

COMMENTS

Thanks for your inquiry.

I have gone through this process of explaining everything, so there are no more emails back and forth wasting my time and your time. If is not here, we don't do it, we don't accept it, so please do not send me a WISH LIST from your buyer. Our prices, procedures, payment terms, commissions and every item explained here, ARE NON-NEGOTIABLE.

In order to start the negotiation we need the LOI/ICPO and a NCNDA-IMFPA that I will send you in our FORM. Both documents have to be submitted together.

1- QUANTITIES AND ORIGIN:

We only do contracts from 30,000 MT X 12 Months MINIMUM, up to 180,000 MT X 12 Months MAXIMUM. Now you can answer the questions yourself, if is less than 30,000 MT X 12, WE DON'T DO IT, if is more than 180,000 MT X 12 Months, WE DON'T DO IT. All the contracts from 30,000 MT X 12 and up, have to be on multiples of 30,000 because of the vessels size, all the vessels the seller uses are 30,000 MT.

The shipments are in bulk, NO CONTAINERS.

We don't do SPOTS. We don't do TRY-OUT loads.

The origin is Europe, Asia, Mexico and South America. We don't know the yard from which your product is coming from right now, until the logistics are done, this will happen after the contract is sign and the draft of the DLC in the Bank's letter head, and the Letter of Commitment from the Bank to release the DLC have been sent to the seller. It is very important for the buyer to know that we need the draft of the DLC and Letter of Commitment from the Bank, after the contract is signed, in order to do the logistics, and send the invitation to the yard. After the logistics are done, is when we know which yard is supplying.

2- PRICE AND COMMISSIONS(NCNDA-IMFPA)

The price is:

USED RAILS:

30,000 MT – 60,000 MT X 12 Months **\$275 USD/MT** in lengths of 6M to 12M,

90,000 MT – 180,000 MT X 12 Months **\$245 USD/MT** in lengths of 6M to 12M. Cutting to 1.5M is \$5 USD/MT extra.

HMS 1&2 (80-20, ISRI Code 200-206)

30,000 MT – 60,000 MT X 12 Months **\$255 USD/MT**

90,000 MT – 180,000 MT X 12 Months **\$245 USD/MT**

Shipments in bulk only for both products. These prices are **CIF, ASWP**.

\$10.00 less for using a BG or SLC (1 MONTH) payment.

There are two (\$2) USD/MT TOTAL COMMISSION, me and my group get \$1, you and your group get \$1. That is the whole commission that this seller pays on the regular price.

Over-pricing is allowed, sellers keep 40% of the over-price, and the other 60% is split 50/50 between my group and your group.

The maximum amount for overprice is \$10 USD/MT, from which the seller keeps 40%, or \$4, the other 60% (\$6) get spitted 50-50 between your group and my group, that will be \$3 more for you and your group; and \$3 more for me and my group, so with the overprice you and your group will be getting a total of \$4 same as me and my group. There is already \$1 commission included for your group, in the original price, that's why totals \$4.

That will be the maximum commission this seller pays \$4 per group, and it only happens with the overprice of \$10, which is the maximum allowed. This seller won't pay more than \$4 commission.

The NCNDA-IMFPA needs to be fill out 100% by buyer and there are only two boxes on the buyer side allow, one for me and my group, one for you and your group, there are no more boxes allowed.

3- LOI / ICPO HOW IT MUST BE MADE:

The Letter of Criteria to make the LOI/ICPO is a guide line, you need to make sure that before you send the document, it meets all the seven (7) points in the LETTER OF CRITERIA. As simple as that, I am not a in position to check your documents ten times before you get it right, just follow every point in the Letter of Criteria, and check them against your document; if there is at least one point that doesn't match, the document won't be accept it. It is like a check list, if is not in the document, is no good.

I have pasted here the seven points of the LETTER OF CRITERIA to make sure you know what we are talking about. They are in green big letter so you don't miss them at all.

1- The LOI/ICPO MUST be addressed to: "END SELLER", please do not addressed to my company or my name, just "END SELLER".

2- The LOI/ICPO MUST be freshly dated and signed.

