Английская версия:

***Complete information on terms and conditions of an open tender of commercial bids***

***for long-term sales of oil products produced by OJSC Mozyr OR***

***planned for August 25, 2015***

**On August 25, 2015** CJSC Belarusian Oil Company is holding an open tender of commercial bids for long term sale of oil products:

|  |  |  |  |
| --- | --- | --- | --- |
| Oil products description | Quantity, tons | Delivery period | Delivery basis |
| Hydrotreated vacuum gasoil | Up to 40 000 tons per month  (+\-50% of the agreed monthly lot, seller’s option)  (total quantity up to 480 000 tons +/-50% in the seller’s option) | September 2015 – August 2016 | **FCA st. Barbarov** (for Goods deliveries to the territory of Russian Federation and Kazakhstan);  **DAP** border of the Republic of Belarus (transshipment in Baltic ports is not allowed);  **FOB port Riga**  terminal **АО «B.L.B. Baltijas Terminals»**  tanker lot up to 15 000 tons +/-10% in the seller’s option;  **FOB port Nikolaev**  terminal  **Nikolaev NPK,** tanker lot up to 30 000 tons 10% in the seller’s option, tankers with draught up to 10.3 m and length up to 195 m are accepted;  **FOB** **port** **Odessa**  terminal **Odessa NPK**, tanker lot up to 30 000 tons ±10% in the seller’s option;  **FOB port Tallinn**, Estonia, Dekoil terminal, tanker lot up to 15 000 tons (+/-10% in the Seller’s option);  **CIF Buyer’s port**. **(via stipulated port and terminal)**. |

**The delivery bases for a.m. oil product may be changed before the tender date**.

**The tender is subject to deposit.**

The terms of Goods selling:

Seller: CJSC Belarusian Oil Company, Republic of Belarus (hereinafter CJSC BNK) or BNK (UK) Ltd, United Kingdom of Great Britain and Northern Ireland;

Producer: OJSC Mozyr OR.

The quality of Goods to be sold:

* Hydrotreated vacuum gasoil – - in conformity with TU BY 300220696.023-2004.

**The partial purchase of the tender volumes of the Goods is possible.**

The shipment of each monthly Goods lot may be agreed in several steps: within the period from the 18th day of the month preceding the month of final price formation accepted for a definite agreed Goods lot till the 5th day (inclusive) of the month of final price formation accepted for a definite agreed Goods lot. At the same time the Buyer has no right to refuse the final Goods volume in case of receiving the notification up to the 5th day (inclusive) of the month of the final price formation.

Should the Seller inform the Buyer on the volume of a definite agreed Goods lot after the 5th day of the month of the final price formation accepted for a definite Goods lot, the Buyer is entitled to reject the acceptance of the offered Goods volume by written notification to the Seller within 1 (one) business day from the information receipt. If such notification is submitted later than 1 (one) business day from the information receipt the additionally confirmed volume of Goods is deemed accepted.

No later than 1 (one) business day from the date when the preliminary EUR / USD (EURO / US Dollar) exchange rate is fixed the Seller and the Buyer sign a respective additional agreement to the contract stipulating the Goods delivery.

The date of invoicing is no later than 1 (one) business day from the date when the preliminary EUR / USD (EURO / US Dollar) exchange rate is fixed.

Currency of price calculation and payment: Euro

Terms of payment: 100% advance payment of the agreed monthly Goods lot within 2 (two) banking days from the date of invoicing by the Seller

Settlement procedure: the Buyer and Seller effect payments through accounts and correspondent accounts in the European banks only (when the Goods are delivered to the countries of the Customs Union – through the banks of the specified countries as per agreement with Financial Department of CJSC BNK).

The price for the oil product is calculated according to a formula.

**The provisional price (Pr(P)) is calculated as follows**:

**Pr(P) = ((Pl(P) +D)\*1,1– k(P))/ K(P) EUR/USD, where**

**Pl(P)** – average value of the basic quotations for the period from the **1st to 18th** **quotation day (inclusive) of the month** preceding the month of the final price formation for the agreed Goods lot, **given in USD** per metric ton for the respective position as per quotations of Platts’s agency in its publication “Platt’s European Marketscan”.

