Negotiation Protocol

NEGOTIATION PROTOCOL FOR THE
PURCHASE - SALE OF CRUDE OIL AND ITS DERIVATIVES

Once the business unit of **VENERGY GLOBAL, C.A.**, receives the initial interest from the potential **BUYER/SELLER**, indicating their willingness and certain possibility of **BUYING/SELLING** products or services, a meeting will be arranged - virtually or at the company's offices - where the parties will study the feasibility of working together, prior to the continuation of the negotiation process with third parties.

If the **BUYER/SELLER** expresses its interest in continuing the negotiation, it must issue a corresponding **LETTER OF INTENTION TO PURCHASE (LOI)**, addressed to **VENERGY GLOBAL, C.A.**, including in the text the authorization and recognition granted to carry out its activity as **MAIN INTERMEDIARY**. Said document must be delivered using the email vgtrading@venergyglobal.com within a period not exceeding three (3) working days.

Such correspondence must be issued using the letterhead of the company that will act as **BUYER/SELLER**, duly signed and stamped by its legal representative.

THE LETTER OF INTENTION (LOI), must be accompanied by a **BCL (BANK CONFORT LETTER)**, which allows establishing the current solvency and assures that the buyer has the financial capacity to comply with the obligations derived from the fulfillment of the contract.

The reception of the **LETTER OF INTENTION (LOI) by VENERGY GLOBAL, C.A.**, will start the mediation phase with the **SELLER/BUYER**, who will issue a **Soft Corporate Offer (SCO)** addressed to **VENERGY GLOBAL, C.A.**, within three (3) business days from the date of receipt of the LOI from the interested party.

The reception of the **SCO** by **VENERGY GLOBAL, C.A.**, will start the mediation phase with the **BUYER/SELLER**, who will issue an **IRREVOCABLE CORPORATE PURCHASE ORDER (ICPO)** addressed to **VENERGY GLOBAL, C.A.**, within three (3) business days from the date of receipt of the **LOI**.

The **ICPO** must be accompanied by the following documentation:

a)   If the negotiation is **FOB**, information on the characteristics of the tanker, the **Q88** and the bunkering rate must be indicated;
b)   If the negotiation is **CIF**, you must attach official information on the availability of the storage tank(s), which may be owned by the buyer or under lease to receive the fuel;
c)   In both cases the **LETTER OFCREDIT** (Letter of Credit from a first-class international bank).

Once the **ICPO** has been received and accepted, the **BUYER/SELLER** shall issue a **COMPLETE OFFER (FCO)** addressed to **VENERGY GLOBAL, C.A.**, within a period of no more than three (3) business days, counted from the date of receipt of the **ICPO**. In said **FCO** will request the **BUYER/SELLER** to attach the corresponding **CLIENT INFORMATION SHEET (CIS)**.

Once the **FCO** has been accepted by the buyer and forwarded to the buyer for final processing, the **BUYER/SELLER** will send through **VENERGY GLOBAL, C.A.**, to the **BUYER/SELLER** a **COPY OF THE CONTRACT** between the parties with their respective company identifications, which will include a Non-Compete – Non-Disclosure Agreement (**NCNDA**).

The buyer shall send a duly signed and stamped digitalized copy to the seller, via e-mail with a copy to **VENERGY GLOBAL, C.A.**

NOTE 1: This **NCNDA** protects all parties from being circumvented by any participant in the negotiated agreement. It is very important to have this document inserted in the text of the contract as an integral part and not as an addendum to a contract, in order to be approved and duly signed.

Once these steps have been completed and the respective documents have been signed, the direct relationship between buyer and seller begins, in order to conclude the negotiation agreed upon and the bank intermediation comes into effect, in accordance with the terms accepted and the dispatch of the product in question for the finalization of the contract.

VENERGY

Reliable access to Venezuela's commodities market

- -

Caracas, Venezuela

vgtrading@venergyglobal.com

@venergyglobal   venergy‒global