

Information of Iranian Heavy Crude oil Supply in Iran Energy Exchange

Commodity Commercial Name		Supply Date and Time	
Iranian heavy crude oil		14:30:00	18 th of December 2019
Producer		Type of contract	
National Iranian Oil Company(NIOC)		Premium Discovery	
Base Price Dollar Premium		Reference Price	
Brent (Bwave) minus 8.5 USD		62.97 USD per barrel	
Minimum Purchase for price discovery (bbl)		Max Purchase (bbl)	Min Purchase (bbl)
1,000		2,000,000	35,000
Target Market		Delivery Point	Delivery period
International		FOB Kharg	25 th December 2019 till 23 th February 2020
Payment Terms and conditions			
<p>-Buyer should deposit 6% of the order's value (equal to 54.47 per barrel) in Iranian Rial or foreign currencies, in the accounts announced by Central Securities Depository of Iran (CSDI) or subject to approve of NIOC, in the accounts announced by NIOC(NICO), 2 hours before supply trading time. The exchange rate for paying the deposit in Iranian Rial, is based on the average daily sale and purchase price of USD on the SANA website, on 2 business days before the trading date.(SANA exchange rate quoted on Sanarate website, www.sanarate.ir)</p> <p>-Settlement procedure can be done as per the terms and conditions mentioned in the note 7.</p>			

General Terms and Conditions

1. Operational tolerance: $\pm 10\%$ as operational tolerance for each cargo.
2. The Reference price of each barrel of cargo(es) will be declared by NIOC in USD and will be as per the average Brent (BWAVE) quotations during 5 international business days prior to two calendar days before the issuance date of the supply announcement.
Note: The reference of Brent (BWAVE) quotations is the ICE Brent crude oil weighted average 'BWAVE' quotations as published in the "PLATT's Crude Oil Marketwire" for the front month.
3. Except for the occupied territories of Palestine, all destinations are allowed.
4. All domestic and foreign companies are allowed to participate. It is required for the Buyer to provide his/her company information (i.e. address, phone and fax number, official email, registration code and documents, economic code, national identification number and legal foreign entities inclusive number, also contact information of the Buyer's representative).
5. The buyer will be introduced in written to NIOC (NICO) for signing the contract.

6. Final price of the cargo is based on Brent (BWAVE) quotations plus the discovered premium/discount on the transaction day and also the quotation window which is determined by the contract. Upon the request of the Buyer and subject to NIOC (NICO) approval, changing the Brent (BWAVE) index by adding the spread with the requested index is possible.
7. In addition to the prepayment, Buyer is obliged to pay the provisional invoice value in cash in Iranian Rial or other currencies (as the seller's option) or provide agreed guarantees by NIOC (NICO), before the loading period. The final invoice will be issued based on the exact loading figures. According to the final invoice, payments of the Buyer and the difference between the final and provisional invoice, the settlement of the final value of the cargo will be done.
Note1: The exchange rate for paying in Iranian Rial, is based on the average daily sale and purchase price of USD on the SANA website, on 2 business days before the payment date. (SANA exchange rate quoted on Sanarate website, www.sanarate.ir)
Note2: Payment by credit procedure is only applicable when Buyer accepts seller's terms and conditions for credit payment.
8. Delivery is on FOB basis from Kharg Island terminal. Upon the request of the buyer and subject to NIOC (NICO)'s approval, other terms of delivery from other locations are allowed by considering the relevant costs.
9. Delivery period is from 25th December 2019 till 23th February 2020. NIOC (NICO) may extend the delivery period depending on partial or unsuccessful lifting upon Buyer request 5 business days before expiration of initial delivery period. Seller has no obligation for extension requests received after expiration of delivery period.
10. All the operational terms and conditions are determined according to the contract.
11. In the event that the Buyer requests for aggregation of the contracts, due to the difference of the final prices in each contract, calculation will be done separately and finally one invoice will be issued covering all the contracts.
12. In case of any failure occurred by Buyer in respect of paying the issued invoices or lifting the cargo on delivery period, Seller has the right to terminate the contract and Buyer shall pay the penalties according to the contract.
13. Buyer is obliged to pay all of the approved commissions according to Iran Energy Exchange regulations, operational costs including but not limited to port dues for lifting from Kharg or ship to ship operation or delivery on Ex-Tank basis, any insurance cost or tax related to relevant local regulations and laws and costs of bank commissions (including money transfer).
14. Other terms and conditions will be agreed in the contract between Buyer and Seller.