**D** - the correction (on Goods delivery basis) offered by the Buyer in the bid, in US dollars per metric ton;

**k(P)** – the correction calculated by the Seller and equal to the value of export customs duty for deliveries to the territory of Russian Federation and Kazakhstan. For Goods deliveries not to the territory of Russian Federation and Kazakhstan k(P) = 0. *This value is equal to the export customs duty fixed in the Republic of Belarus for the date of concluding a respective additional agreement to the oil products supply contract.*

**K(P) EUR/USD** – Euro/US Dollar FOREIGN EXCHANGE REFERENCE RATE of the European Central Bank (ECB) fixed at 14:15 (CET time) and quoted on www.ecb.int:

- for the volume (lot) of the Goods confirmed for delivery within the period up to the 18th day of the month preceding the month of the final price formation – on the 19th day of the month preceding the month of the final price formation for the agreed Goods lot;

- for the volume (lot) of the Goods confirmed for delivery within period after the 18th day of the month preceding the month of the final price formation – on the date following the date of confirmation the Goods for realization.

In the event that there is no ECB rate quoted on such day the next following publication shall apply.

**The final price (Pr(F)) of the Goods shall be calculated according to the following formula:**

**Variant I:**

**Pr(F) = (Pl(P) +D – k(F))/ K(P) EUR/USD +( Рl(F) - Рl(P))/ K(F) EUR/USD**, **where**

**Pl(P)** – average value of the basic quotations for the period from **the 1st to 18th quotation day (inclusive) of the month** preceding the month of the final price formation for the agreed Goods lot, given in USD per metric ton for the respective position as per quotations of Platts’s agency in its publication “Platt’s European Marketscan”;

**D** - the correction (on Goods delivery basis) offered by the Buyer in the bid, in US dollars per metric ton

**k(F)** – the correction calculated by the Seller and equal to the value of export customs duty for deliveries to the territory of Russian Federation and Kazakhstan. For Goods deliveries not to the territory of Russian Federation and Kazakhstan k(F) =0. *This value is equal to the export customs duty fixed in the Republic of Belarus for the date of the Goods shipment ex-refinery.*

**Рl(F)** – the arithmetic average of basic quotations rounded to the second decimal place **throughout all quotation days of the month** of the final price formation for the respective position as per quotations of Platts’s agency in its publication “Platt’s European Marketscan” indicated while confirming a definite Goods lot, in USD per metric ton;

**K(P) EUR/USD** – Euro/US Dollar FOREIGN EXCHANGE REFERENCE RATE of the European Central Bank (ECB) fixed at 14:15 (CET time) and quoted on www.ecb.int:

- for the volume (lot) of the Goods confirmed for delivery within the period up to the 18th day of the month preceding the month of the final price formation – on the 19th day of the month preceding the month of the final price formation for the agreed Goods lot;

- for the volume (lot) of the Goods confirmed for delivery within period after the 18th day of the month preceding the month of the final price formation – on the date following the date of confirmation the Goods for realization.

In the event that there is no ECB rate quoted on such day the next following publication shall apply.

**K(F) EUR/USD** – Euro/US Dollar FOREIGN EXCHANGE REFERENCE RATE of the European Central Bank (ECB) fixed at 14:15 (CET time) and quoted on [www.ecb.int](http://www.ecb.int) on the second banking day following the final quotation day of the month of final price formation.

