

**OJSC "Naftan", the plant "Polymir", Novopolotsk city, Vitebsk region sales Low Density Polyethylene (further LDPE or the product) at the auction.**

**The form of the bidding** - auction with increase of price.

**Date, time and place of conduction:** The start of the auction is from **August 20, 2020** at 11.00 at the E-Trade System of the Belarusian State Concern of Oil and Chemistry. E-auction will be held for export sale of the products belonging to OJSC "Naftan", the plant "Polymir". The E-auction for LDPE sale can be continued within following working days on the same conditionals.

**E-bidding is organized by:** Unitary Enterprise "Belarusian Petroleum Trading House".

**The name of the product:** Low Density Polyethylene, production by the plant "Polymir" of JSC "Naftan", in assortment:

LDPE grades	Supply Market		
	The CIS countries (except Russia, Ukraine)	The countries of the European Union*	All countries* except for the member states of the CIS countries (except Russia, Ukraine ), the countries of the European Union, Iran
LDPE	500	500	500
TOTAL :	500	500	500

**Quantity: 1 500 tons.** Divisible lots.

The brand assortment is determined, the final volume and supply markets are adjusted on the day of the auction (separate countries may be selected from the supply markets).

**Delivery term:** within **20 calendar days** from the date of conclusion of the contract. It is possible to ship in batches upon receipt of prepayment for each consignment of goods agreed.

Way of provision of obligations. The auction will be held without deposit.

Information about conditions of sale for the product. The winner of the auction is obliged to pay in advance for the quantity 100% of the product not later than **9 calendar days** (the date of payment shall be considered the day when money are credited to the settlement account of the plant "Polymir" of OJSC "Naftan").

**Currency of the Contract:** euro for all supply markets.

**Currency of the Payment:** euro for all supply markets.

**Currency of the Bidding:** euro for all supply markets.

**Conditions (basis) of product delivery/conditions (basis) of price formation:** FCA Novopolotsk.

**Obligatory conditions of the contract:**

If the Buyer rejects from the payment for the product the Seller is entitled to claim the penalty against the Buyer in the amount of 5 % of the sum which he has rejected to pay. The rejection to pay shall be understood both as the explicit documented refusal to pay for the product and the absence of payment for the product within 10 calendar days after the expiration of the term set forth in the present contract.

If the payment for the product has been delayed up to 3 days inclusive the Seller has the right to submit the forfeit to the Buyer in the amount 0,1% of the sum of the delayed payment per each day of delay in payment; if the payment for the product has been delayed above 3 days, starting from the 4th day of delay in fulfillment of the obligation – in the amount 0,3 % of the sum of the delayed payment per each day of delay in payment.

If the product has not been taken out timely or completely due to the fault of the winner of the bidding the Seller has the right to call the payment of penalty in the amount 5% of the cost of the product having not been taken out timely or completely.

In case if the term of payment for the product is infringed the Seller is entitled not to ship the products paid with delay in term and is exempted from non-fulfillment of shipment obligations. In case the Seller decides not to ship the product for the amount of the funds transferred with delay in payment this amount shall be returned to the account of the winner of the bidding (the buyer) within 15 bank days from the date of application receipt of the Buyer about return the funds in the presence of the act of accounts of mutual settlements signed by the parties. The down payment received both before the term of payment and with delay is not a commercial loan. At making decision about the

shipment to the sum of the delayed payment the Seller has the right to collect a penalty from the Buyer.

If the Buyer refuses to pay for the product, the Seller does not exact from the Buyer the fine for infringement of the term of payment under the contract and the penalty for delayed or incomplete shipment of the product.

If the Buyer supplies/sells the product to the market of the presence of the distribution network of the Belarusian State Concern of Oil and Chemistry (the concern "Belneftekhim"): Russia, Estonia, Lithuania, Poland, China, Turkey and Georgia the Seller is entitled to require the Buyer to pay a fine of 1200 euros for each tonne of LDPE delivered to the market of the countries mentioned above\*\*.

The delivery of the Goods to the Ukrainian market is possible only by the OTPS entity of the Belneftekhim LLC LLC with the BNH Ukraine AI. In case of delivery of the Goods to the Ukrainian market by other counterparties, the Seller has the right to demand from the Buyer a fine of 1200 Euro for each ton of LDPE delivered to the market of these countries.

