



PANGEIA NEXUS GROUP LTDA

Global Commodity Trade

ICC STANDARD TRADING PROCEDURES

International Commodity Transactions — Reference Document

Document Type: Standard Operating Procedures (SOP)

Applicable Framework: ICC UCP 600 | Incoterms® 2020 | ICC NCNDA/IMFPA

Issued by: Pangeia Nexus Group Ltda

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OVERVIEW

These procedures govern all international commodity transactions conducted by or through **Pangeia Nexus Group Ltda**, in compliance with the rules of the **International Chamber of Commerce (ICC)**, including:

- **UCP 600** — Uniform Customs and Practice for Documentary Credits (ICC Publication No. 600)
- **URDG 758** — Uniform Rules for Demand Guarantees
- **Incoterms® 2020** — International Commercial Terms
- **ICC NCNDA** — Non-Circumvention, Non-Disclosure Agreement
- **IMFPA** — Irrevocable Master Fee Protection Agreement
- **ICC Arbitration Rules** — Paris / Geneva

All submitted documents must be issued on official letterhead, signed and stamped by the authorized representative, and sent in PDF format unless otherwise specified.



PROCEDURE 1 – STANDARD CIF / FOB CONTRACT (L/C or SBLC)

Applicable to: Annual, Spot, and Revolving Contracts

Step	Action	Responsible Party	Deadline
1	Buyer issues ICPO (Irrevocable Corporate Purchase Order) + RWA / BCL as Proof of Funds (POF)	Buyer	Day 1
2	Seller issues FCO (Full Corporate Offer)	Seller	Within 2 business days
3	Buyer returns signed and stamped FCO	Buyer	Within 2 business days of receipt
4	Seller issues Draft SPA (Sales & Purchase Agreement)	Seller	Within 3 business days
5	Buyer returns signed, stamped, and scanned SPA by email — legally binding until originals are exchanged	Buyer	Within 7 business days
6	Seller issues Commercial Invoice / Proforma Invoice	Seller	Within 2 business days
7	Buyer returns signed and stamped Commercial Invoice + BCL + ATV issued by Buyer's bank	Buyer	Within 3 business days
8	Buyer submits Draft Financial Instrument (SBLC / ARDLC / DLC) for Seller's validation	Buyer	Within 7 business days of SPA signing
9	Seller validates or requests amendments to the draft financial instrument	Seller	Within 3 business days
10	Buyer's bank issues SBLC / DLC via MT760 / MT700 — irrevocable, revolving, transferable, divisible, confirmed by a Top 50 bank — to Seller's bank	Buyer's Bank	Within 10 business days of draft validation
11	Seller's bank sends 2% Performance Bond (PB) + Partial Proof of Product (POP) to Buyer's bank	Seller's Bank	Within 5 days of instrument validation
12	Seller issues Invitation Letter for Buyer to accompany the shipment at port (optional)	Seller	—



13	Commodity is loaded at origin port. SGS / Inspection Certificate issued at loading port	Seller	Within 30–40 days of instrument validation
14	Seller sends full shipping documents (BL + SGS Report + Commercial Invoice + COO + Packing List + Insurance) to Buyer	Seller	Within 72 hours of loading completion
15	Buyer releases real payment via MT103/TT to Seller's account upon receipt and verification of shipping documents	Buyer	Within 3 banking days of document receipt
16	Seller releases commissions to all intermediaries as per signed NCNDA/IMFPA via Paymaster	Seller / Paymaster	Within 24 hours of payment confirmation

Important: No Proof of Product (POP) or Past Performance (PP) will be provided before the financial instrument is opened and validated. The SGS Report at loading port is the sole reference for payment release.

PROCEDURE 2 – PAYMENT IN ADVANCE (T/T ADVANCE)

Applicable to: Trial Shipments, Spot Contracts

Step	Action	Responsible Party	Deadline
1	Buyer issues LOI (Letter of Intent)	Buyer	Day 1
2	Seller issues SCO (Soft Corporate Offer)	Seller	Within 2 business days
3	Buyer sends ICPO with full banking information and soft POF	Buyer	Within 3 business days
4	Seller issues Draft SPA + NCNDA/IMFPA	Seller	Within 3 business days
5	Buyer signs and returns all documents	Buyer	Within 5 business days
6	Buyer pays agreed advance amount via MT103/TT to Seller's account	Buyer	Per SPA terms

7	Seller sends full shipping documents (BL, SGS, Invoice, COO, Packing List, Insurance)	Seller	Within agreed shipping period
8	Buyer releases remaining balance via MT103/TT against shipping documents	Buyer	Within 3 banking days of document receipt
9	Seller releases commissions to intermediaries per NCNDA/IMFPA	Seller / Paymaster	Within 24 hours of payment confirmation

PROCEDURE 3 – SHIP-TO-SHIP (STS) TRANSFER

Applicable to: Petroleum, LNG, Bulk Liquid Commodities

Step	Action	Responsible Party
1	Seller issues Proforma Invoice (PI) to Buyer; Buyer signs and returns	Seller → Buyer
2	Buyer pays prepayment as per PI to Seller's designated account	Buyer
3	Seller sends vessel details (Q88 form) to Buyer	Seller
4	Seller's vessel moves to the STS location designated by Buyer	Seller
5	Buyer's representative performs Dip Test on Seller's vessel	Buyer
6	Upon successful dip/test result, Seller issues final Invoice to Buyer	Seller
7	Buyer settles full invoice amount to Seller's account	Buyer
8	STS operation commences	Buyer's vessel

KEY DOCUMENT REQUIREMENTS

LOI – Letter of Intent





The LOI must:

- Be issued on the official company letterhead of the **final end buyer**
- Be addressed to **Pangeia Nexus Group Ltda**
- Include the names of any brokers/intermediaries involved
- Be signed by the company director, accompanied by a copy of the signer's passport and Power of Attorney
- Include the requested commodity, quantity, target price, destination port, and preferred payment procedure
- Be sent from the buyer's official email to Pangeia's official email address
- Incomplete LOIs will be returned without processing

ICPO — Irrevocable Corporate Purchase Order

Must be:

- On company letterhead, signed and stamped by CEO / authorized signatory
- Inclusive of: commodity, quantity, price range, payment form, bank name (Top 50), and delivery terms

BCL / RWA — Bank Comfort Letter / Ready, Willing & Able

Must be:

- Issued by a Prime Top 50 bank
- In the name of the Buyer
- Confirming financial capacity for the transaction value

Financial Instrument Requirements

All SBLC / DLC / MT760 instruments must be:



- Irrevocable, unconditional, confirmed
- Revolving, transferable, divisible, auto-renewable
- Issued by a **Top 50 World Bank**
- 100% cash-backed
- Valid for contract period + 12 months + 1 day
- Draft sent to Seller for validation **before** issuance to bank

No instrument shall be sent to the bank without prior written validation of the draft by Seller. Unauthorized issuance constitutes a contractual breach.

ICC GOVERNING RULES — REFERENCE SUMMARY

ICC Rule	Publication	Scope
UCP 600	ICC Pub. No. 600 (2007)	Governs all Letters of Credit (L/C) — 39 articles, applicable in 175+ countries
URDG 758	ICC Pub. No. 758 (2010)	Governs demand guarantees and standby instruments (SBLC)
Incoterms® 2020	ICC (effective Jan 1, 2020)	Defines risk, cost, and delivery responsibilities between Seller and Buyer
eUCP v2.0	ICC (2019)	Electronic supplement to UCP 600 for digital trade documents
ICC NCNDA	ICC Model Contract	Non-circumvention, non-disclosure between trading parties and intermediaries
IMFPA	ICC Framework	Irrevocable protection of intermediary commissions
ICC Arbitration	ICC Rules 2021	Dispute resolution — seated in Paris (France) or Geneva (Switzerland)



INCOTERMS® 2020 — QUICK REFERENCE

Term	Risk Transfer	Insurance	Best Used For
EXW — Ex Works	At Seller's premises	Buyer	Buyer arranges all transport
FCA — Free Carrier	Named place	Buyer	Multimodal / container
FAS — Free Alongside Ship	Port of origin	Buyer	Bulk / break-bulk
FOB — Free On Board	On board vessel	Buyer	Bulk commodities
CFR — Cost & Freight	On board vessel	Buyer	Bulk commodities
CIF — Cost, Insurance & Freight	On board vessel	Seller (min. cover)	Most commodity deals
CIP — Carriage & Insurance Paid	Named place	Seller (all-risk)	Container / multimodal
DAP — Delivered at Place	Named destination	Buyer	Door delivery
DPU — Delivered at Place Unloaded	Named terminal	Buyer	Terminal delivery
DDP — Delivered Duty Paid	Named destination	Buyer	Full door-to-door
CPT — Carriage Paid To	Named destination	Buyer	Multimodal

COMMISSION AND FEE DISTRIBUTION

All intermediary commissions are protected by the signed **NCNDA/IMFPA** and shall be released via **Paymaster** within **24 hours** of confirmed payment receipt by Seller.

- No commission is payable before actual payment for goods is received by Seller
- All commission schedules must be agreed in writing prior to or simultaneously with the SPA signing
- The Paymaster is designated by mutual agreement and named in the IMFPA
- Circumvention of any intermediary in violation of the NCNDA/IMFPA entitles the aggrieved party to claim full damages equal to the maximum benefit they would have received from the transaction



SWIFT MESSAGE REFERENCE

SWIFT Message	Purpose
MT700	Issuance of Documentary Letter of Credit (L/C)
MT760	Issuance of Bank Guarantee / SBLC
MT103	Single Customer Credit Transfer (real payment / TT)
MT799	Free Format Message (soft probe / RWA / BCL)
MT199	Free Format Confirmation (acknowledgment between banks)

GENERAL NOTES AND DISCLAIMERS

1. ALL DOCUMENTS MUST BE SUBMITTED IN PDF FORMAT, SIGNED AND STAMPED ON OFFICIAL LETTERHEAD.
2. ELECTRONIC SIGNATURES VIA **DOCUSIGN** (<https://www.docusign.com/>) ARE ACCEPTED AS LEGALLY BINDING AND EQUIVALENT TO ORIGINAL SIGNATURES.
3. ALL COMMUNICATIONS AND CONTRACT LANGUAGE SHALL BE IN **ENGLISH**.
4. NO PAST PERFORMANCE (PP) OR PROOF OF PRODUCT (POP) WILL BE PROVIDED PRIOR TO THE OPENING AND VALIDATION OF THE FINANCIAL INSTRUMENT.
5. ALL TRANSACTIONS ARE SUBJECT TO ICC UCP 600 AND INCOTERMS® 2020.
6. PANGEIA NEXUS GROUP LTDA RESERVES THE RIGHT TO REFUSE ANY INCOMPLETE, UNOFFICIAL, OR NON-COMPLIANT DOCUMENTATION.
7. LEGAL ACTION WILL BE PURSUED FOR ANY CONTRACTUAL BREACH, NON-PAYMENT OF PENALTIES, OR CIRCUMVENTION ATTEMPTS.

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