



ZARUBEZHNEFT

JOINT STOCK COMPANY

No. ITK-27-3656

«27 07

2018

Ref. No. _____ dated _____

REF: RFQ/ CRUDE OIL

DEAR SIRs,

TAKING THIS OPPORTUNITY WE EXPRESS OUR RESPECT AND INFORM YOU THAT JSC "ZARUBEZHNEFT", MOSCOW IS INTENDING TO PURCHASE FOR "ZARNESTSERVICE, LTD", ON A TENDER BASIS, FOR SUPPLY TO REFINERY "BROD" (BOSNIA AND HERZEGOVINA) CRUDE OIL ACCORDING TO THE FOLLOWING TERMS AND CONDITIONS:

KIRKUK / KBT

- | | |
|-----------------------|---|
| 1. QUANTITY: | 30'000 +/- 10 % at Seller's option |
| 2. PARTIAL SHIPMENTS: | ALLOWED |
| 3. DELIVERY TERMS: | CIF/DES (INCOTERMS 2000)
ITT/Ex-TANK (LITASCO GENERAL TERMS AND CONDITIONS FOR SALES AND PURCHASES OF CRUDE OIL AND PETROLEUM PRODUCTS EDITION 2014) |
| 4. ACCEPTABLE GRADE: | KIRKUK / KBT, CEYHAN QUALITY |
| 5. PLACE OF TRANSFER: | OMISALJ |
| 6. DELIVERY PERIOD: | 03.09.18 – 04.09.18 |
| 7. CONTRACT PARTY: | "ZARNESTSERVICE" LTD, (RUSSIA, MOSCOW) |
| 8. PAYMENT: | OPEN ACCOUNT UNDER ZARUBEZHNEFT COMPANY'S GUARANTEE IN 30 OR 120 CALENDAR DAYS AFTER NOR/TRANSFER DATE (NOR/TRANSFER DATE=DATE ZERO) IN THE PRESENCE OF COMPARABLE BIDS WITH DEFERRED PAYMENT OF 30 AND 120 DAYS, PREFERENCE WILL BE GIVEN TO THE BID WITH DEFERRED PAYMENT OF 120 DAYS. |

IN ADDITION TO THE ABOVE, BIDDERS ACCEPT THE FOLLOWING CONDITIONS (PLEASE MARK YOUR ACCEPTANCE IN THE "FORM OF QUOTATION"):

- GUARANTEED SPECIFICATION OF THE KIRKUK / KBT CRUDE OIL:
DENSITY AT 20°C, gr/l, not more: 0,8647
CONTENTS OF SULPHUR, %, not more: 2.598
CONTENTS OF WATER, %, not more: 0,5.
- THE SELLER IS RESPONSIBLE FOR THE DELIVERY OF APPROPRIATE QUALITY GOODS. IF THE QUALITY OF THE DELIVERED GOODS DOES NOT CORRESPOND TO THE SPECIFICATION TO IT, THE SELLER SHALL REIMBURSE THE BUYER FOR ALL DAMAGES RESULTING FROM THE DELIVERY OF THE GOODS IF INADEQUATE QUALITY BY ADJUSTING THE PRICE OF OIL FOR CHANGING THE ACTUAL DENSITY RELATIVE TO THE BASIC VALUE OF 32 API AT 60°F BY \$ 0.04 FOR EVERY FULL TENTH OF A DEGREE BELOW 32.00 API.
- OIL PRICE ADJUSTMENT FOR THE CHANGE OF THE ACTUAL DENSITY RELATIVE TO THE BASIC LIMITS OF DENSITY 32.00 API AT 60°F – CONDITION FOR ESCALATION/DE-ESCALATION.
- IF BASIC OF DELIVERY DIFFERS FROM THE INTERNATIONAL REGULATIONS INCOTERMS 2000, BIDDERS SHOULD PRESENT GENERAL TERMS AND CONDITIONS FOR THE SALE/PURCHASE OF CRUDE OIL, WHICH ARE GUIDED BY THE BIDDERS IN THE CRUDE OIL TRADE.
- THE BIDDERS SHOULD ACCEPT THE TERMS AND CONDITIONS OF DRAFT CONTRACTS ENCLOSED HERETO.

BUYER WILL NOT BE REQUIRED TO ENTER INTO DISCUSSIONS WITH UNSUCCESSFUL BIDDERS AS TO THE RESULTS OF THE BID EVALUATION. BUYER RESERVES THE RIGHT NOT TO AWARD THE TENDER AND SUCH DECISION SHALL BE FINAL AND BINDING FOR THE BIDDERS.

YOU ARE KINDLY REQUESTED TO SUBMIT YOUR OFFER BY THE **31st OF JULY 2018, 15-00 H** MOSCOW TIME TO THE FOLLOWING E-MAIL ADDRESS: **TENDER_EXPORT@NESTRO.RU**.

THE TENDER AWARD WILL BE ON THE **1st OF AUGUST 2018 BY 18.00 H** MOSCOW TIME.

WE WOULD APPRECIATE YOUR REPLY.

FAITHFULLY YOURS,

DEPUTY CHAIRMAN OF TENDERING COMMITTEE

D.N. MAXIMOV

ENCL Forms of Quotation – 01 PAGE, DRAFT CONTRACT.