Instructions for the preparation of tender application (quotations).

***The tender commission of the State Concern “Turkmengaz” petitions all tenderers to be more attentive when preparing tender offers and draw them up strictly in accordance with the list below. Bidders must submit one sealed envelope with a full tender offer (quotation) certified with a mastic seal:***

The following tender documents (points - b, c) must be filed into **separate folders, laced up, numbered and certified by the seal of the tender participants (Appendix No. 4);**

а) qualification requirements form must be filled out by bidders (Appendix No. 1);

**b) commercial specification with an indication of the cost** (pricing calculation from EXW terms to DAP delivery terms, destination) of the unit of production and the total tender value of the supplied goods on delivery terms, according to the Incoterms 2010 Rules (published by the International Chamber of Commerce, Paris), completed by bidders, indicating the period during which the tender application (quotation) is valid (in one copy);

**c) technical specification without specifying prices** including: descriptions, necessary technical and quality characteristics of the supplied goods;

d) a list of possible additional services that will be included in the supply contract;

e) confirmation or permission of the manufacturer (for non-manufacturers of products and goods that are absent in the domestic market of Turkmenistan) (Appendix No. 3);

f) basic terms of the Supply Contract (Appendix No. 2);

g) reference from the tax authority on the absence of debt to the state budget (for domestic bidders and residents of Turkmenistan);

h) bank reference on business activities of the bidder, balance sheets, profit and loss statements, as well as audit reports (if any) (The reference must be issued by the bank serving the client no earlier than the last quarter of the current year).

i) information confirming the bidder’s experience.

j) for residents of Turkmenistan, it is necessary to provide a copy of the registration of the Union of Industrialists and Entrepreneurs of Turkmenistan;

It’s obligatory the tender envelope must include an electronic version of the form, the main terms of the contract (Word format) and the technical and economic specification (Excel format).

The Bid Package submitted by the Bidder is non-refundable.

The following documents should be provided as additional information:

а) passports, certificates, technical description, if necessary, product samples for testing, diagrams, complete list, list of spare parts and tools, other data;

b) information on the supply of such or similar goods to Turkmenistan during the last two years;

d) information about warranty periods and storage conditions.

**If the bidder provides information and documents that do not meet the basic tender requirements, the Tender Commission has the right to reject his Tender offer, without the right to use the paid funds in subsequent tenders held by the Oil and Gas Complex of Turkmenistan.**

**In addition, the tender commission will consider the issue of including this tender participant in the List of violators in the oil and gas complex of Turkmenistan, as a company that deliberately submitted an incomplete set of mandatory documents, which leads to a significant increase in the time for clarifying tender offers and making decisions on the tender.**

The main criteria for evaluating bids are following:

- technical conformity of the offer of the products declared for the tender, in terms of technical characteristics and configuration;

- the most acceptable price offer;

- acceptable payment terms;

- acceptable manufacturing and delivery terms;

- bidder’s experience

**Notes:**

1. In case of participation in several Lots, documents for each Lot must be submitted in separate envelopes. If several (Lots) bids are submitted in one envelope, these bids will not be considered by the tender commission.
2. To take part in the tender, potential suppliers, on the basis of an invoice issued by the organizer of the tender, must pay a special (tender) fee in the amount of 500 (five hundred) US dollars or its equivalent in manats (excluding value added tax and bank costs) for each lot.
3. Potential suppliers to participate in one tender for several lots - submit tenders (quotation) for each lot separately, observing the conditions of the above paragraph (7.1.) Of the Rules.
4. Documents received by fax obligatory must be submitted together with a photocopy.

Sealed envelope:

a) must be sent to the address indicated in the tender announcement or tender invitation;

b) it must contain the specific information required by the bidding documents;

c) the front side must contain the name of the bidder, legal address, contact details, lot number, date of the announcement of the tender.

A tender application (quotation) shall be submitted by a potential supplier in writing and in a sealed envelope (envelopes) with his signature (or a person authorized by him by the Power of Attorney), certified with a mastic seal.

If the tender application (quotation) was submitted without observing the requirements of the above paragraph (13.3.) Of the Rules, the tender commission is not responsible for non-disclosure of the content of such a tender application (quotation).

