INTERMEDIARY PAYMENT GUARANTEE "IPG"

FOR ASSOCIATED AGENTS IN A STRING CONTRACT

TRANSACTION CODE:

PRODUCT:

TOTAL CONTRACT QUANTITY:

The monetary amount to be unconditionally protected and secured, and allows payment to proceed in favor of the named beneficiary, is hereby defined as per terms and conditions herein:

IPG TERMS AND CONDITIONS

- 1. The acceptance of this IPG means that the Beneficiary has read the "PIA" (Primary Intermediary Agent) Trading Procedures and understand such rules, as it relates to the whole transaction and commission payment process, and as it applies to the closing of a successful transaction headed by the PIA (defined as the Intermediary holding the Principal position of Buyer/Seller).
- 2. All entities in the same trading group must obtain a copy of their own IPG from the PIA.
- 3. A UCP600 Letter of Credit (UNIFORM CUSTOM AND PRACTICE FOR THE ISSUANCE OF A DOCUMENTARY LETTERS OF CREDIT, AS PER PUBLICATION 600, AS STIPULATED UNDER PUBLISHED EDICTS OF THE ©ICC (PARIS, FRANCE) AND ©INCOTERMS 2000), and subsequent pre advise Standby Letters of Credit (SLC), supporting this IPG, and others yet to be issued, supports the collection of commission by the Beneficiary for each an every recorded delivery of goods, as defined in the sales contract supporting the transaction from the PIA's account. The PIA unconditionally guarantees that the account used in the transaction supports this IPG and subsequent SLC issue. If no delivery takes place, due to unforeseen circumstances within the contacted period, no payment of commission will be paid nor guaranteed by the PIA.
- 4. Upon the success of the commodity deal with the transaction code on this IPG, the PIA will secure, on behalf of the Beneficiary, and allow collection to apply to the Beneficiary, the commission once only, or on a per month basis as indicated. The value of the first shipment is guaranteed unconditionally by the issuance of the first SLC. All other monthly payments where apparent, have payments guaranteed with the issue of each subsequent SLC where this IPG remains active and enforceable. All failed deliveries, which fail for any reason, will not be supported by this IPG. In such a case, the PIA does not guarantee payment on failed deliveries. Any failed delivery which later is taken up, shall be paid by the PIA and shall be placed at the end of the payment schedule to prevent, by accident or default, two shipment commissions becoming payable or collected in any given month (Unless otherwise stipulated).
- 5. The PIA does hereby assure and guarantee to the Beneficiary that upon the successful transaction to each delivered deal, the PIA shall immediately issue an

in house UCP600 formatted SLC supporting the commission payment(s) as per the obligations defined under this IPG.

- 6. The Beneficiary shall remain privy to the whole transaction until failure or success is confirmed, on the initial deal supporting this IPG. As for revolving monthly shipments, once the first delivery is successful, an SLC shall be issued within 7 days of each subsequent delivery. One copy shall be sent by e-mail and a hard copy by courier mail, equal to the value of the first SLC issued, unless unforeseeable circumstances force such commission payment to be reduced in value due to a reasonable and verifiable reason or unforeseeable event. Should the end buyer or the bank issuing the original financial instrument and commission payments goes bankrupt, then the Beneficiary unconditionally releases the PIA of its obligation to perform under this IPG.
- 7. Each hard copy of the SLC bearing the words "Original" and carrying the hand applied seal and signature of the PIA are the ruling documents that the Beneficiary shall present to their bank to enact collection, as each is issued. Funds from collection of each SLC must be deposited into the bank account of the Beneficiary, as supported under this IPG.
- 8. Each issued hard copy financial instrument is an unconditional instrument, issued as non-transferable, payable 100% at sight upon presentation against the account of the PIA, from the same account used for the commodity deal supporting this IPG, which can not be changed once the first SLC is issued. Likewise; the account information provided by the Beneficiary can not be changed for the life of the contracted delivery schedule.
- 9. Hard copies of the financial instrument shall only be issued once. No duplicates will be provided, including in case of loss.
- 10. The Beneficiary agrees that the PIA Trading Procedure is the ruling application of this IPG. Should any dispute arise, the Parties will utilize binding arbitration for mediation of conflicts. Any marks or changes to alter the original contents of this IPG cancels such, outright and unconditionally. An IPG is issued to each named intermediary seeking commission payment from the transactions referenced in this IPG. As such, each IPG issued is done confidentially.
- 11. Only named Beneficiaries are privy to the information of this IPG. It is a breach of conditions for any Beneficiary to disclose matters of this IPG, or an issued pay order, with any other party or Beneficiary.

