

TERMS SHEET FOR THE YEAR 2020
SUPPLY OF RAW MATERIALS

The trading department at the M.T. Abraham Group S.A. approaches leading manufacturers and suppliers on an international scale. The Group collaborates only with a reliable and trustworthy chain of suppliers, which have the proven capability to execute orders of all sizes and in various regions globally. Please note that we may update our policies and terms according to the market trends.

Soft Probe Authorization

- We accept only Supplier with official company Letter of Intent in order to start the process. Letter of Intent or ICPO must include signature, name and position of the signatory, company stamp with its full name and complete address including telephone number.
- Any Letter of Intent must also include, company registration number, banking details and company bank account number, bank account manager's name with phone number, and e-mail address.
- The Group accepts a Full Corporate Offer, sign and send to Supplier Letter of Intent with Full Banking Details.
- The parties agree on the SPA draft.

General Transaction Terms

- As part of our due diligence process, it is required from the Supplier to disclose, company registration documents, export licensing, samples of past performed material quality inspections and any other document which will be requested by the Group's legal department.
- The inspection of the goods will be performed by a neutral 3rd party multinational institution. Highly acclaimed standards of conduct guarantee objective results such as SGS or the equivalent. Samples are systematically taken from each container and compared to the contract requirements as well as per the specs provided by the Supplier.

Payment Instrument

- Supplier gives 2% performance bond to the Group bank and sends a scanned copy of the legalized notarized hardcopies SPA alongside the Partial Proof of Product.
- The Group's bank will issue a Non-Operative, Irrevocable, Non-Transferrable Documentary Letter of Credit covering 100% (one hundred percent) of the value of the SPA.
- Letter of Credit will be activated only if SPA fulfilled in full, and once SGS confirms the content of the shipment and original copy of the BL is handed to the Group's representative at uploading port.

Delivery Terms

- Terms: INCOTERMS 2020.
- Specifications and volume: As per agreed terms between the Group and Supplier.
- CIF, FOB, EXW.
- Final Destination: Port Ploče (Croatia).

Notes

- Seller's alternative legitimate procedures can be discussed.
- Prospective Sellers/ Seller Mandates send us Soft Corporate Offers (SCO's) or Full Corporate Offers (FCOs). Please only serious sellers. Keep in mind that Due Diligence (DD) will be conducted on your offer and provided supportive documentation.

Non-binding

Both parties agree to work in good faith to complete their respective Due Diligence and expeditiously towards closing a final supply Agreement. However, nothing in this Term Sheet will be construed as a binding obligation of the Group until the final Agreement is signed outlining various mechanics relative to this Term Sheet which will be satisfactory to all parties.