Envelopes with tender applications (quotations) received after the deadline for their submission will not be accepted and considered.

At the same time, the paid amount of the special (tender) fee will not be returned to the tenderer and will not be used in the following tenders.

Tender application (quotes) and all documents and written documentation regarding the tender exchanged between the bidders must be in the language of the invitation letter - in Turkmen and / or Russian. Documentation and printed literature submitted by the tenderers may be in another language, provided that a true translation into the language of the tender application (quotation) is attached, in which case the text of the translation shall prevail.

**Information reference**

Please send your tender application with all documents to the following address: Ashgabat, 1939, 56 Archabil Avenue, 13th floor, office 13.24, UKPO SC “Turkmengaz”, before 12:00 noon Ashgabat time --.--. 20-- year.

All necessary information can be downloaded from the address: http://www.oilgas.gov.tm/ or obtained from the above address.

Contact persons:

e-mail address: [turkmengaz@online.tm](mailto:turkmengaz@online.tm)

Contacts for inquiries: 40- 37-45(fax), 40-37-39, 40-37-40, 40-37-42

To participate in the tender, you need to pay 500 (five hundred) US dollars (excluding VAT, excluding bank transfer costs) for each lot (in which you plan to participate) to the foreign currency account of SC “Turkmengaz” according to the invoices received.

**Dear participants!**

We petition to carefully read the Law of Turkmenistan “On tenders for the supply of goods, performance of work, provision of services for state needs” and with an extract from the “Tender Rules” and the list of documents required to participate in the tender. All submitted documents for the tender must be signed by the head or authorized person, as well as the seal of the enterprise.

Appendix No.1

**Form of qualification requirements for a tender participant**

year \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ «\_\_\_\_\_» \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Full name of the supplier\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. Full legal address, fax, phone numbers and email address of the supplier's company \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
3. Information on the registration of the enterprise (it is necessary **to attach** notarized copies or extracts): statutory and registration documents, licenses, powers of attorney of product manufacturers, dealer agreements, agreements on joint activities and other necessary legal documents)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
4. Full name of the head and representative of the enterprise (for the representatives of the enterprise who have the legal status and authority to conclude contracts and supply contracts, the original power of attorney or a notarized copy of it **must be attached**)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
5. Whether measures of criminal liability were applied to the enterprise or management in connection with their professional activities, if so, then it is necessary **to attach** the decision of the state body \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
6. Common work experience and scope of completed contracts in recent years\_\_\_\_\_\_\_\_\_\_\_
7. Special work experience and volumes of completed contracts for the products offered in recent years (highlight contracts with Turkmen partners) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
8. Enterprise partners and their recommendations\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
9. The company’s servicing bank, its full details, bank reference (additionally, it is necessary to submit the company’s balance sheet, profit and loss statements, bank statements and audit reports)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
10. **Attach** a certificate from the Main Tax Inspectorate (at the location) about tax arrears to the budget (for residents of Turkmenistan)

Position Full name

Locus sigilli

Appendix No. 2

**MAIN TERMS OF THE CONTRACT**

|  |  |  |
| --- | --- | --- |
| **TERMS OF THE CONTRACT** | **BUYER REQUIREMENTS** | **SUPPLIER OFFERS** |
| 1. Delivery basis (on the terms of Incoterms-2010) | According to specification |  |
| 2. Delivery time | According to specification |  |
| 3. Currency | Turkmen manats, US dollars |  |
| 4. Payment mechanism | fact of delivery |  |
| 5. Arbitration | **ARBITRATION COURT of Turkmenistan** |  |
| 6. Payment of fees on the SCRMET for contract registration (0.2% of the contract value) | At the expense of the Supplier |  |
| 7. Payment of bank charges on the territory of Turkmenistan and abroad during the payment procedure | **At the expense of the Supplier** |  |
| 8. Documents for payment | 1. Consignment notes (original) 2. Transport certificates issued by the forwarder - duplicate 3. Transfer acceptance certificate (original) 4. Manufacturer's quality certificate (original) 5. Certificate of goods origin issued by the Chamber of Commerce and Industry of the country of origin (original) 6. Cargo Customs Declaration (original) - drawn up and received by the Buyer. 7. The certificate of conformity issued by the Main State Service “Turkmenstandartlary” (original) - drawn up and received by the Buyer 8. Packing list (original) |  |
| 9. In the Technical and Commercial Specification, it is obligatory to indicate the validity period of the offered prices |  |  |
| 10. Special conditions:  warranty repair, training, etc. | | |

**Note:** the list of documents will vary within the limits specified in clause 8, depending on the terms of delivery and disclosure of the letter of credit (Buyer’s or Seller’s bank).