3- The LOI/ICPO MUST has printed on the seller's procedures and terms as follows:

PAYMENT TERMS AND PROCEDURES

a) By Irrevocable, **SBLC equal to the value of 1 month** shipments, payable at sight valid for the period of 12 months and one (1) day from the date of issue. Payment for each shipment shall be effected by Telex Transfer (TT) at sight upon presentation by the Seller of all agreed documents required for payment.

b) ALL RDLC MUST BE SEND WITH 1 MONTH BG/SLC

\$10.00 less for using a BG or SLC (1 MONTH) payment.

c) An ARDLC (Automatic Revolving Documentary Letter of Credit- Transferable) can be use with no BG.

- BUYER ISSUES LOI or ICPO + BCL from top 25 Bank.
- SELLER ISSUES FCO / DRAFT CONTRACT.
- BUYER SENDS DRAFT CONTRACT SIGNED SELLER SENDS FINAL CONTRACT.
- BUYER OPENS NON OPERATIVE PAYMENT INSTRUMENT.
- SELLER SENDS THE 2 % PERFORMANCE BOND WHICH ACTIVATES THE PAYMENT
- INSTRUMENT. SHIPMENT COMMENCES AS PER THE TERMS OF THE CONTRACT.

4- The LOI/ICPO MUST have full banking coordinates: bank name, physical address (No, P.O.BOX), account number, name of the bank's official for the account, direct telephone number, fax number, email address, and a written authorization for the seller to perform a soft probe on the account. The bank must be top 25.

5- The LOI/ICPO MUST have the seller's price for that product as on the soft offer.

6- The LOI/ICPO MUST be done on the buyer's letter head.

7- The LOI/ICPO MUST be in "pdf format", no scanned pictures.

If the LOI/ICPO does not meet these 7 points it WILL BE REJECTED.

4- PAYMENT TERMS :

These are the only payments options that the seller accepts. I want to repeat this one more time, buyer tend to not to catch it the first time. THESE ARE THE ONLY TWO PAYMENT TERMS THAT THE SELLER ACCEPTS.

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c) **An ARDLC (Automatic Revolving Documentary Letter of Credit- Transferable) can be use with no BG.**

5- AQSIQ AND INSPECTIONS:

Yes, the seller has the AQSIQ registration, it will be given only to buyer as part of the documentation the seller has to present to the buyer Bank to Bank after contract is signed and the draft of the DLC in the Bank's letter head, and the Letter of Commitment from the Bank to release the DLC have been sent to the seller.

The SGS or CCIC inspections are paid by the seller at the loading port.

6- PHOTOS AND VISIT TO THE YARD:

We do not send photos, since they do not prove that we own the product, they are a waste of time. The pictures with the newspaper, the date, a code, your name, my name, however you want to do them, they do not prove anything, that we own the product, or that we own the yard, it is total waste of time. The seller won't do it. The buyer can go and visit the yard, see the product with your own eyes, after signing the contract and before opening any payment instrument, we just need the verbiage or draft for the DLC from the Bank in the Bank's Letter Head and the Letter of Commitment from the Bank to release the DLC within 3-5 days from a successful visit to the yard. It is very, very important that the buyer understands that after the signing of the contract, we need these documentation in order to send the invitation to the yard.

I AM GOING TO REPEAT MYSELF HERE TOO: The buyer can go and visit the yard, see the product with your own eyes, after signing the contract and before opening any payment instrument, we just need the verbiage or draft for the DLC from the Bank in the Bank's Letter Head and the Letter of Commitment from the Bank to release the DLC within 3-5 days from the visit to the yard.

It is very, very important that the buyer understands that after the signing of the contract, we need these in order to send the invitation to the yard.

7- B/L AND PAST PERFORMANCES:

They will be given only to buyer, if he requested them, as part of the documentation the seller has to present to the buyer Bank to Bank after contract is signed and the draft of the DLC in the Bank's letter head, and the Letter of Commitment from the Bank to release the DLC have been sent to the seller.

Thanks for your attention, and we are looking forward to do business with you.

Best regards.

MS