**Variant II:**

**Pr(F)=(Рl(F) + D – k(F))/ K(F) EUR/USD**, **where**

**Рl(F)** – the arithmetic average of basic quotations rounded to the second decimal place **throughout all quotation days of the month** **of the final price** formation for the Goods lot given in USD per metric ton for the respective position as per quotations of Platts’s agency in its publication “Platt’s European Marketscan”;

**D** - the correction (on delivery basis for a definite oil product) offered by the Buyer in the bid, in US dollars per metric ton

**k(F)** – the correction calculated by the Seller and equal to the value of export customs duty for deliveries to the territory of Russian Federation and Kazakhstan. For Goods deliveries not to the territory of Russian Federation and Kazakhstan k(F)=0. *This value is equal to the export customs duty fixed in the Republic of Belarus for the date of the Goods shipment ex-refinery.*

**K(F) EUR/USD** – the average value of EUR\USD exchange rates ЕURO/US DOLLAR FOREIGN EXCHANGE REFERENCE RATE, as fixed by European Central Bank (ECB) under the reference foreign currency exchange rates at 14.15 Central European time (CET) published on the site www.ecb.int throughout **all days of the month of the final price** formation when ECB exchange rates are published.

In case of the Seller’s confirmation of the volume (lot) of the Goods made after the 18th day of the month preceding the month of the final price formation in respect of a definite agreed Goods lot up to the last day (inclusive) of the month, preceding the month of the final price formation in respect of a definite agreed Goods lot, **the Buyer is entitled to choose the variant of final price calculation until the 1st day of the month** of the final price formation in respect of a definite agreed Goods lot by sending to the Seller a respective notice. In case this information is not submitted the Seller shall apply the formula variant that was applied for final price calculation of the first confirmed lot of the Goods in the previous month.

In case of the Seller’s confirmation of the volume (lot) of the Goods made within the period starting with the 1st day of the month of the final price formation in respect of a definite agreed Goods lot **the Buyer is entitled to choose the variant of final price calculation until the moment of Euro/US Dollar FOREIGN EXCHANGE REFERENCE RATE publication made by ECB** on [www.ecb.int](http://www.ecb.int) (**K**(P) EUR/USD)on the date following the date of confirmation the Goods for realization, by sending to the Seller a respective notice. In case this information is not submitted the Seller shall apply the formula variant that was applied for final price calculation of the first confirmed lot of the Goods in the previous month.

For the first delivery under the Contract the Buyer is entitled to choose the variant of final price calculation until the 1st day of the month of the final price formation by sending to the Seller a respective notice. In case of the Seller’s confirmation of the volume (lot) of the Goods made within the period starting with the 1st day of the month of the final price formation the Buyer is entitled to choose the variant of final price calculation until the moment of Euro/US Dollar FOREIGN EXCHANGE REFERENCE RATE publication made by ECB on [www.ecb.int](http://www.ecb.int) (K(P) EUR/USD )on the date following the date of confirmation the Goods for realization, by sending to the Seller a respective notice. In case this information is not submitted within the stipulated period the Seller shall apply the second formula variant of the final price calculation.

**Basic quotations -** the arithmetic average of the average quotations of a quotation day rounded to the second decimal place for the following position:

* **for hydrotreated vacuum gasoil** - the quotations for the position «VGO 0,5-0,6%» published under the headings «CIF NEW/Basis ARA» and «FOB Rotterdam» («Platt’s European Marketscan»).

The final price of the 1st monthly agreed Goods lot is calculated throughout all quotation days of September 2015 (estimated period of shipment ex-refinery September-October 2015);

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The final price of the 12st monthly agreed Goods lot shall be calculated throughout all quotation days of August 2016 (estimated period of shipment ex-refinery August – September 2016).

Contract deposit:

An applicant admitted as the Tender winner (Buyer) undertakes to effect payment to the Seller’s account within 2 (two) banking days from the day of the Seller’s invoicing in the amount of 10% from the cost of the maximum monthly Goods lot calculated under the preliminary price of the first agreed monthly Goods lot (Contract deposit). The date when the money funds are credited to the Seller’s account is deemed the date of Contract deposit payment. To secure the Buyer’s performance of its obligations under the Supply contract the Contract deposit shall remain on the Seller’s account till their complete fulfillment by the Buyer.

The Contract deposit shall be returned to the Buyer under its written request after the final settlement of the Parties under the Contract, or may be used for repayment of the Buyer’s outstanding amounts to the Seller under the Contract

The Contract deposit or part thereof remaining after the repayment of the Buyer’s outstanding amounts to the Seller under the Contract, if any, shall be returned by the Seller within 15 (fifteen) banking days from the date of receipt of the Buyer’s invoice provided that the Reconciliation Report signed by both Parties is available for the Seller. Date of Contract deposit return is the date of money funds debiting from the Seller’s account.