This document will be fundamental for the conclusion of the Contract.

Appendix No. 3

**MANUFACTURER PERMISSION FORM**

To WHOM: (Buyer's name) (Date )

In this case, (name of the manufacturer), which is the manufacturer (name and / or description of the goods) having the plant (s) at the address (address of the plant) hereby authorizes (name and address of the Agent) to submit a tender offer, negotiate and sign a Contract with you on the above goods manufactured at our enterprise.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Signature for and on behalf of the Manufacturer)

|  |
| --- |
| **Note:**  **This letter of power of attorney must be on the title page paper of the Manufacturer and must be signed by a competent person representing the Manufacturer.** |

Appendix No. 4

(b)

|  |  |  |
| --- | --- | --- |
| **Full name of the tender participant "\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_"    Commercial offer for**  **tender No.**  T/GAZ-   dated \_\_\_.\_\_\_.20\_\_\_ year   from \_\_ to \_\_\_\_ page  (Commercial offer with   prices). from \_\_ to \_\_\_\_ page. (Detailed pricing (pricing calculations from EXW terms to DAP terms of delivery destination)). | 1 | 11 |
| 2 | 12 |
| 3 | 13 |
| 4 | 14 |
| 5 | 15 |
| 6 | 16 |
| 7 | 17 |
| 8 | 18 |
| 9 | 19 |
| 10 | 20 |
| Laced up and numbered \_\_\_\_\_\_\_\_\_\_\_\_ pages   Surname, initials, position of the authorized person and the seal of the tenderer. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | | |

(c)

|  |  |  |
| --- | --- | --- |
| **Full name of the tender participant "\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_"    Technical offer for**  **tender No.**  T/GAZ-   dated \_\_\_.\_\_\_.20\_\_\_ year   from \_\_ to \_\_\_\_ page  (technical specification without specifying prices including: descriptions, necessary technical and quality characteristics of the supplied goods).  from\_\_\_ to \_\_\_ manufacturer’s factory catalog pages "\_\_\_\_\_\_\_ " | 1 | 11 |
| 2 | 12 |
| 3 | 13 |
| 4 | 14 |
| 5 | 15 |
| 6 | 16 |
| 7 | 17 |
| 8 | 18 |
| 9 | 19 |
| 10 | 20 |
| Laced up and numbered \_\_\_\_\_\_\_\_\_\_\_\_ pages   Surname, initials, position of the authorized person and the seal of the tenderer. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | | |

**Checklist of tender documents:**

|  |  |  |
| --- | --- | --- |
| No | Title of the document | Available (+)  Not available (-) |

(Tender application (quotation) submitted by the bidder consists of the following documents):

|  |  |  |
| --- | --- | --- |
| 1) | qualification requirements questionnaire completed by the bidder |  |
| 2) | **commercial specification with an indication of the cost** (pricing calculations from EXW terms to DAP delivery terms, destination) of the unit of production and the total tender value of the supplied goods on terms of delivery, according to the Incoterms 2010 Rules (published by the International Chamber of Commerce, Paris), completed by the bidder, indicating the period during which the tender application (quotation) is valid (in one copy) **(must be filed into separate folders, laced up, numbered and certified by the seal of the tender participants)** |  |
| 3) | **technical specification without specifying prices** including: descriptions, necessary technical and quality characteristics of the supplied goods - **(must be filed into separate folders, laced up, numbered and certified by the seal of the tender participants)** |  |
| 4) | a list of possible additional services that will be included in the supply contract |  |
| 5) | confirmation or permission of the manufacturer (for non-manufacturers of products and goods not available on the domestic market of Turkmenistan) |  |
| 6) | основные условия договора поставки |  |
| 7) | certificate from the tax authority on the absence of debt to the state budget (for domestic bidders and residents of Turkmenistan) |  |
| 8) | bank reference on the business activity of the offeror, balance sheets, profit and loss statements, as well as audit reports (if any) (The reference must be issued by the bank serving the client no earlier than the last quarter of the current year). |  |
| 9) | information confirming the experience of the bidder |  |
| 10) | for residents of Turkmenistan, it is necessary to provide a copy of the registration of the Union of Industrialists and Entrepreneurs of Turkmenistan |  |
| 11) | electronic version of the form, the main terms of the contract (Word format) and the technical and economic specification (Excel format). |  |
| 12) | Information on registration (regulation, statutory, registration documents) of the enterprise licenses, powers of attorney, dealer agreements, agreements on joint activities and other necessary legal documents |  |

