offer (FCO)**, which defines the **Product Specifications (SGS/Saybolt), Quantity, Price Index, Delivery Location, and Origin**.

Step-by-Step Execution Sequence

- **Step 1 (KYC):** Buyer issues an ICPO + CIS (Company Information Sheet) for compliance review.
- **Step 2 (Invoice):** Seller approves KYC and issues the Commercial Invoice (CI).
- **Step 3 (Financial):** Buyer's bank sends a SWIFT MT199 or Proof of Funds (POF) to the Seller's bank.
- **Step 4 (Clearance):** Seller verifies the POF and issues the Unconditional Digital Tank Authority (UDTA).
- **Step 5 (Logistics):** Buyer submits the updated Vessel Q88, Captain's contact, and maritime VHF Number.
- **Step 6 (Product Proof):** Seller issues the Proof of Product (POP) bundle, including the Authority to Board (ATB).
- **Step 7 (Rendezvous):** Vessels align for STS (Ship-to-Ship) mooring, or terminal pipelines connect for TTT / TTV.

- **Step 8 (Inspection):** Buyer's independent surveyor (SGS/Saybolt) conducts the Dip Test and Q&Q analysis.
- **Step 9 (Payment):** Upon clean Q&Q report, Buyer's bank releases full payment via SWIFT MT103.
- **Step 10 (Loading):** Seller confirms bank credit and immediately starts cargo Injection / Pumping.
- **Step 11 (Title):** Seller executes the Transfer of Ownership and hands over clean shipping documents (B/L, Origin).
- **Step 12 (Commissions):** Closing bank automatically pays all intermediaries as secured under the IMFPA.