Collateral clause:

Should the capacity of OJSC Mozyr OR be decreased or temporary discontinued the Buyer accepts the factually delivered volume of the Goods without demanding from the Seller the delivery of the full volume of the agreed Goods lot.

The Seller reserves the right to fix for the Buyer the tanker nomination period without bearing any responsibility to the Buyer for any potential losses. When selling Goods on FOB delivery basis the Buyer is liable for availability of vessels in the port for the lifting of Goods within the terms agreed with Seller. The vessel is nominated by the Buyer as agreed with the Seller.

Should the agreed loading window term be violated or should the Goods not be loaded on board the tanker fully or partially the Buyer pays the Seller a penalty in the amount of 2% of the cost of the non-taken Goods per each day of delay, as well as refunds the Seller all the consequent losses, including but not limited to: Seller’s costs for Goods storing in terminal tanks and in rail tank cars of the general fleet of Ministry of Transportation (Seller’s own (leased) rolling stock), Seller’s costs for the usage of railways facilities and other related costs. At the same time the Seller is entitled either to cancel the delivery of the Goods lot not loaded on board the tanker within the period agreed by the Parties and/or to terminate the contract without bearing any liability to the Buyer for any possible losses.

Should it be impossible to deliver the Goods for the reasons beyond the Seller’s control or if the Buyer breaches the terms of payment, date of signing of additional agreements (to the Supply contract) on Goods price calculation, the Seller has the right to reduce the volume of the agreed Goods lot to be delivered. The Seller is to undertake all reasonable efforts to perform the agreed monthly deliveries in full. The term of delivery and the validity period of the Supply contract are subject to prolongation till the full unloading of the contractual volume of the Goods upon the Seller’s and the Buyer’s agreement.

Should the Buyer breach the payment obligations for the period longer than 2 days, the Seller has the right to unilaterally reject the obligations hereunder for the supply of Goods with written notice to the Buyer.

Should the Buyer fail to transfer the money funds within period stipulated by the Parties hereunder and the respective  Additional agreement, the Buyer shall be obliged under the Seller’s request to pay the penalty at the rate of 0,05% from the outstanding sum per each calendar day of the delay of transferring including the date of money funds entering the Seller’s settlement account. If delay exceeds 50 (fifty) banking days from the date of shipment the penalty will be imposed at the rate of 2%  from the outstanding amount  per each calendar day of the payment delay.

The Seller and the Buyer are relieved from any responsibility for the partial or complete default of their obligations under the Supply contract, if such circumstances for the default are the consequence of force-majeure circumstances beyond the Seller’s and the Buyer’s control arising after the Supply contract is concluded and if the a. m. circumstances directly affect the full or partial fulfillment of the Buyer’s and the Seller’s obligations under the Supply contract including but not limited to: war, military actions, blockade, strikes, earthquake, flood, fire and other natural calamities, actions of the government and concern Belneftekhim in case they directly or indirectly affect the activity of the Seller and the Buyer, as well as unplanned shutdown and servicing of OJSC Mozyr OR facilities.

Governing law and arbitration

The Contract to be concluded with an Applicant admitted as the Tender winner shall be governed by the law of the Republic of Belarus.

All disputes, disagreements or claims that may arise out of or in connection with the Contract including those regarding its amending, termination, execution, invalidity or interpretation are to be settled by the International arbitration tribunal of Belarusian Chamber of Commerce and Industry (BelTPP) in accordance with the Regulation thereof. The number of the arbitrators shall be three. The arbitration shall be held in Minsk. The language of the arbitral proceedings shall be Russian.

Terms of tender:

**Form of the tender: open tender of commercial bids with no price alteration opportunity of the submitted bid for the stipulated Goods lot.**

Place of tender: OJSC Belarusian Oil Company, 4a-310 Leshchinsky Street, Minsk

Tender time and date: **August 25, 2015, 16:00** (local time).