Additional documents:

(Following documents should be provided as additional information):

|  |  |  |
| --- | --- | --- |
| 13) | passports, certificates, technical description, if necessary, product samples for testing, diagrams, complete list, list of spare parts and tools, other data; |  |
| 14) | information on the supply of such or similar products to Turkmenistan during the last 2 years; |  |
| 15) | information about warranty periods and storage conditions. |  |

**EXTRACT FROM THE RULES OF CONDUCTING THE TENDER FOR THE SELECTION OF SUPPLIERS OF GOODS FOR THE OIL AND GAS COMPLEX OF TURKMENISTAN**

**REQUIREMENTS FOR PARTICIPANTS IN TENDER PROCEDURES**

**2. Qualification requirements for potential suppliers:**

2.1. Companies from any country of any form of ownership and organizations and entrepreneurs of Turkmenistan can participate in the tender, except for companies registered in offshore zones (in conformity with the temporary list of offshore zones approved in accordance with the established procedure).

2.2. Potential suppliers must:

1) have civil legal capacity, legal capacity, including licenses, certificates or other permits - if their need is established by the legislation of Turkmenistan in order to supply goods;

2) have the legal status and authority to conclude a supply contract;

3) have professional and technical competence, experience and reputation, financial resources, equipment and other material capabilities, as well as have specialists with the necessary level of professional qualifications and experience to fulfill obligations under supplying contract;

4) be solvent, not have stable (more than three months) debts on taxes and other obligatory payments to the State Budget of Turkmenistan;

5) not have evidences of insolvency (bankruptcy), be in the process of bankruptcy as of the last reporting date; must not be in the process of liquidation or reorganization and their business activities should not be suspended in accordance with the legislation of Turkmenistan;

6) not be entities in relation to whom there is a conflict of interest

7) not be on the List of Offenders.

8) entrepreneurs of Turkmenistan - must be members of the Union of Industrialists and Entrepreneurs of Turkmenistan.

9) in some cases, the Cabinet of Ministers of Turkmenistan may also establish additional requirements (restrictions) for potential suppliers.

2.3. The organizer of the tender has the right to require potential suppliers to submit documentary evidence of their compliance with the qualification requirements specified in clause 2.2 of these Rules.

2.4. Qualification requirements established by clause 2.2 of these Rules:

1) are set out in the qualification (pre-qualification - in the case of a pre-qualification procedure) tender documentation for attracting tender applications (quotations);

2) apply to all persons whom the potential supplier intends to attract as subcontractors or co-executors.

In the event of a Request for Quotations, the requirements established by clause 2.2 of these Rules, the organizer of the tender may not apply.

2.5. A qualifications proof burden for participation in the tender lies with the bidder.

**4. Refusal to participate in the tender**

4.1. The decision to refuse bidders to participate in the tender is made in the following cases:

1) If they:

а) submitted a tender application (quotation) later than the established deadline, did not pass the prequalification selection, or their tender application (quotation) does not meet the requirements for tender documents;

b) deliberately provided false, incomplete, inaccurate or knowingly false information in the qualification documentation, as a result of which at least one tender application or contract was canceled within three years preceding the publication of the tender notice;

c) do not recognize and (or) do not correct arithmetic errors established by the tender commission;

d) do not meet the qualification requirements of the Law of Turkmenistan “On tenders” and actual Rules for potential suppliers;

e) are participants (affiliates) of another bidder;

f) refused to conclude a supply contract;

g) improperly performed or canceled at least one contract within three years preceding the date of publication of the tender notice, except for cases when this happened due to force majeure;

h) included and are on a Violator List;

2) cancellation of a tender application when establishing the facts of using confidential information received from officials of the organizer of the tender, or manipulation in the market of goods, works and services.

