



ZARUBEZHNEFT

JOINT STOCK COMPANY

No. МК-24-5711

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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 SELL ON A TENDER BASIS, ON THE TERMS OF DAF FENESHLITKE, HUNGARY REBCO (URALS) CRUDE OIL IN THE TOTAL QUANTITY UP TO **90 000 METRIC TONS** DURING THE WHOLE 2019 ACCORDING TO THE FOLLOWING TERMS AND CONDITIONS:

1. QUANTITY: UP TO 90 000 MT
THE TOTAL QUANTITY OF REBCO SHALL BE DELIVERED BY THE PIPELINE "DRUZHBA" IN MONTHLY LOTS, AS DETERMINED FOR DELIVERY BY MUTUALLY AGREED BETWEEN THE BUYER AND THE SELLER IN A SEPARATE ADDENDUM FOR EACH MONTH OF DELIVERY.
THE MONTHLY QUANTITY OF REBCO TO BE DELIVERED IS BASED ON THE PRIME SUPPLIER (OWNER OF RESOURCES) HAS ENOUGH EXPORT QUOTA AND A TECHNICAL POSSIBILITY OF PAO "TRANSNEFT" FOR SUCH DELIVERY.
2. OIL GRADE: REBCO (URALS)
3. PERIOD OF DELIVERY: 1 JANUARY 2019 TO 31 DECEMBER 2019 BY MONTHLY LOTS
4. DELIVERY TERMS: DAF FENESHLITKE, HUNGARY (INCOTERMS 2000)
5. CONTRACT PARTY: "ZARNESTSERVICE" LTD, MOSCOW,
AS A MANDATORY CONDITION FOR YOUR PARTICIPATION IN THE OIL PURCHASE PROCEDURE, WITHIN THE FRAMES OF THE GIVEN OFFER, YOU SHOULD ACCEPT THE MAIN TERMS OF EXPORT CONTRACT, RECOMMENDED BY «ZARNESTSERVICE LTD».
6. PRICE FORMULA: AS PER THE PRICE FORMULA BASIS (ANNEX 2), BASED ON THE MEAN OF THE MONTHLY AVERAGE HIGH AND LOW BRENT (DTD).
7. PAYMENT: PAYMENT SHOULD BE MADE IN US DOLLARS BY WIRE TRANSFER AT THE COUNTERS OF SELLER'S DESIGNATED BANK AS STATED IN SELLER'S COMMERCIAL INVOICE AS FOLLOWS:

BUYER SHALL PAY FOR EACH SEGMENT OF THE MONTHLY LOT AGAINST SELLER'S COMMERCIAL INVOICE AND DELIVERY ACCEPTANCE ACT(S) DAA(S) (STATING THE QUANTITY OF REBCO DELIVERED IN METRIC TONS AND DENSITY AT 20°C G/CM³.) PAYMENT SHALL BE MADE IN 30 DAYS AFTER THE DATE OF THE LAST DAA FOR THE SEGMENT (SUCH DATE TO COUNT AS DAY ZERO).

IN ACCORDANCE TO THE POINT 3.4. OF THE ATTACHED CONTRACT THE SELLER SHALL HAVE THE RIGHT TO ASK THE BUYER TO EFFECT PREPAYMENT OF UP TO 80% (EIGHTY PER CENT) OF TOTAL PRELIMINARY SUM DUE FOR VOLUME TO LOADED IN EACH AGREED MONTHLY LOT. FOR PREPAYMENT THE SELLER PAYS TO THE BUYER INTEREST CALCULATED AT THE LIBOR RATE FOR 1-MONTH DEPOSITS IN US DOLLARS PLUS 3% FOR THE PERIOD FROM THE PAYMENT VALUE DATE TILL THE DATE OF THE FINAL PAYMENT.

SELLER WILL NOT BE REQUIRED TO ENTER INTO DISCUSSIONS WITH UNSUCCESSFUL BIDDERS AS TO THE RESULTS OF THE BID EVALUATION. SELLER 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 27TH OF NOVEMBER 2018, 16-00 H MOSCOW TIME TO THE FOLLOWING E-MAIL ADDRESS AND FAX NUMBER: **TENDER_EXPORT@NESTRO.RU**, +7(495) 7486426.

THE TENDER AWARD WILL BE ON THE 28TH OF NOVEMBER 2018 BY 18.00 H MOSCOW TIME.
WE WOULD APPRECIATE YOUR REPLY.

FAITHFULLY YOURS,

CHAIRMAN OF TENDERING COMMITTEE
DEPUTY GENERAL DIRECTOR

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

D.B. ULITIN

ENCL.: FORM OF QUOTATION – 01 PAGE,
PRICE FORMULA - 01 PAGE,
FRAMEWORK CONTRACT - 18 PAGES.