**The country of destination indicated in the shipping instructions, provided by the winner of the auction for issuance of shipping documents, must be identical to the country specified in the protocol of the auction results. In case of non-fulfillment of the requirements mentioned above by the winner of the auction, the Seller is entitled not to ship the product according to the given shipping instructions and the Seller shall not bear any responsibility in this regard.**

**The term for concluding contracts is no later than 3 business days (working days are days considered to be working in the Republic of Belarus) from the date of recognition of the tender winner (date of the General Protocol of the tender on the results of tenders on the Unified Trading Platform of Belneftekhim concern). At the same time on the day of signing of the protocol of the auction results the winner of the auction sends to the Seller by e-mail ([info@polymir.by](mailto:info@polymir.by) and [annkaraseva@polymir.by](mailto:annkaraseva@polymir.by)) the necessary information for concluding a contract containing company's legal address and banking details. Not later than in two working days after receiving the information the Seller sends to the winner of the auction signed and notarized (stamped) contract from his side. Not later than in one working day after receiving the signed contract from the Seller the winner of the auction sends to the Seller signed and notarized (stamped) contract by the two parties. In case of non-signing of the contract by the auction winner, the Seller has the right to refuse to conclude a contract, and the Seller does not bear any responsibility.**

The auction quantity and assortment of the product can be changed by the Commission before the auction is opened. In this case participants will be informed about the changes.

The Commission has the right to abandon the auction or to change auction conditions at any time before the auction or during the auction.

#### **The procedure of participation in the auction.**

Submission by the Bidder of an application for participation means agreement with the conditions specified in the notification.

Procedure of participation in the auction. The bidders will participate in the auction through the Internet at the site <http://www.bntdtorg.by/>. To receive the access to participation in the auction it is necessary to submit to Unitary Enterprise "Belarusian Petroleum Trading House" duly arranged set of establishment and registration documents and also to register at the site of E-bidding as an applicant (section «Registration» at the site). If you have any questions relevant to the registration as an applicant for participation in the auction at the E- Trade System, please, contact the department for organization of sales at the E- Trade System and for logistics of Unitary Enterprise "Belarusian Petroleum Trading House" (tel./fax +375 17 277 14 54)

#### **Order of registration of participation in the auctions.**

For the admission to participation in the auctions it is necessary for participants to present a package of the registration documents confirming the legal status: an extract from the trading register of the country of establishment; the charter; the certificate on registration; the document

confirming the right to sign. Documents should be legalised, translated into Russian and notariially certified.

**Documents to direct:**

- For Unitary Enterprise "Belarusian Petroleum Trading House" (in the original) to the address: Unitary Enterprise "Belarusian Petroleum Trading House" , department of the organization of sales at the E- Trade System, Belarus, 220116, Minsk, avenue Dzerzhinsky, 73;

- For OJSC "Naftan" plant "Polymir" (in a copy) to the address: plant "Polymir" 211441, Novopolotsk-5, Vitebsk area, Belarus; or on a fax communication: +375 214 557941; +375 214 557984; +375 214 557992; or by e-mail: [tender@polymir.by](mailto:tender@polymir.by).

In case if the auction has not taken place it will be held at another date about which the participants will be informed additionally. In case if minimal announced price is not confirmed the E-auction for LDPE sale will be held within following working days .The price determined as the result of the auction will be valid until the complete fulfillment of shipment obligations.

\* Only the end users are allowed to participate in the bidding for the right to supply LDPE on the markets of Estonia, Lithuania, Poland, China, Turkey, Georgia when providing to UE "Belarusian Petroleum Trading House" the package of documents confirming the status of the manufacturer. The conclusion of contracts for the supply of LDPE to the Chinese/ Turkey/ Georgia market is possible with LLC «Belneftekhim Shanghai Trading Co.»/ LLC «BNH Petrokimia»/ LLC «BNH Tbilisi», end users of LDPE, as well as counterparties supplying Naftan products to the Chinese market, subject to the conclusion of a commission / agent service agreement with «Belneftekhim Shanghai Trading Co.». The commission of the OTPS Subjects is not more than 1% and is paid by the buyer additionally.

\*\* except for the participants - subjects of OTPS of the «Belneftekhim» concern end users of LDPE, as well as counterparties supplying Naftan products to the Chinese/ Turkey/ Georgia market is possible with LLC «Belneftekhim Shanghai Trading Co.»/ LLC «BNH Petrokimia»/ LLC «BNH Tbilisi». The commission of the OTPS Subjects is not more than 1% and is paid by the buyer additionally.

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