



ZARUBEZHNEFT

JOINT STOCK COMPANY

No. МК-48-2129 28 04 20 18

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:

I. URALS

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| 1. QUANTITY: | 120'000 +/- 10 % at Seller's option in TWO lots |
| 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: | URALS/ REBCO, PRIMORSK OR NOVOROSSIYSK QUALITY |
| 5. PLACE OF TRANSFER: | OMISALJ |
| 6. DELIVERY PERIOD: | LOT 1: 80 000 mt +/- 10 % at Seller's option 19.06.18 – 23.06.18
LOT 2: 40 000 mt +/- 10 % at Seller's option 10.07.18 – 11.07.18 |
| 7. CONTRACT PARTY: | "ZARNESTSERVICE" LTD, (RUSSIA, MOSCOW) |
| 8. PAYMENT: | OPEN ACCOUNT UNDER ZARUBEZHNEFT COMPANY'S GUARANTEE IN 30 CALENDAR DAYS AFTER NOR/TRANSFER DATE (NOR/TRANSFER DATE=DATE ZERO) |

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

- GUARANTEED SPECIFICATION OF THE RUSSIAN EXPORT BLEND (REBCO):

DENSITY AT 20°C, gr/l, not more:	0,870
CONTENTS OF SULPHUR, %, not more:	1,8
CONTENTS OF PARAPHINE, %, not more:	6,0
CONTENTS OF WATER, %, not more:	0,5.
- THE SELLER IS REponsible 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 GOOS IF INADEQUATE QUALITY.
- OIL PRICE ADJUSTMENT FOR THE CHANGE OF THE ACTUAL DENSITY RELATIVE TO THE BASIC LIMITS OF DENSITY 32.00-32.09 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.

AND/OR

II. 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: **13.06.18 – 14.06.18**
7. CONTRACT PARTY: "ZARNESTSERVICE" LTD, (RUSSIA, MOSCOW)
8. PAYMENT: OPEN ACCOUNT UNDER ZARUBEZHNEFT COMPANY'S GUARANTEE IN **30** CALENDAR DAYS AFTER NOR/TRANSFER DATE (NOR/TRANSFER DATE=DATE ZERO)

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 REponsible 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 GOOS IF INADEQUATE QUALITY BY ADJUSTING THE PRICE OF OIL FOR CHANGING THE ACTUAL DENSITY RELATIVE TO THE BASIC VALUE OF 32 APPI 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 32.00-32.09 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 **3rd OF MAY 2018, 15-00 H** MOSCOW TIME TO THE FOLLOWING E-MAIL ADDRESS: **TENDER_EXPORT@NESTRO.RU**.

THE TENDER AWARD WILL BE ON THE **4th OF MAY 2018 BY 18.00 H** MOSCOW TIME.

WE WOULD APPRECIATE YOUR REPLY.

FAITHFULLY YOURS,

CHAIRMAN OF TENDERING COMMITTEE
DEPUTY GENERAL DIRECTOR



D.B. ULITIN

ENCL Forms of Quotation – 02 PAGES, DRAFT CONTRACTS.