4.2. The organizer of the bidder does not have the right to refuse the tenderer to participate in the tender on the basis of providing inaccurate or incomplete information regarding the qualification data, provided that the bidder eliminates these shortcomings within the period established by the tender commission.

**7. Tender participation cost**

7.1. To take part in the tender, potential suppliers on the basis of the invoice issued by the organizer of the tender must pay the amount of a special (tender) fee in the amount of 500 (five hundred) US dollars or its equivalent in manats (excluding value added tax and bank costs) for one lot.

7.2. Potential suppliers for participation in one tender for several lots - submit tender applications (quotations) for each lot separately, observing the conditions of clause 7.1 of actual Rules.

**8. Unlimited participation tender**

8.1. Within a tender with unlimited participation:

1) the number of potential suppliers invited to participate in the tender is not limited, and they have the right to submit tenders without restriction;

8.2. After the announcement of the tender is published in the media, potential suppliers submit an application for participation in the tender at the specified address, no later than the time specified in the announcement.

After submitting the application, the potential supplier receives an invoice for payment of the amount of the special (tender) fee, in the amount as specified in clause 7.1 of these Rules.

**10. Request for quotations**

10.2. Each potential supplier is allowed to submit only one quotation without the right to change it.

**12. Tender documentation**

12.1. The tender organizer, no later than three working days following the day of request receipt from potential suppliers for the provision of the necessary documents for the tender, shall send them the tender documentation establishing the main provisions of the tender procedures.

At the tender with limited participation the tender documents, including specifications, sent together with the invitation to tender.

In case of prequalification procedures, tender documents are sent to all selected potential suppliers.

12.2. Tender documents includes:

1) instructions for preparing tender applications (quotations);

2) criteria and methods for assessing the compliance of potential suppliers with the qualification requirements established by clause 2 of actual Rules;

3) the requirements of documentary evidence to be submitted by the bidders in order to confirm their qualifications;

4) descriptions and necessary technical, qualitative and quantitative characteristics of the supplied goods, including technical specifications, plans, drawings, sketches and special conditions;

5) a list of possible additional services that may be included in the supply contract;

6) the place where the goods are to be delivered;

7) required terms for the fulfillment of the supply contract;

8) description of all criteria, with the exception of price, which are used in the evaluation of bids by the organizer of the tender;

9) provisions determined by the tender organizer as necessary, which will be included in the supply contract;

10) description of a part or parts (batches) of goods for which bids can be submitted in an amount not lower than the threshold amount of supplies established for the oil and gas complex;

11) method of calculating and expressing the value of a tender, including an indication of whether the price must contain other elements than the value of the goods supplied;

12) when submitting bids in a freely convertible currency, if necessary - the method of comparing the prices of bids expressed in this currency;

13) the amount of security for the execution of the supply contract and special (tender) fee;

14) requirements to:

а) form, validity period and other basic conditions for ensuring the execution of the supply contract;

b) the main terms of payment of the special (tender) fee;

15) exact place and timing of submission of tenders;

16) description of the procedure for providing clarifications on the tender documents requested by the potential supplier;

17) period during which tenders are valid;

18) precise description of the place, date and time of opening envelopes with tenders (quotations);

19) procedures used when opening tender envelopes (quotations);

20) a foreign language in which, along with the state language of Turkmenistan, tenders (quotations) must (may) be prepared;

21) name, surname, position and address of one or more contact persons of the tender organizer authorized to communicate directly with the potential supplier and / or bidder, as well as how to communicate between;

22) notification of the right of a potential supplier and / or bidder and / or supplier to appeal against actions or decisions of the tender commission and / or the organizer of the tender during the course of the tender and delivery;

23) form, essential (basic) terms of the supply contract and the timing of its signing;

24) form, questionnaire of qualification requirements;

25) form, manufacturer approvals;

26) other additional information required for certain categories of supplies.

