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

***for long-term sales of Liquefied hydrocarbon fuel gas produced by OJSC Mozyr OR***

***planned for December 09, 2015.***

**On December 09, 2015** CJSC Belarusian Oil Company is holding an open tender of commercial bids for long term sale of oil products produced by OJSC Mozyr OR:

|  |  |  |  |
| --- | --- | --- | --- |
| Oil products description | Quantity, tons | Delivery period | Delivery basis |
| Liquefied hydrocarbon fuel gas | Up to 1 500 tons per month +0/- 50% of the agreed monthly lot, seller’s option)(total quantity up to 18 000 tons +0/- 50% in the seller’s option) total volume may be reduced over the option volume at the period of plant facilities servicing and/or in case a ban is imposed on the Goods shipment | January – December 2016 | **FCA st. Barbarov**;**DAP** border of the Republic of Belarus. |

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

**The tender terms do not allow to amend price offered in the tender bid.**

**The tender is subject to deposit.**

The terms of Goods selling:

Seller: CJSC Belarusian Oil Company, Republic of Belarus or BNK (UK) Ltd, United Kingdom;

Producer: OJSC Mozyr OR.

The quality of Goods to be sold:

* Liquefied hydrocarbon fuel gas – in conformity with table 1 PN-EN 589+A1:2012.

**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 the Seller effect payments through accounts and corresponding accounts of 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**

**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 Argus agency in its publication “Argus European products”.

**D** - the correction (on FCA 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 formula is defined as per Buyer’s choice.**

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

**Variant I:**

**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 Goods shipment week*** given in USD per metric ton for the respective position as per quotations of Argus agency in its publication «Argus International LPG»;

**D** - the correction (on FCA 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.

**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 (http:// ecb.int/stats/exchange/eurofxref/html/ index.en.html)

- 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.

**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 Argus agency in its publication «Argus International LPG»;

**D** - the correction (on FCA 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.*

**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 previous Goods lot.**

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 previous Goods lot.**

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 liquefied hydrocarbon fuel gas** - the quotations **of «Argus» agency** in its publication «Argus International LPG», published under the heading «daf Brest propane-butane mix» given in USD per metric ton.

The final price of the 1st monthly agreed Goods lot is calculated throughout all quotation days of January 2016 (estimated period of shipment ex-refinery January-February 2016);

……………

The final price of the 12st monthly agreed Goods lot shall be calculated throughout all quotation days of December 2016 (estimated period of shipment ex-refinery December 2016 - January 2017).

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 total volume of liquefied hydrocarbon fuel gas** **is to be delivered may be reduced over the option  volume at the period of plant facilities servicing and/or in case a ban is imposed on the Goods shipment.**

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 Naftan, OJSC Mozyr OR facilities.

Governing law and arbitration

 The Contract to be concluded by the Applicant admitted as the Tender winner with CJSC Belarusian Oil Company 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.

The Contract to be concluded by the Applicant admitted as the Tender winner with BNK (UK) Ltd. shall be governed by the law of the Federal Republic of Germany.

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 Arbitration Institute of the Stockholm Chamber of Commerce in accordance with the Regulation thereof. The number of the arbitrators shall be three. The arbitration shall be held in Stockholm. 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 Leshchinsky street, office 310, Minsk.

Tender time and date: **December 09, 2015, 16:00** (local time).

**Tender bid should be presented on the letterhead of the Company, stamped and signed by an authorized person indicating its name and position.**

We shall consider bids entered to CJSC Belarusian Oil Company not later than 16:00 (local time) December 09, 2015. Please, submit documents to the following address:

4a Leshchinsky street, office 310, 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: (*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 December 09, 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 December 09, 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 December 15, 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 December 08, 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 with 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 Leshchinsky street, office 310, 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 (per each type) claimed to be purchased.

 After the Tender winner is elected the deposit amount shall be returned to the Applicant, not admitted as tender winner.

After 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 or if the Tender winner fails to remit the amount of Contract security within 7 (seven) banking days from the date of the Seller’s invoicing.

The applicant has no right to purchase larger quantity than the 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 December 08, 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 December 08, 2015.

The date of deposit payment is not later than December 09, 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** (one correction rate applied for the whole volume on FCA st. Barbarov basis for deliveries on FCA st. Barbarov and on bases DAP border of the Republic of Belarus; 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** (FCA st. Barbarov, DAP border of the Republic of Belarus as per INCOTERMS 2010);

- **The country of Goods destination (obligatory!)**.

