

INDIGO PAYMENT PROCEDURES

January 27TH, 2022

Seller:

INDIGO Global Solutions, LLC

Registration #: L04000044943

Attn: Mike Orgill/Global Sales Administrator

Dear *Muhammad*,

Below is a brief overview of INDIGO, as well as our 4 Payment Procedures. INDIGO employs the most Buyer friendly payment procedures throughout Brazil's Discounted Sugar commerce.

Please be advised that the "Initial Proof of Product" may vary slightly at times, and Payment at Destination Port will have a greater purchase pricing due to additional banking fees.

I am available at your convenience.

WHO WE ARE:

I am Mike Orgill, the Global Sales Administrator and the authorized executive who negotiates, finalizes, and signs INDIGO's contracts.

INDIGO is a US/Brazilian based organization, whose primary function is the sales and export of "Discount Priced" bulk Brazilian cane sugar.

Our sugar allocations are derived from 3 of the most reputable sugar producers in Central Brazil, primarily in the States of Sao Paulo and Mineas Gerais, where our Brazilian office is also located.

We have more than 9 years' experience in procuring and managing the supply chain from refinery to loading port, and ocean vessel to the port of destination – including, the essential documentation.

As usual, a qualified Buyer is invited to visit Brazil to witness their sugar in the warehouse, view the inspections, the loading on the vessel, as well as additional aspects of their transaction's rudiments.

PAYMENT PROCEDURES

➤ **MT799 - BLOCKED FUNDS PROCEDURE:**

- 1. INDIGO ISSUES A TERMS & CONDITIONS OFFER.**
- 2. WHEN CONTRACT TERMS ARE MUTUALLY AGREED, BUYER ISSUES THEIR FORMAL PURCHASE ORDER AND SENDS IT TO INDIGO TOGETHER WITH THEIR BANK'S BCL (BANK COMFORT LETTER).**

3. UPON RECEIPT AND ACCEPTANCE OF THE BCL & P.O., INDIGO WILL BLOCK THE SUGAR AND ISSUE THE FINAL CONTRACT IN FAVOR OF THE BUYER. THE BUYER REVIEWS AND SIGNS THE CONTRACT. ELECTRONIC COPIES ARE EXCHANGED TO START THE PROCESS WHILE THE ORIGINAL SIGNED CONTRACT IS EXCHANGED BY COURIER WITH TRACKING NUMBER TO THE RESPECTIVE ADDRESSES IN THE CONTRACT.

4. WITHIN 5 DAYS OF BUYER'S RECEIPT OF THE SIGNED CONTRACT, BUYER'S BANK WILL CONFIRM, VIA MT799, THAT THEY HAVE BLOCKED FUNDS FOR THE ENTIRE CONTRACTUAL AMOUNT, WITH DRAWINGS AUTHORIZED IN ACCORDANCE WITH THE SPECIFIC TERMS OF THE CONTRACT.

5. UPON INDIGO'S BANK'S ACCEPTANCE OF THE BLOCKED FUNDS MESSAGE, INDIGO WILL ISSUE A PERFORMA INVOICE AND INITIAL PROOF OF PRODUCT (POP) IN THE FORM OF:

- ✓ FULL PRODUCT AND CORPORATE DOCS,
- ✓ SKR (SAFE KEEPING WAREHOUSE RECEIPT),
- ✓ INLAND TRANSPORT & LOGISTICS CONTRACTUAL AGREEMENT,
- ✓ PRIMARY LAB TEST REPORT,
- ✓ CERTIFICATE OF OWNERSHIP,
- ✓ ALLOCATION DOCUMENT BETWEEN PRODUCER AND REFINERY,

WHICH WILL TRIGGER THE RELEASE OF THE INITIAL 50% OF FUNDS TO INDIGO.

6. THE SHIPMENT PROCEDURES ARE INITIATED, INCLUDING VESSEL NOMINATION (Q88).

7. INDIGO SUBMITS VESSEL Q88 FOR APPROVAL BY BUYER AND BUYER'S PORT REPRESENTATIVES.

8. VESSEL LOADING WILL BEGIN WITHIN 21 CALENDAR DAYS OF RECEIPT OF THE INITIAL 50% OF THE FUNDS AND VESSEL APPROVAL.

9. UPON COMPLETION OF LOADING, INDIGO WILL SUBMIT REMAINING ORIGINAL DOCUMENTS TO THEIR BANK FOR NEGOTIATION. BANK WILL FORWARD TO BUYER'S BANK BY SCAN AND COURIER, TRIGGERING IMMEDIATE RELEASE OF THE PAYMENT BALANCE.

➤ DOCUMENTARY LETTER OF CREDIT/DLC (50/50 OR 100% PAYMENT AT DESTINATION PORT):

1. BUYER SUBMITS ICPO, BCL (NON-COMMITAL BANK VERIFICATION OF FUNDS), AND DRAFT COPY OF THE DOCUMENTARY LETTER OF CREDIT (DLC).

2. FINAL CONTRACT IS ISSUED IN FAVOR OF THE BUYER. THE BUYER AND SELLER WILL SIGN THE CONTRACT AND EXCHANGE A HARD COPY. ELECTRONIC COPIES ARE ACCEPTABLE TO START THE TRANSACTION.

