

02/01/2021

Hereby we confirm, we will and are able to supply you Steel Billets with the details below:

1. Price: USD /MT (metric tons) CIF any major port, China.
2. Total Quantity: **600,000** MT (metric tons)
3. Monthly Quantity: **50,000** MT
4. Contract length: **12** months
5. The total value of the contract: USD
6. Payment terms: Irrevocable, Confirmed LC MT700 at sight
7. Performance Bond: 20% of 600,000 MT value
8. Specifications: Steel Billet 150 mm X 150 mm X 12 000 mm. Grade Q235B. HS CODE: 740319000002
9. Origin: Kingdom of Saudi Arabia

If you are agreeing our offer, for starting the procedures you should next send a Pre-Advice 705-message from your bank to the bank of Steel Mill.

Name	
Bank Account	
Bank	

If you need Steel Mill issues a commercial invoice and reserve the stock for you, the inventory reservation fee is USD1335 per 1 million MT. The fee will be entirely refunded after opening the confirmed MT700 At Sight.

INFORMATION ABOUT THE PRE-ADVICE MT705

After receiving your Pre-advice MT705 with full conditions of the seller's commercial invoice, the seller i.e. Steel Mill will send an Invitation Letter to Saudi Arabia and you can inspect the billets at sight and have a meeting with CEO . If you are not going or able to visit in Saudi Arabia, Steel Mill, Steel will send you the next documents through your bank secure connection as an answer for your Pre-Advice MT705 -message:

1. Certificate of the ownership for the goods
2. Export Certificate
3. Certificate of Saudi origin of commodity products.
4. SGS Technical Specification Test Report for the commodity.
5. A video shows the billets includes the date of filming which must be after the date of receiving MT705
6. Pictures shows the billets includes the date of filming which must be after the date of receiving MT705
7. Other documents which available by your request to meeting your needs

THE MODEL OF PRE-ADVICE MT705

27: Sequence of Total
XXX

40A: Form of Documentary Credit
IRREVOCABLE

20: Documentary Credit Number

XXXXXXXXXX

31C: Date of Issue

XXXXXXXXXXXX

40E: Applicable Rules

UCP LATEST VERSION

31D: Date and Place of Expiry

XXXXXXXXXXXXXXXX

50: Applicant

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

59: Beneficiary - Name & Address

32B: Currency Code, Amount

Currency : USD

Amount : USD

39B: Maximum Credit Amount

NOT EXCEEDING

41A: Available With...By... - XXXXXXXXX

BY PAYMENT

42C: Drafts at SIGHT 43P:

Partial Shipments

ALLOWED

43T: Transshipment

ALLOWED

44E: Port of Loading

ANY SAUDI PORT

44F: Port of Discharge

ANY PORTS EXCEPT ARABIC GULF COUNTRIES

44C: Latest Date of Shipment

+21 DAYS FROM LAST SHIPMENT DATE

45A: Description of Goods

Steel Billet 150 mm X 150 mm X 12 000 mm, Grade Q235B

46A: Documents Required

1. SIGNED COMMERCIAL INVOICE IN 1 ORIGINAL + 2 COPIES INDICATING DELIVERY TERMS.
2. CERTIFICATE OF ORIGIN STATING THAT GOODS ARE OF SAUDI ORIGIN ISSUED BY A CHAMBER OF COMMERCE SHOWING NAME AND ADDRESS OF MANUFACTURERS.
3. PACKING LIST IN 1 ORIGINAL + 2 COPIES.

47A: Additional Conditions

(TO BE AGREED ON BETWEEN THE APPLICANT AND THE Beneficiary)

1. SGS REPORT
 2. CERTIFICATE OF OWNERSHIP FOR THE GOODS
 3. EXPORT CERTIFICATE OF BILLETS
 4. CERTIFICATE OF SAUDI ORIGIN OF COMMODITY PRODUCTS
 5. A VIDEO SHOWS THE BILLETS INCLUDES THE DATE OF FILMING WHICH MUST BE AFTER THE DATE OF RECEIVING MT705
 6. PICTURES SHOWS THE BILLETS INCLUDES THE DATE OF FILMING WHICH MUST BE AFTER THE DATE OF RECEIVING MT705
- THE APPLICANT IS NOT OBLIGED TO PURCHASE AFTER INSPECTION OF THE GOODS AND THE DOCUMENTS.

71B: Charges

ALL BANK CHARGES SHOULD BE PAID BY BENEFICIARY.

48: Period for Presentation

7 DAYS

49: Confirmation Instructions Confirmed

57D: ANY BANK ON OUR COMMERCIAL INVOICE

MT700 will follow with full conditions of this.

{MAC:00000000}
{CHK:XXXXXXXX}

BILLET SPECIFICATIONS

Chemical Composition % (max)

Grade	C	Si	MN	P	S	Ceq	Als/10-3	Cu/	Ni/
Q235B	0.16-0.19	0.15-0.22	0.30-0.80	≤0-0.30	≤0-0.25		≤8 (alt)		

Dimension / Appearance

Length	Section Tolerance	Corner Radius	Rhomboidity	Twist	Straightness
12-14 m ± 50 mm	± 3 mm	4 mm	10 mm	0.5 degrees/m	5 mm/m



THE COMPLETE BASIC DEALING PROCEDURE

1. The Buyer issues LOI
2. The Seller issues FCO
3. The Seller issues a commercial invoice after receiving the inventory reservation fee from the Buyer. The inventory will be reserved for the buyer during the validity period of the commercial invoice.
4. The Seller and the Buyer sign a contract including the number of the commercial invoice

5. **The Buyer issues one of the following as a financial proof (POF):**
 - 5.1. By sending the Pre-Advice 705 -message with full conditions of the seller's commercial invoice from Buyer's bank to the Seller's bank, OR
 - 5.2. by opening a draft LC with full conditions of the seller's commercial invoice from Buyer's bank to the Seller's bank
6. After successfully completed bank procedures the Buyer is available to check the product by next:
 - 6.1. Seller sends an Invitation letter to the Buyer for Visa to visit in Saudi Arabia and allow the following:
 - Physical inspection of the product in the inventory
 - Meeting with the CEO and negotiating about details of the deal
 - Reviewing the next documents as originals:
 - SGS Test Report of the commodity
 - Export Certificate
 - Certificate of Saudi origin of commodity products.
 - Certificate of ownership for the goods
 - Video and pictures showing the commodity filmed after receiving the Pre-Advice MT-705
 - 6.2. If the Buyer or his representative is not able to travel to Saudi Arabia, the Seller will send via bank's secure connection all the documents mentioned above among with the fresh-dated video and pictures of the product to the Buyer as an answer to the Pre-Advice 705 or draft LC.
 - 6.3. If the Buyer is not satisfied after checking the product and documents, he is free to stop and cancel the purchasing process without penalties.
7. The Buyer opens a 100%, irrevocable LC (MT700 At Sight) confirmed by the Seller's bank
8. The Seller issues the 20% Performance Bond as an answer to the LC for activating the LC (MT700 At Sight)
9. The Seller refunds inventory reservation fee to the Buyer.
10. Shipments will start after seven (7) days for confirmation and activation of the LC (MT700 At Sight).