We shall consider bids entered to CJSC Belarusian Oil Company not later than 16:00 (local time) August 25, 2015. Please, submit documents to the following address:

4a-305 Leshchinsky Street, Minsk, Republic of Belarus, 220140.The documents should be sent by post or courier in a sealed envelope with a note

“The open tender of commercial bids for selling the following oil products: (*specify the oil product)*. DO NOT OPEN”**.**

Documents may be sent via fax (fax number to be advised later) from 12:00 till 16:00 (local time) on August 25, 2015

In addition, the scanned documents may be sent by e-mail (e-mail address to be advised later) from 12:00 till 16:00 (local time) on August 25, 2015.

At the same time it is more preferable to send the commercial bids in a sealed envelope. The tender organizer bears no responsibility for the faulty operation of fax or e-mail connection.

Language of the bid: Russian, English

The term of validity of the bid: not less than 4 (four) working days (in the Republic of Belarus), excluding the day of tender bids opening, i.e. up to August 31, 2015

The evaluation criteria for the bids for the purposes of determining the best one:

1) the highest offered price correction,

2) the largest volume to be purchased.

Should several bids containing equal terms of purchase of a definite oil product be submitted, the volume of the product subject to sale shall be distributed among them in equal shares, upon such Applicants agreement.

The currency of the bid: US dollars

Tendering process: in accordance with local time of the Republic of Belarus.

During tendering the CJSC Belarusian Oil Company has the right to ask participants to clarify the terms of submitted tender bids.

Conditions of participation:

Documents:

To take part in tender all the bidders not later than August 24, 2015 submit to CJSC Belarusian Oil Company the following copies of foundation and registration documents:

- Statute;

- Registration Certificate;

- Extract from Commercial Register of Country of Incorporation or equivalent proof of legal status and legal capability, recognized as corporate existence by legislation of country of incorporation;

- Power of Attorney of the person, authorized to sign on behalf of the company

The documents to be submitted should be translated into Russian and affixed with Apostille.

The documents should be separately submitted from the bidding offer by post or courier in a sealed envelope bearing the name of the company and a note “Documents of Association of a bidder for participation in the tender for the purchase of (*specify the oil product*) (to the following address: 4a-305 Leshchinsky Street, Minsk, Republic of Belarus, 220140)

It is not necessary to submit the documents should it be submitted to CJSC Belarusian Oil Company earlier and taken for consideration.

In order to get admission to the tender the Applicant is to sign a Tender participation agreement with CJSC Belarusian Oil Company.

The bidding deposit:

The terms of the tender provide for bidding deposit.

In order to get admission to tender participation the applicant concludes Tender Participation agreement with CJSC Belarusian Oil Company and effects payment to its account of the deposit in the amount estimated on the assumption of **10 Euro per 1 ton of the estimated** **maximum** monthly Goods lot claimed to be purchased.

After the tender winner is defined the deposit amount is returned to the applicant  not admitted as the tender winner within 7 (seven) banking days from the date the Seller receives a respective written application from the applicant.

After the participant is admitted the winner, the deposit shall be returned after the Supply contract is concluded and contract security is remitted to the Seller.

The deposit of the tender winner shall be unilaterally kept by the Seller should the tender winner reject concluding the Supply contract within 2 (two) business days from the date of written notification on tender award or if the Tender winner fails to remit the amount of Contract security within 2 (two) banking days from the date of the Seller’s invoicing.

The Applicant has no right to purchase Goods in the volumes larger than the amount of remitted deposit allows.

The payment, utilization and refund of the deposit and participant’s liability are defined by the Tender participation agreement.

To take part in the tender the applicant is to submit to CJSC Belarusian Oil Company an application stating the planned Goods volume to be purchased not later than August 24, 2015. On the basis of the Goods volume to be purchased, the amount of the deposit shall be calculated. It is also essential to provide details necessary to conclude Tender Participation agreement.

The signed Tender Participation agreement is to be submitted to CJSC Belarusian Oil Company not later than August 24, 2015.