IPG PAY ORDER ISSUANCE AND COLLECTION PROCEDURES

Before a pre advice e-mail disclosing any details about an end buyer or supplier (including specifications such as grade of goods, target price, port of destination, and other relevant details), the following "Step-back" procedures shall apply:

- 1. Only agents working together may by pass issuance policy of an RFQ and take up procedures of issuance after an offer has been accepted.
- 2. When an RFQ or OTS is ready to be issued, fully disclosing the details of end buyer or supplier, the PIA (or any other trader (PI) holding the last position next to the end buyer or supplier) shall advise by e-mail to all others in the intermediary chain, and to the PIA, that an end buyer or supplier has been sourced (offer has been issued and/or accepted).
- 3. The PIA shall instruct the PI to collect the details of all intermediaries involved in the deal. The PI shall forward the collected information to the PIA.
- 4. The PIA issues to the PI an IPG for each beneficiary. The PI shall check each pay order and forward, by e-mail (in PDF), to each beneficiary.
- 5. The signed RFQ or OTS is then e-mailed to the PI, which is to be forwarded to the PIA controlling the deal.
- 6. The PIA interacts only with the PI on the deal. The PI will interact with all of the intermediaries involved, keeping each informed, or involved in the deal.
- 7. Upon the Sales Contracts being signed and returned to the PIA, an e-mail copy of the pay order in the form of a Stand By Letter of Credit (SLC) will be advised to each beneficiary.
- 8. Upon funds being deposited by the end buyer (where delivery documents have been accepted as clean) the PIA shall send (via overnight courier) each beneficiary a hard copy of the original signed, corporate issued UCP600 SLC, in support of commission payments for the successfully delivered shipment.
- 9. Each beneficiary shall deposit the SLC in their bank to enact its collection, as per terms and conditions.
- 10. Each subsequent hardcopy of the SLC shall be mailed out for each successful delivery. An e-mail shall also be sent to each beneficiary of the name and date of courier delivering for each payment.
- 11. For the purpose of transparency, the PIA may, at his discretion, disclose the IPG on his website.
- 12. The beneficiary bringing the end buyer agrees and accepts this IPG. Beneficiaries who advised "non acceptance" of an IPG will not be able to stop nor stall the transaction from proceeding. In such a circumstance, it will be the discretion of the PIA to entertain any added conditions before issuing a new IPG.

13. After the IPG has been issued and accepted, the end buyer or supplier details must within 24-hours be forwarded, via e-mail, to the PIA otherwise all pay orders issued shall immediately become invalid.

PIA DETAILS

Commission Pay Order is issued and Guaranteed by:

NAME:

FULL POSTAL ADDRESS:

EMAIL : FACSIMILE: PHONE:

BANKS NAME:

ADDRESS:

ACCOUNT NAME:

DATE OF IPG ISSUE: Day of in the year 2009

EXPIRATION DATE: Day of in the Year

THE PIA IS GUARANTEEING PAYMENT TO THE NAMED BENEFICIARY

THE DETAILS OF THE BENEFICIARY FULL LEGAL NAME OF BENEFICIARY:

(Cannot be changed once returned to PIA)

FULL POSTAL ADDRESS:

EMAIL: FACSIMILE: PHONE:

BANKS NAME:

ADDRESS: (P.O BOX NOT ALLOWED)

FACSIMILE: PHONE:

ACCOUNT NAME:

For security reasons, full banking details, including account numbers of the PIA and Beneficiary, will be exchanged prior to the issuance of a UCP600 Standby Letter of Credit.

COMMISSION PAYMENTS BASED ON THE FOLLOWING RATES

COMMISSION RATE %:

(Numerically Applied)
PER _____ UNIT: \$

IN WORDS:

CURRENCY IMPLIED:

TOTAL COMMISSION AMOUNT BEING PROTECTED: -/+ 5%

FOR THE TOTAL ASSUMED DELIVERED AMOUNT:

IN WORDS:

FOR THE TOTAL ASSUMED CONTRACT MONETARY AMOUNT BEING: \$

IN WORDS:

PAYABLE NON CUMULATIVE REVOLVING MONTHLY: \$

IN WORDS:

FOR HOW MANY MONTHS APPLIED ON THE SALES CONTRACT:

IN WORDS:

PIA DECLARATION

I, the PIA (defined as private or corporate entity carrying on business as a International Trade Intermediary, Buyer and Seller), do hereby promise and guarantee the commission payment supporting the issuance of this IPG. This guarantee will apply to each an every successful delivery shipment of this transaction. The PIA shall allow the beneficiary, directly or indirectly, to remain fully informed on every stage of the deal until success or

failure is recorded.

PIA Name:

Hand applied Signature:
Date:
Seal:
BENEFICIARY ACCEPTANCE Acceptance by: (print Name)
Hand applied Signature:
Date:
Seal: