**INSTRUCTION TO BIDDERS**

1. The Instruction To Bidders (hereinafter referred to as the ITB) is an integral part of the Tender Documentation.
2. The Bidder shall bear all costs in relation to the preparation and submittal of their Bid.
3. “LUKOIL Neftohim Burgas” AD (hereinafter referred to as the Organizer) is neither responsible nor liable for the expenditures specified in item 2 regardless of the tender essence/form and outcome.
4. “LUKOIL Neftohim Burgas” AD will sign a contract with the preferred bidder (hereinafter referred to as the Customer).
5. The Organizer provides the Bidder with this ITB and other components of the Tender Documentation required for bid preparation according to the requirements and conditions of the Tender Documentation.
6. The Bidder undertakes to treat the information of the Tender Documentation as confidential and to avoid disclosure to any third parties. The correspondence on the tender issues is recognized as confidential, too.
7. The Organizer proceeds on the basis that the Bidder must read all conditions and requirements of the Tender Documentation provided to this effect. The Bid must fully meet the above requirements. If the Bid fails to meet the requirements of the Tender Documentation, then it will not be accepted for tender.

The Bidder may request The Organizer to explain provisions of the Tender Documentation as per Form 11 in Appendix 2 to the ITB. Correspondence exchange

may be performed preferably by e-mail (scanned original letter) and by registered mail. The postal address of the Organizer is given in Section IV, Appendix 1 to the ITB.

1. The Organizer must reply to any formal request of the Bidder incoming no later than five (5) calendar days before the bid submission deadline. At that, a copy of the notice with answers to the questions of general nature for all Bidders is distributed among all Bidders without indicating the Bidder which raised the respective request.
2. The Organizer may modify the Tender Documentation before the bid submission deadline and extend the bid submission deadline with a respective written notice to all Bidders.
3. The Bidders must conform to the minimum qualifications set out in Section II, Appendix 1 to the ITB, and other requirements of the Tender Documentation.
4. A consortium's Bid must include the consortium agreement signed by all consortium participants. The consortium agreement shall meet the following requirements:

* describe distribution of functions, responsibilities, scope of work / supplies / services between the consortium participants for executing the Bid;
* define which one of the consortium participants is its leader and is authorized by other participants to sign the Contract awarded as a result of the Tender on behalf of all consortium participants, if this Contract is awarded to the consortium, as well as represent all consortium participants in the future in the course of fulfilling the concluded Contract;
* describe individual and joint responsibility of the consortium participants for the Contract fulfillment;
* all payments under the Contract are made with the leading partner (leader) of the consortium;
* procedures of settlements between the consortium partners when executing the Contract;
* the authority of acting on behalf of the consortium is delegated to the leading partner.

The Organizer reserves the right to reject the Bid from any consortium at its sole discretion, if the consortium agreement does not reflect the above provisions.

1. The Bidder at their own expense may visit the facility/site where goods are supposed to be supplied / works performed / services rendered. Requirements to the Bidder for organizing a site visit are listed in Form 13, Appendix 2 to the ITB.
2. The Organizer must honor confidentiality of the information in the Bid.
3. Unless otherwise specified by the applicable laws, the Bid is submitted in the English language. If the documents are submitted in two languages, then the English version prevails.
4. The Organizer may:

* reject any Bid from tender, when the Bid fails to meet the requirements of the Tender Documentation;
* cancel the tender at any stage, including after the winner selection but before the moment of signing the contract;
* raise requests with the respective governmental and other agencies and organizations, visit the Bidder's facilities, institutions and production sites in order to verify the information which the Bidder stated in their Bid;
* be free from justification of any decision on the tender in front of the Bidders.

1. Mandatory documents in the Bid:

The Bidder must complete their Bid with proofs of their technical potential, qualifications, economic status and financial standing as the documents to confirm their intention to bid for tender and their capability to meet the requirements of the Tender Documentation. The mentioned proofs include documents and information listed in Appendix 1 to the ITB which must be provided by the Bidder in paper and electronic form (requirements to the electronic form: a separate file listing the submitted documents; a separate scan for each document, not a single file for all documents; filenames must be identical to the document names).

1. Requirements to bid submission and format.

The Bid must carry signatures of the Bidder's manager or authorized representative with a respective power of attorney. The Bidder must provide all necessary documents to confirm authority of the signatories. All pages of the Bid's documents including the draft contract must carry initials of the person who signed the Bid.

17.1. The Bid comprises technical and commercial parts.

The technical part comprises the documents which the Bidder prepares according to the requirements of the Tender Documentation including this ITB except for the documents related to the Bid price.

The commercial part comprises the documents related to the Bid price which the Bidder prepares according to the requirements of the Tender Documentation including this ITB.

Where appropriate, certain documents of the Bid's technical and commercial parts may be duplicates, if executed according to this paragraph, for instance: the list of inventories supposed to be procured (specifications) without prices must be part of the Bid's technical part. The same list (specifications) with prices must be part of the Bid's commercial part.

17.2. Alternative technical/commercial offers are not acceptable unless otherwise specified by the Tender Documentation. The Bidders will be disqualified for submission of such offers.

17.3. Bid submission by the Bidder confirms that the Bidder:

* + read and accepted all conditions of the facility/site where the goods are supposed to be supplied / work performed / services rendered;
  + read, understood and fully accepted all conditions and requirements of the Tender Documentation including the draft contract.

17.4. The Bid contents depends of the tender type.

* + 1. Single-stage single-submission tender
* Bid Files Package 'A' (including the Technical and Commercial parts)
* 'Bid Bond' (if applicable)
  + 1. Single-stage dual-submission tender
* Bid Files Package 'A' (Technical Part of the Bid)
* Bid Files Package 'B' (Commercial Part of the Bid)
* 'Bid Bond' (if applicable)

Note that in a single stage dual submission tender, THE COMMERCIAL PART OF THE BID MUST BE SUBMITTED WITHIN THE SAME SUBMISSION DEADLINE AS THE TECHNICAL PART. Bidders will not be able to modify their commercial submission past the submission deadline.

* + 1. Dual-stage dual-envelope tender
* Bid Files Package 'A' (Technical Part of the Bid)
* 'Bid Bond' (if applicable)
* Bid Files Package 'B' (Commercial Part of the Bid)

Bid Files Package 'B' is submitted separately upon receiving a request from the Organizer after evaluation of the Technical part of the Bid.

* + 1. Not Used
    2. If a 'Bid Bond' is required, Bidders must upload the scan pdf copy of the 'Bid Bond' before the submission deadline and the original sent by courier to the address indicated

Bid Files Package 'A' must contain documents as per Appendix 1 to the ITB.

Bid Files Package 'B' must contain documents as per Appendix 1 to the ITB.

* + 1. The documents of the Technical part including the electronic versions must contain NO information on the Bid price. All prices, rates, tariffs, and final amounts of the Bid must be contained in the Commercial Part of the Bid only. The Bidder WILL BE DISQUALIFIED for the failure to meet this requirement.
  1. Requirements to Bid Bond (refer to appendix 2 form 4)
  2. Bid Validity

The Bid validity requirement is described in Section VI, Appendix 1 to the ITB. The Organizer may request the Bidders to extend validity of their Bids.

* 1. Bid submission address and deadline

The Bid may not be submitted to the Organizer via electronic mail. If the Bidder submits Bid via electronic mail, then the Organizer will consider the Bid not received.

The Electronic Bid must be uploaded in the web portal application before the bid submission deadline specified in Section VI, Appendix 1 to the ITB.

* 1. The Bidder may modify or withdraw the Bid after submission by sending a respective written notice to the Organizer before the bid submission deadline. The Bid Withdrawal Notice must be accompanied with the original power of attorney issued to the person who signed the withdrawal notice stating their right to withdraw the Bid on behalf of the Bidder.
  2. No changes to the Bid at the Bidder's initiative are allowed after the bid submission deadline. If all Bidders receive the Tender Documentation and submit their Bids before the date specified in the Invitation To Tender, then the Organizer may open the Bids prior to the set date subject to the written consent of all registered Bidders.
  3. The Organizer may request the Bidder, and the Bidder may accept the request for extension of validity of the Bid.

1. Bid Clarification

The Organizer may request the Bidder to clarify their Bids. Replacement of the documents submitted with the original Bid is not allowed.

To the special attention of the Bidder!

1. Bidding.

Applicable for the subject Tender

1. Tender award and contract signing
   1. The Bidder must sign and return the draft contract (all required counterparts) to the Customer no later than ten (10) days after receipt of the notice of award.
   2. Tender award is based on the technical and commercial evaluation of all Bids, so the best price offered in the course of the bidding does not guarantee awarding.
   3. The parties should resolve disputes/disagreements between them which arise in the course of fulfillment of the contract awarded by tender according to the contract terms and conditions.
2. Anticorruption line

If the Bidder faces corruption, fraud, coercion, collusion, etc. and/or possesses information about the same from other Bidders, then the Bidder must provide such information to the following e-mail address: **anticorruption@lukoil-international.com**.

1. Appendices

Appendix 1 – Tender information;

Appendix 2 – Forms for preparing the Bid;

Appendix 3 – Draft contract.