The date of deposit payment is not later than August 25, 2015. The date of deposit payment is the date of crediting the money funds to the account of CJSC Belarusian Oil Company, or submission to CJSC Belarusian Oil Company of a banking payment document (SWIFT) confirming the actual payment of the deposit.

Currency of deposit payment is Euro.

The following companies shall not be admitted for participation:

- Companies that did not pay the deposit on due time;

- Companies with unfair cooperation history regarding CJSC Belarusian Oil Company, OJSC Naftan, OJSC Mozyr OR, Republican Unitary Enterprise Production Association Belorusneft, Unitary Enterprise Belarusian Oil Trade House;

- Companies against which charges have been issued by the law machinery or other public bodies of the Republic of Belarus or by corporate group Belneftekhim prohibiting cooperation with such companies.

CJSC Belarusian Oil Company has the right to decline participation of a company in a tender without stating the reason for such decline.

Mandatory information to be included to the bid:

- **Name of oil product**

- **Claimed volume to be purchased**

- **Price** (correction should be specified on basis FCA st. Barbarov for deliveries on basis FCA and DAP border of the Republic of Belarus, and on basis FOB and CIF – for deliveries on bases FOB and CIF respectively; the correction specified on basis DAP border of the Republic of Belarus, will be adjusted to basis FCA st. Barbarov by CJSC Belarusian Oil Company and will be applied to calculate the price of the Goods) in US dollars per metric ton;

- **Goods delivery basis** (DAP border of the Republic of Belarus as per INCOTERMS 2010; FOB, CIF);

- **The country of Goods destination**.

**The Buyer has the right to choose the Goods delivery basis until the moment the commercial bid is submitted. When submitting the commercial bid to an open tender held by CJSC Belarusian Oil Company the Buyer is obliged to specify in its bid the volume of oil product planned to be purchased at a definite delivery basis, without the option to choose the delivery basis in Buyer’s discretion after the Buyer is elected as the Tender winner.**

**The Buyer is obliged to specify the above mentioned information in his bid. The commercial bids submitted by the Tender applicants containing additional conditions contradictory to those speculated  in the present notice and regarding organizing and holding of the present Tender shall not be accepted by CJSC BNK for consideration when Tender results are summarized.**

The successful Applicant admitted the Tender winner shall be notified not later than 1 (one) business day from the date the Tender is closed and the Tender commission has made a decision on Tender results.

The applicants not admitted as tender winners shall be notified on Tender results within 2 (two) business days from the date the Tender is closed and the Tender commission has made a decision on Tender results.

The Tender applicant admitted as the Tender winner is obliged within 2 (two) business days from the date of the written notification to conclude a Supply contract in CJSC BNK wording **the draft of which is placed by CJSC Belarusian Oil Company on the site** [**www.bnk.by**](http://www.bnk.by) **with**:

- CJSC Belarusian Oil Company on delivery basis DAP border of the Republic of Belarus.

- Company BNK (UK) Ltd. (Great Britain) for Goods delivery on the basis FOB, CIF.

**The offers made by the Tender applicant admitted as the Tender winner regarding the amendments and supplements to the draft contract presented by CJSC Belarusian Oil Company may be taken by CJSC Belarusian Oil Company for consideration subject to the principle of the rights equality in respect of  all Tender applicants.**

The Applicant admitted as the Tender winner may conclude a Supply contract on delivery basis DAP border of the Republic of Belarus with an affiliated company of CJSC Belarusian Oil Company, that is BNK (UK) Ltd. (the contract is to be concluded within 2 (two) business days from the date of written notification) should it be the case the price of his tender bid shall be increased by 0.01 US dollar / ton.

When concluding the contract on delivery basis DAP border of the Republic of Belarus the railway rate for transportation of 1 metric ton of Goods shall be added to the price on delivery basis FCA st Barbarov received as a result of the Tender. Subject to changes of railway rate for by Belarusian Railways, the contract price on the basis DAP border of the Republic of Belarus shall be re-calculated. The railway rate for transportation of 1 metric ton of Goods from FCA Barbarov (Belarusian railways) to a specified border station of transition operating at the moment of the additional agreement signing for preliminary and final price calculation when the preliminary selling price is defined and for the date of the Goods shipment when the final selling price is defined shall respectively apply.

The delivery of the Goods is made by railway transport in tank cars of the general fleet of the railways according to the shipping details, which are provided by the Buyer to the Seller in the form of a shipping order. As agreed by the Parties, the Goods may be shipped in rented tank cars, or in those owned by the Buyer; the return of such tank cars to the Republic of Belarus is made by the Buyer at his own expense.

While shipping the Goods on the basis DAP in rail tank cars of the inventory Belarusian railway fleet the Seller shall empower the Buyer to free usage of such rail tank cars for the periods from the date of delivery of the Goods during the terms corresponding to the delivery periods which are defined in the Clause 14 of the Agreement on International Cargo Transportations (SMGS) that came into effect 01.11.1951 and also for the period of 48 hours for the discharge of the Goods from the rail tank cars at the end station indicated by the Buyer when providing the shipping orders.

The time of the free usage of rail tank cars of the inventory Belarusian railway fleet shall be defined by the calendar dates of the corresponding marks made in the railway bill at the railway stations during the travel of the rail tank cars loaded with Goods. The date of return the empty rail tank cars to the end-station after discharge shall be defined by the date of the forwarding railway bill.

In case if the terms of free usage of rail tank cars of the inventory Belarusian railway fleet is exceeded as a result of Buyer’s action/inaction the Seller shall have the right to raise a claim for contract terms violation and the amount of penalty shall be calculated on the basis of 100 US dollars per each day exceeding the said terms per each rail tank car in respect of which such term was breached.

Invoices issued by the Seller for the exceeded terms of the free usage of rail tank cars of the inventory Belarusian railway fleet shall be paid pursuant to the terms and conditions stipulated in the present Contract. The Buyer shall have the right to demand from the Seller the copies of the documents to confirm the actual reason for the invoiced sum.

For Goods shipment to the **countries of the Customs Union (CU)** in order to justify the 0% VAT the Buyer of the Goods is obliged (for each shipped Goods lot) to provide the Seller with:

* 2 original copies of an application on import of Goods to the territory of the CU state and on payment of indirect taxes with reference marked by the tax authority of CU state at the location of the person importing the Goods to the territory of CU with information reflecting the data received by tax authorities of the Republic of Belarus as electronic document within the frames of information exchange procedure agreed upon by tax authorities of CU states and Republic of Belarus (hereinafter – Application),
* one properly authorized copy of such Application.

The date of the incoming correspondence registration at the Seller’s location is deemed as the date of Seller’s receipt of the Applications . The Application which is not accepted by tax authorities of the Republic of Belarus for registration (not duly drawn or containing incorrect information or if information provided in hard-copies of application(s) does not correspond to the information received through the system of electronic circulation of documents) is deemed not provided.

Buyer’s obligations to submit application(s) on goods import to the territory of Russian Federation and Kazakhstan shall be deemed fulfilled properly if within 160 days from the date of shipment of each Goods lot the Seller receives from the Belarusian customs authority a confirmation of that details provided in hard-copies of application(s) on goods import to the territory of Russian Federation and Kazakhstan and payment of indirect taxes correspond to the information received by the customs authorities of the Republic of Belarus through the system of electronic circulation of documents acting between the Customs Union participant countries.

The Application is to be filled upon the model under Attachment 1 to the Protocol on the exchange of electronic information between the tax authorities of member- states of the Customs Union regarding the amounts of paid indirect taxes, signed in St.-Petersburg on 11.12.2009 (hereinafter – Protocol) and in strict compliance with Rules on filling the Applications on goods import and indirect taxes payment as stipulated by Attachment 2 to the Protocol and Seller’s information letter .

In case the Application contains information which does not correspond to the data of the information letter such Application is deemed not provided.