3. A PROFORMA INVOICE IS ISSUED WITH THE INITIAL "PROOF OF PRODUCT (POP)".

- ✓ FULL PRODUCT AND CORPORATE DOCS,
- ✓ SKR (SAFE KEEPING WAREHOUSE RECEIPT),
- ✓ INLAND TRANSPORT & LOGISTICS CONTRACTUAL AGREEMENT,
- ✓ PRIMARY LAB TEST REPORT,
- ✓ CERTIFICATE OF OWNERSHIP, ALLOCATION DOCUMENT BETWEEN PRODUCER AND REFINERY

4. BUYER WILL ISSUE A FULLY CASH-BACKED DOCUMENTARY LETTER OF CREDIT. THE DLC MUST BE ISSUED OR CONFIRMED BY A TOP 50 BANK.
5. A 2% PERFORMANCE BOND WILL BE ISSUED BY SELLER.
6. VESSEL Q88 IS ISSUED FOR APPROVAL BY BUYER AND BUYER'S PORT.
7. VESSEL LOADING BEGINS WITHIN **21** CALENDAR DAYS OF SELLER'S BANK'S RECEIPT AND ACCEPTANCE OF THE DLC, AND VESSEL APPROVAL.
8. AFTER LOADING, DOCUMENTS WILL BE NEGOTIATED AND SENT TO BUYERS BANK FOR INITIAL 50% PAYMENT.
9. UPON THE VESSEL ARRIVAL AT THE DESTINATION PORT THE FINAL TRANCHE OF 50% WILL BE PAID TO COMPLETE THE PURCHASE AFTER VESSEL INSPECTION BY LOCAL AUTHORITIES BUT BEFORE COMMENCEMENT OF DISCHARGE.

➤ **DOCUMENTARY LETTER OF CREDIT/DLC (AT SIGHT):**

1. BUYER SUBMITS ICPO, BCL (NON-COMMITAL BANK VERIFICATION OF FUNDS), AND DRAFT COPY OF THE LETTER OF CREDIT.
2. FINAL CONTRACT IS ISSUED IN FAVOR OF THE BUYER. THE BUYER AND SELLER WILL SIGN THE CONTRACT AND EXCHANGE A HARD COPY. ELECTRONIC COPIES ARE ACCEPTABLE TO START THE TRANSACTION.
3. A PROFORMA INVOICE IS ISSUED WITH THE INITIAL "PROOF OF PRODUCT (POP)".
 - ✓ FULL PRODUCT AND CORPORATE DOCS,
 - ✓ SKR (SAFE KEEPING WAREHOUSE RECEIPT),
 - ✓ INLAND TRANSPORT & LOGISTICS CONTRACTUAL AGREEMENT,
 - ✓ PRIMARY LAB TEST REPORT,
 - ✓ CERTIFICATE OF OWNERSHIP, ALLOCATION DOCUMENT BETWEEN PRODUCER AND REFINERY
4. BUYER'S BANK WILL ISSUE A FULLY CASHED BACKED, IRREVOCABLE, TRANSFERRABLE LETTER OF CREDIT ISSUED OR CONFIRMED BY A TOP 50 BANK AND PAYABLE AT SIGHT.
5. A 2% PERFORMANCE BOND WILL BE ISSUED BY SELLER.
6. VESSEL Q88 IS ISSUED FOR APPROVAL BY BUYER AND BUYER'S PORT.
7. VESSEL LOADING BEGINS WITHIN **21** CALENDAR DAYS OF SELLER'S BANK'S RECEIPT AND ACCEPTANCE OF THE LETTER OF CREDIT, AND VESSEL APPROVAL.
8. AFTER LOADING, DOCUMENTS WILL BE NEGOTIATED AND SENT TO BUYERS BANK FOR 100% PAYMENT AT SIGHT.

➤ **CASH AGAINST DOCUMENT:**

1. BUYER SUBMITS ICPO, BCL (NON-COMMITAL BANK VERIFICATION OF FUNDS).
2. BUYER PROVIDES COMPLETED AND SIGNED ICPO+BCL.
3. UPON ACCEPTANCE THE CONTRACT IS FINALIZED AND SIGNED BETWEEN BUYER AND INDIGO.

4. AT WHICH TIME INDIGO WILL PROVIDE INITIAL POP.
 - ✓ FULL PRODUCT AND CORPORATE DOCS,
 - ✓ SKR (SAFE KEEPING WAREHOUSE RECEIPT),
 - ✓ INLAND TRANSPORT & LOGISTICS CONTRACTUAL AGREEMENT,
 - ✓ PRIMARY LAB TEST REPORT,
 - ✓ CERTIFICATE OF OWNERSHIP, ALLOCATION DOCUMENT BETWEEN PRODUCER AND REFINERY
5. BUYER PAYS IN THE SUM OF 35% DEPOSIT. FUNDS MUST BE RECEIVED BY INDIGO WITHIN 2 DAYS OF RECEIPT OF INITIAL POP.
6. A BANK SURETY BOND OR GUARANTEE COVERING THE 35% INSTALLMENT WILL BE ISSUED TO BUYER.
7. SUGAR IS MOVED TO THE PORT FOR THE FINAL INSPECTION AND LOADING OF THE VESSEL.
8. UPON COMPLETION OF THE VESSEL LOADING THE RELEVANT SHIPPING DOCUMENTS WILL BE ISSUED TO BUYERS BANK FOR NEGOTIATION OF FINAL PAYMENT OF 65%.

**PRICE, TERMS AND CONDITIONS ARE SUBJECT TO CHANGE
WITHOUT NOTICE UNTIL SUCH TIME AS A CONTRACT IS FULLY
COMPLETED.**

