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DOCUMENTS REQUIRED 2024

FOR INTERMEDIARIES TO SUPPLY

Earning Commission from Our Suppliers

Supplier
procedures



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WE REQUIRE 3 DOCUMENTS

In order for intermediaries and brokers to earn commission from our suppliers, they must provide three key documents:

Letter of Intent (LOI): This document formally expresses the buyers intent to engage in a transaction with our suppliers. It outlines the scope of the potential deal, including transaction details and proposed terms.

Know Your Customer (KYC) Documentation: To ensure regulatory compliance and mitigate risk, we require comprehensive KYC information about the buyer.

Soft Proof of Funds: The buyer must demonstrate they have sufficient capital or access to financing to support the proposed transaction. This can take the form of letter from the buyers accountant, or a letter from a financial institution, simply stating they have the funds **(nothing more for now)**.





LETTER OF INTENT

Letter of Intent (LOI)

What: A Letter of Intent (LOI) is a non-binding document that expresses the buyer's interest in purchasing the commodity and their intention to enter into negotiations.

Why: The LOI serves as a starting point for the negotiation process and demonstrates the buyer's seriousness in pursuing the transaction. It also allows the seller to understand the request in terms of quantity, specs and destination..

How: Intermediaries should request their buyers to issue an LOI addressed to the seller or seller mandate, outlining the key details of the proposed transaction, such as the quantity, price, and delivery terms.

Protection: All Intermediaries are requested to sign an NDA with us prior to sending any documents.



KNOW YOUR CUSTOMER

Know Your Customer (KYC)

What: Know Your Customer (KYC) is the process of verifying the identity and background of the buyer. This typically involves providing information such as company registration documents, ownership structure, and contact details.

Why: KYC helps the seller ensure that they are dealing with a legitimate and trustworthy buyer. It also helps to comply with anti-money laundering and counter-terrorism financing regulations.

How: Intermediaries should provide their buyers with the necessary KYC forms and request that they be filled out and submitted. This information can then be shared with the seller to demonstrate the buyer's credibility.



PROOF OF FUNDS

Soft Proof of Funds (POF)

What: A Soft Proof of Funds (PoF) is a document that demonstrates the buyer's financial capability to complete the transaction. This can be in the form of a bank statement, letter of credit, or other financial documentation.

Why: The PoF assures the seller that the buyer has the necessary funds available to fulfil the purchase. This helps build trust and reduces the risk of the transaction falling through due to financial constraints.

How: Intermediaries should request a "soft" PoF from their buyers, which is a less formal, preliminary document that indicates the availability of funds without providing sensitive financial details. This can be obtained by the buyers bank or accountant.

Should the transaction proceed to the ICPO stage then bank to bank RWA will be asked for by the seller.



IMPORTANCE OF DOCUMENT SUBMISSION

We value transparency and efficiency in all our transactions. To expedite and ensure the successful completion of your request, it is imperative that you provide the following three essential documents:

- **The Letter of Intent (LOI).**
- **Know Your Customer (KYC) document.**
- **Soft Proof of Funds (SPOF).**

Consequences of Non-Compliance

Failure to provide these documents will hinder our ability to move forward with your request. Our suppliers require these documents as a standard part of their due diligence process.

This requirement is **non-negotiable** and is in place to protect all parties involved.

The Role of Intermediaries

As an intermediary, your role is crucial in facilitating the transaction between the buyer and our supplier. It is your responsibility to ensure that these basic documents are submitted promptly and accurately.

Expecting substantial commissions without providing the necessary documentation raises concerns about the legitimacy and seriousness of the request.



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IMPLICATIONS OF INCOMPLETE DOCUMENTATION

When intermediaries fail to provide these documents, it often suggests one or more of the following issues:

Fishing for Documents: This may indicate an attempt to gather sensitive information without a genuine intent to conclude the transaction.

Lack of Proximity to the End Buyer: It suggests that the intermediary may not have a direct or strong relationship with the end buyer, which is crucial for successful deal closure.

Buyer Shopping Around: It could mean that the buyer is not committed and is merely exploring multiple suppliers without serious intent to finalize a deal.

These scenarios not only slow down the transaction process but also compromise the trust and efficiency that we strive to maintain in our business operations.

To foster a successful partnership and secure the substantial commissions you anticipate, it is essential to adhere to the requirement of submitting the LOI, KYC, and SPOF.

Feel free to reach out
Robert Taylor