12.3. Changes and additions to tender documents in the period before the expiry of the deadline for the submission of tenders are not allowed.

12.4. A potential supplier may ask the organizer of the tender for clarification of the tender documentation. The organizer of the tender, no later than three working days from the date of receipt of the request, must respond in writing to such a request, at the same time send copies of the explanation to other potential suppliers to whom this tender documentation was provided, without specifying the author of the request.

If the organizer of the tender holds a meeting with potential suppliers or tenderers to clarify any questions regarding the tender documentation, then, based on the results of the meeting, a protocol is drawn up indicating the nature of the requests received during the meeting, as well as the answers to them without specifying the authors of the requests. Copies of the protocols are immediately sent to all potential suppliers who have received the tender documents.

12.5. Potential suppliers, prior to receiving the tender documents, by submitting a written application on their intention to participate in the tender, can familiarize themselves with the extract from the Tender Rules, the list (specification) of the products of the announced lot, as well as the main terms of the contract.

**13. Terms, conditions and form of submission of tender applications (quotations)**

13.2. Sealed envelope:

а) must be sent to the address indicated in the tender announcement or tender invitation;

b) it must contain the specific information required by the bidding documents;

c) the front side must contain the bidder’s name, legal address, contact details, lot number, date of the announcement of the tender.

13.3. A tender application (quotation) shall be submitted by a potential supplier in writing and in a sealed envelope (envelopes) with his signature (or a person authorized by him by the Power of Attorney), certified with a mastic seal.

13.4. If the tender application (quotation) was submitted without observing the requirements of clause 13.3, the tender commission is not responsible for non-disclosure of the content of such a tender application (quotation).

13.5. Tenders application (quotation) of potential suppliers or tenderers included in the list of violators will not be accepted.

13.6. Envelopes with tender applications (quotations) received after the deadline for their submission are not opened and are returned to the tenderers who submitted them. In this case, the paid amount of the special (tender) fee is not returned to the bidder and is not used to the next tenders.

13.7. Tender applications (quotations) and all documents and written documentation regarding the tender exchanged between the bidders must be in the language of the invitation to tender - in Turkmen and / or Russian. Documentation and printed literature submitted by the bidders may be in another language, subject to the attachment of a reliable translation into the language of the tender application (quotation), in which case the text of the translation shall prevail.

13.9. The tender application (quotation) submitted by the tenderer consists of the following documents:

а) qualification requirements form completed by the bidder:

b) technical and commercial specification, completed by the bidder, indicating the period during which the tender application (quotation) is valid;

c) descriptions, necessary technical and quality characteristics of the supplied goods;

d) a list of possible additional services that will be included in the supply contract;

e) confirmation or permission of the manufacturer (for non-manufacturers of products and goods not available in the domestic market of Turkmenistan);

f) basic terms of the supply contract;

g) certificate from the tax authority on the absence of debt to the state budget (for domestic bidders and residents of Turkmenistan);

h) bank reference on the business activity of the bidder, balance sheets, profit and loss statements, as well as audit reports (if any);

i) information confirming the bidder’s experience.

13.10. As additional information, the tender organizer may require the following documents:

а) passports, certificates, technical description, if necessary, product samples for testing, diagrams, complete list, list of spare parts and tools, other data;

b) information on the supply of such or similar products to Turkmenistan during the last 2 years;

c) information about warranty periods and storage conditions.

13.11. A potential supplier prepares tender applications (quotations) as indicated in the tender documents.

13.12. Any corrections, strikethroughs and superscripts are considered valid if they are initialed by the person or persons who signed the tender application (quotation).

13.13. The tender application (quotation) submitted by the tenderer is non-refundable.

13.14. If the bidder has submitted information and documents that do not meet the requirements of the tender, the tender commission has the right to reject them.

13.15. The price and currency offered by the bidder during the entire period of the tender, including during the period of conclusion and execution of the supply contract, are not subject to change, this condition does not apply to clause 13.6 of actual Rules.