**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 include into his bid only the above-mentioned information.  The commercial bids presented by the Tender participants and containing additional terms shall not be taken by CJSC Belarusian Oil Company for consideration when reviewing the Tender results.**

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 written notification to conclude a Goods supply Contract **in CJSC BNK wording according to a draft contract placed on the site** [**www.bnk.by**](http://www.bnk.by) **with:**

- CJSC Belarusian Oil Company on delivery basis FCA st. Barbarov or DAP border of the Republic of Belarus;

**The offers made by the Tender applicant admitted as the Tender winner regarding the amendments and supplements to the draft contract presented by CJSC BNK on site** [**www.bnk.by**](http://www.bnk.by) **may be taken by CJSC BNK for consideration only 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. (Great Britain), (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 st 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 liquefied hydrocarbon fuel gas** shall be effected by means of **railway transport in RUE  SG – Trans RTCs (100% of agreed monthly Goods lot)** under the shipping details provided by the Buyer to the Seller in form of a Shipping order. Leased RTCs shall be returned to the Republic of Belarus for the Buyer’s account.

 The Buyer is obliged to coordinate the schedule of railway transportation, to submit the shipping order stipulating the details of Consignee, forwarder’s codes (in case Goods delivery requires usage of transit roads) as well as confirmation for Goods transportation to the Belarusian Railways Head office from the destination road, forwarder’s telegrams (for deliveries by transit roads) to station Barbarov before the start of the delivery month. In case a ban is introduced by a railway of the destination station or consignee, the Buyer is obliged within 4 (four) calendar days from the ban date to procure the coordination of the Goods acceptance under his shipping order or to replace the shipping order (a ban date is the date from which shipment under the shipping order submitted by the Buyer is impossible, which is confirmed by the telegram of the railway or the letter by the Consignee). The Buyer shall be obliged to coordinate the transportation schedule for a monthly Goods volume with destination roads in each delivery month irrespective of the situation at the border transition points and bans to be introduced.

**For the purposes of the Contract RUE SG Trans shall be the liquefied hydrocarbon gas consignor.**

The Buyer shall be liable to provide timely discharge and return of empty RUE SG Trans RTCs. The RTCs turn over period shall not exceed: for Poland – 10 days, for Baltic Republics – 9 days, for Ukraine – 10 days. The beginning of a RTC turn over shall be the mark of the dispatch station made in the railway receipt of the RTC’s first dispatch. The ending of a RTC turn over shall be the date of the mark of the border transition station in the territory of the Republic of Belarus when the empty RTC is being returned.

Should the Buyer detain the railway tank cars belonging to RUE “SG-Trans” at the dispatch (destination) railway stations or throughout the route for the reasons (as documented) within the Buyer’s (consignor’s) control, as well as in case of demurrage of the tank cars the Buyer shall reimburse the Seller the penalty claimed by RUE SG-Trans .

Should the tank cars be damaged due to the Buyer’s fault, and in case the Buyer cannot clear the damages by itself, the Buyer shall reimburse the cost of the repairs. In case it is impossible to repair the damaged railway tank car the Buyer shall reimburse the cost of the tank car as per railway cars use regulations.

Should the tank car or part thereof be lost due to the Buyer’s fault, the Buyer shall reimburse 5-fold cost of the tank car with account of revaluation coefficient or a 5-fold cost of the missing parts.

In case of the redirection of a tank car with liquefied gas or unauthorized usage of empty tank cars without the written permission of the owner, the Buyer shall reimburse the Seller the forfeit at the rate of 3-fold cost of forwarding services, claimed by RUE SG-Trans to the Seller.

In case of the incorrect execution of transportation documents due to the Buyer’s fault the Buyer shall reimburse the Seller the penalty claimed by RUE SG-Trans for each transportation document and all losses related to such incorrect execution thereof.

 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 December 09, 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.**

Contact information:

Aleksey Zadorozhny – Deputy Head of Marketing Department. Mobile phone: +375 33 630 09 33, e-mail: zadorozhny@bnk.by

Eugene Kuncevich – Head of the group for oil products supply to foreign markets of Marketing Department. Mobile phone: +375 33 630 09 26, e-mail: kuncevich@bnk.by;

Daria Volchek – senior specialist of Marketing Department, phone: +375 17 279 93 00 (ext. 9535), e-mail: volchek@bnk.by;

Violetta Lado – specialist of Marketing Department, phone: +375 17 279 93 00, (ext. 9532), e-mail: lado@bnk.by;

Olga Lukashevich – specialist of Marketing Department, phone +375 17 279 93 00 (ext. 9338), e-mail: lukashevich@bnk.by.

**Fax: +375 17 279-93-01; e-mail:** **info@bnk.by**