If the Goods delivered to the Buyer within the reported period was received by the Seller under commission agreements from different principals, the Buyer is obliged to provide the Seller with two original copies of the Application with reference marked by the tax authority of Russian Federation \ Kazakhstan at the location of registration of a person importing the Goods to the CU territory with information corresponding to the data received by tax authorities of the Republic of Belarus as electronic document within the frames of information exchange procedure agreed upon by tax authorities of Russian Federation \ Kazakhstan and Republic of Belarus (hereinafter – Application), as well as one properly authorized copy of such Application for each principal.

In order to secure the execution of the terms of the Application submission as well as to compensate the losses caused by delay in proper execution thereof, the Buyer when concluding additional agreements for oil products delivery undertakes to transfer to the Seller’s account the sum of money as the “Application submission security”  in the amount calculated as follows:

Amount of money = ((СтП \*20/120 + ((СтП \*20/120 + А)\*1,2), where

СтП is the cost of Goods to be shipped

A is the excise duty cost on the basis of excise duty rates fixed for sales within the Republic of Belarus for the moment of money funds transfer (credited) .

The amount of Application submission security shall remain in the Seller’s banking account until the Buyer fulfills his obligations in respect of Application submission in full.

The Buyer may present a guarantee of proper fulfilment by the Buyer of contractual obligations for the specified above amount issued by a bank having Moody’s rating not lower than Ba1 and\or Fitch rating not lower than BB+ and \ or Standard and Poor’s rating not lower than BB+ or by any other bank agreed upon by the Parties. The validity period of the bank guarantee shall be not less than 210 calendar date. All charges of all banks related to the bank guarantee, including advising charges by the Seller’s bank shall be for the Buyer’s account. The text of a bank guarantee shall be preliminary agreed with the Seller in writing. The bank guarantee is to be issued via SWIFT.

When effecting the payment stipulated by the terms of the Contract and\or Additional agreement the Buyer is obliged to provide for the priority remittance of the Application submission security amount. In case the purpose of payment is not defined when the Buyer effects the payment the Seller shall be entitled to credit the amount of Application submission security from the total amount of money funds received to its account and to allocate the remaining amount as payment for the Goods to be delivered.

Application submission security shall be paid by the Buyer to the Seller’s account by a bank transfer of the a.m. sum within 2 (two) banking days from the date of the respective invoice unless the Parties agree upon other terms. The date of invoicing is day zero.

Application submission security shall unconditionally pass into Seller’s (principal’s, principals’) ownership in case of the Buyer’s failure to fulfill his obligations in respect of Application submission. The Buyer however shall pay the forfeits (fines) in Seller’s favour to indemnify the relevant amounts of indirect taxes, penalties and administrative charges actually paid (including by means of set-off of tax deduction amounts for VAT purposes to be paid when selling goods (performing works or services), title, set-off from amounts of overpaid taxes, levies (duties)) to the budget of the Republic of Belarus.

Should the Buyer fail to fulfil its obligations in respect of the Application submission within 160 days from the date of each Goods lot shipment, the Application submission security shall not be returned to the Buyer including if the Applications are submitted afterwards.

The Application submission security shall be returned only in accordance with the Buyer’s banking details stipulated in the Contract. The Application submission security is returned to the Buyer after the Buyer’s obligations are fulfilled within 10 (ten) banking days from the date the Seller receives the duly drawn Buyer’s written request or may be allocated for repayment of Buyer’s indebtedness to the Seller. The date of Application submission security return is deemed the date of money funds debited from the Seller’s account.

Submission of application to participle in the tender is considered as consent with all the conditions of tender set in the present notice. In order to be admitted to participate in the tender the applicants should follow the requirements and conditions set in the present notice.

The Applicant has the right to refuse participation in the Tender till 16:00 (local time) on August 25, 2015 by submitting a written notice of refusal.

CJSC Belarusian Oil Company has the right to cancel or cease the tender and reject all the bids any time before election of the winner, bearing no liability before participant(s) of the Tender that can suffer losses due to such action, without having any obligations to inform the mentioned participant(s) on the reason thereof.

**The applicant should submit the commercial bid in full conformity with the above-given terms. The commercial bid that does not meet the above-mentioned terms shall not be accepted for commission consideration and shall be declined.**

**The above date and terms of the tender are preliminary and subject to change.**

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