13.16. The tender commission has the right, prior to the conclusion of the supply contract, to demand a reduction of the prices offered by the bidder, change of the payment currency, as well as the payment terms.

13.17. Documents to reduce the prices of goods (in accordance with clause 13.16 of actual Rules) must be submitted in envelopes under the conditions established by clauses 13.2 and 13.3 of actual Rules.

**14. Validity period, amendments and withdrawal of tender applications (quotations)**

14.1. Tender applications (quotations) remain valid for the period specified in the tender documents. The calculation of this period begins from the day of opening envelopes with tender applications (quotations).

14.2. The bidder has the right to change or withdraw his tender application (quotation) before the expiry of the deadline for its submission.

14.3. A letter on amendment or withdrawal of a tender application (quotation) must be certified by the seal and signature of the bidder or a person authorized by him by the Power of Attorney, and sent to the tender commission before the date and time of the end of the acceptance of tender applications (quotations) at the address indicated in the tender announcement or invitation.

14.4. After the end of the date and time for accepting tender application (quotations), it cannot be changed.

**16. General conditions for the acceptance of an offer**

16.2. Changes in the substance of tenders towards deterioration (quotations), including price changes, are not allowed. In this case, the organizer of the tender has the right to negotiate with the bidder to reduce the offered prices and (or) to clarify certain provisions of a tender application (quotations).

16.9. The tender application (quotation) is recognized as the winner (economically the most profitable and corresponding to the conditions of supply) if the offer submitted by it essentially meets the requirements of the tender and qualification documentation, and is economically most profitable, including in terms of a set of selection criteria (qualifications, price, work schedule and payments, quality, warranty and service obligations and others) and has advantages over other offers participating in the tender.

16.13. Notification on the recognition of the tender application (quotation) as the winner - on the acceptance of the offer, is sent to the bidder who submitted it within three working days from the date of the decision on the selection made. Other bidders within the same period are notified of the rejection of their quotations.

**17. Recognition of the tender invalid (cancellation of the tender)**

17.2. In the event that the implementation of supplies has ceased to be necessary for state needs, including as a result of force majeure, the tender shall be canceled.

17.3. The tender commission has the right to reasonably reject any tender application (quotation).

17.4. The organizer of the tender, within three working days from the date of the decision to declare the tender invalid or to cancel the tender, shall send a notification to all tenderers indicating the reasons that served as the basis for this. In this case, the organizer of the tender is not obliged to prove the reasonability of such reasons.

In such cases, the funds paid by the tenderers may be used to participate in subsequent tenders.

17.5. The organizer of the tender does not bear any property or other liability to the bidders in the event of rejection of all tender applications (quotations).

**SUPPLY CONTRACT**

**19. Supply contract**

19.1. The supply contract between the organizer of the tender (customer) and the winner of the tender is concluded in writing in accordance with the legislation of Turkmenistan.

19.2. If the winner of the tender refuses to conclude a supply agreement or does not provide them with security for the execution of the supply agreement (including for reasons of force majeure), the winner may be a bidder from among other bidders, the offer and qualifications of which most meet the conditions of supply or the organizer of the tender may hold a repeated tender.

19.3. Notification of the conclusion of a supply contract indicating the name, address of the winner of the tender with whom the agreement was concluded, and the price of the agreement, within three working days from the date of its conclusion, is sent for information to the bidders who took part in the tender.

19.4. It is not allowed to make changes and additions to the signed supply contract that may change the content of the offer, which was the basis for choosing a supplier.

19.5. Relations arising from supply contracts are governed by the legislation of Turkmenistan.

**20. Enforcement of the supply contract**

20.1. The winner of the tender must provide security for the execution of the supply contract in following cases:

1) a subject of the contract is the implementation of an investment project;

2) prepayment for delivery is provided.

20.2. Securing the execution of the supply contract may include a bank guarantee, surety, deposit in national currency in accordance with the legislation of Turkmenistan.

The specific form of ensuring the execution of the supply contract is determined by the tender documentation.

20.3. The amount of security for the execution of the supply contract may not exceed ten percent of the value of the goods provided for delivery.

