








CPC Corporation, Taiwan
Crude Oil Procurement Procedure

Objective:	Maintaining stable crude oil supply for domestic requirement
Counterpart:	<ul style="list-style-type: none">  Government of crude oil producing nations (Term/Spot)  National oil companies (Term/Spot)  Crude oil equity-producers (Term/Spot)  Approved oil traders (Spot only)
Crude-Oil Quality:	<ul style="list-style-type: none">  API 20~45 or 49-65  Pour Point 10 degree C max  The supplier shall provide crude assay or sample for CPC's analysis to decide if it is suitable for refining.
Procedure:	<ol style="list-style-type: none"> 1. Directly negotiate with government of producing countries, national oil companies, equity producers or approved oil traders without any intermediate third parties, no commission will be paid to the employee(s) of either parties. 2. To negotiate procurement conditions, the crude oil to be supplied by said potential suppliers should be suitable for CPC's refining needs. CPC will ask for crude-assay and might need samples for analysis when necessary, to decide if it meets refinery's requirement. 3. CPC will discuss sales/purchase agreement with those suppliers subject to the overall crude oil purchase plan and refining optimization.
Consideration:	Favorable yield with a transportation cost comparable to similar crude oil