20.4. The period of validity of the security for the supply contract must be valid until the subject of the supply contract has been fully executed, after which the security for the supply must be returned to the supplier.

**LIABILITY OF THE PARTIES**

**21. Liability of the parties**

21.1. To ensure the fulfillment of obligations by bidders and suppliers, a List of violators is drawn up in each Oil and Gas Organization.

21.2. The following violations are the basis for inclusion in the “List of violators” of bidders and / or suppliers who in bad faith fulfill the requirements of the Law of Turkmenistan “On tenders”, the Procedure, these Rules and / or the terms of supply contracts:

a) revocation by the winner of the tender of a successful tender application (quotation) after its written approval, if such revocation occurred during the validity of the tender application (quotation), with the exception of force majeure circumstances;

b) the change by the winner of the tender of the main technical characteristics of the goods towards the deterioration of their quality;

c) deliberate presentation by the bidder or supplier of knowingly false documents or false information;

d) termination of the contract by the winner of the tender unilaterally prior to the commencement of the delivery of the goods, except for force majeure;

e) incomplete or improper performance by the winner of the tender of his obligations under the contract;

21.3. In case of violation of subparagraphs a), b) and c) of clause 21.2. of actual Rules, this bidder is deprived of the right to participate in tenders for a period of 3 (three) years.

21.4. In case of violation of subparagraphs d) and e) of clause 21.2 of actual Rules, the winner of the tender is liable in accordance with the terms of the concluded contract.

21.5. The decision to include or exclude from the List of violators, bidders or suppliers is made by the tender commission with the execution of a protocol and notified in writing to the Cabinet of Ministers of Turkmenistan.

The date of the protocol of the tender commission is the date of inclusion or exclusion from the List of violators.

21.6. The Cabinet of Ministers of Turkmenistan analyzes the information provided by oil and gas organizations and, on the basis of the protocols of tender commissions, compiles a general list of violators in the oil and gas complex.

21.7. After the bidder or supplier is included in the general list of violators of the oil and gas complex, the Cabinet of Ministers of Turkmenistan notifies all the necessary organizations about this. After receiving notification, oil and gas organizations include the offeror or bidder on their list of offenders.

21.8. Violators included in the List of Violators are deprived of the right to participate in tenders announced by oil and gas organizations from the date of their inclusion in the list of violators by the tender commission. If the violators included in the list of violators participate in tenders held by oil and gas organizations, then the tender applications (quotations) of this potential supplier or bidder or supplier are rejected.

21.9. In the event that the violators included in the list of violators have contracts in force at the time of their inclusion in the list of violators by the tender commission, or if they fulfill their obligations with other oil and gas organizations in good faith, then this company is given the opportunity to complete its contractual obligations.

21.10Violators included in the list of violators, depending on the type of violation on the execution of clause 21.3 of actual rules (that is, after the expiration of three years) or on the execution of clause 21.4 of actual rules (that is, having paid the stipulated fines in accordance with the terms of the agreements) should be excluded by the tender commission of the relevant oil and gas organization from the List of violators.

After the decision of the tender commission of the oil and gas organization to exclude the violator from the List of violators:

1. he has general rights with other potential suppliers, bidders, suppliers, including on participation in tenders, performance of supplies, works and services for the oil and gas complex of Turkmenistan;
2. the organizer of the tender must notify the Cabinet of Ministers of Turkmenistan in writing about his exclusion from the List of violators, with the attachment of the corresponding protocol of the tender commission.

21.11. Violators deprived of the right to participate in the tender are also deprived of these rights to participate in any other form, including jointly with other legal entities or by changing their name.

21.12. In case of disclosure by officials or representatives of participants in tendering procedures of information constituting a commercial or other legally protected secret, the damages caused in accordance with the legislation of Turkmenistan are subject to compensation by the guilty party to the person whose rights were violated.

Participants in tender procedures guilty of violating other provisions of actual Rules, the Procedure or the Law of Turkmenistan “On tenders” are liable in accordance with the legislation of Turkmenistan.

21.13. The organizer of the tender (customer) and the supplier bear the responsibility established by the supply contract, in accordance with the legislation of Turkmenistan.