



REPUBLIC OF ALBANIA

STANDARD PUBLIC AUCTION DOCUMENTS

With object:

CRUDE OIL SALES

Quantity 100,971 tons

Table of Contents

1.	AUCTION ANNOUNCEMENT
2.	2. GUIDELINES FOR THE DEVELOPMENT OF THE AUCTION.....

3.	GUIDELINES FOR PURCHASING CANDIDATES.....
4.	PARTICIPATION AND QUALIFICATION.....
5.	BID EVALUATION AND AUCTION DEVELOPMENT.....
6.	APPEAL PROCEDURE.....
7.	SIGNING THE CONTRACT.....
8.	APPENDICES.....

APPENDIX 1

AUCTION ANNOUNCEMENT

1. **Selling Authority:** "Albpetrol" Sha Patos, Fier – Patos Road km 7.
2. **Auction date:** 08.08.2025, at 11:00.
3. **Type of Auction Procedure:** "Open Procedure"
4. **Object of Sale:** Sales of crude oil in the amount of 100,971 tons.
5. **Removal term:** 12 (twelve) months from the date of the start of the removal.
6. **Short description of the object of sale:** Sale of crude oil, quantity 100,971 tons.
7. **Starting Value:**

FOB terms:

The minimum starting price per unit is:

77.45% of Brent + K Price

At delivery points:

The minimum starting price per unit is:

77.45% of Brent Price – 4.07 USD/bbl + K

- ✓ 77.45% is the coefficient which represents the average characteristics of the oil (specific weight, % of sulfur).
 - ✓ Brent is the USD/bbl price of Platts' Brent, published in the Public Procurement Bulletin.
 - ✓ 4.07 USD/bbl average total cost (transport, storage, stocking, product analyses, insur).
 - ✓ K- is the USD/bbl value offered by the bidder above the minimum selling price calculated by the formula ($K > 0$).
8. **Location of crude oil: Albpetrol sha Patos:** At delivery points Usoje Station, Visoke Station, Gorisht Station, Zharrëz Station, Kuçove Station, Ammonica Station.
 9. **Auction to be held at:** Ministry of Infrastructure and Energy, "Abdi Toptani" Street No. 1, Floor I, Meeting Hall, Tirana.
 10. **Deadline for submission of requests for participation:** at the protocol office Floor 1 at the Ministry of Infrastructure and Energy, dated 08.08.2025, at 11:00.
 11. **Bidding opening date:** 08.08.2025, 11:00 a.m., Ministry of Infrastructure and Energy, Abdi Toptani Street No. 1, Floor I, Meeting Hall, Tirana.
 12. **Information on auction documents:**

The auction documents can be withdrawn from the selling authority by submitting a written request or on the official website of "Albpetrol" sha www.albpetrol.al and on the website of the Ministry of Infrastructure and Energy: www.infrastruktura.gov.al.

Paid documents:

Yes

☐

No

X

13. Standard auction documents consist of:

- Notification form;
- Request for participation;
- Offer form;
- Pricing Form;
- Invitation to Tender;
- Winner notification form;
- Winner Announcement Publication Form;
- Minutes(s) of the Bid Evaluation Committee.

- 14.** The request for participation, the documents and the required information are submitted by the purchasing candidates in physical copy, by mail or by hand, before the date and time of the auction, in the place specified in the auction documents.

APPENDIX 2

INVITATION TO TENDER

Seksioni I Selling Authority

I.1 Name and address of the Selling Authority

Name Albpetrol sh.a
Address Neighborhood "29 Marsi" Patos, headquarters Fier – Patos Road, km 7.
Tel/Fax 03813662 / 034 704 415
Internet Address www.albpetrol.al

I.2 Name and address of the responsible person:

Name
Address Neighborhood "29 Marsi" Patos, Headquarters Fier – Patos Road, km 7
Tel/Fax _____
E-mail

I.3 Type of selling authority and main activity(s):

Central Institution <input type="checkbox"/>	Independent institution <input type="checkbox"/>
Local Government Units <input type="checkbox"/>	Next X
Commercial Companies <input type="checkbox"/>	State-owned enterprise <input type="checkbox"/>

Seksioni II Public Auction Facility

II.1 Sale

Objects <input type="checkbox"/>	Services <input type="checkbox"/>	Goods X
-------------------------------------	--------------------------------------	-------------------

II.2 Brief description of the object of sale: Sales of crude oil in the amount of 100,971 tons.

FOB terms

The minimum starting price per unit is:
77.45% of Brent + K

At delivery points:

The minimum starting price per unit is:

77.45% of Brent Price – 4.07 USD/bbl + K

- ✓ 77.45% is the coefficient which represents the average characteristics of the oil (specific weight, % of sulfur).
- ✓ Brent is the USD/bbl price of Platts' Brent, published in the Public Procurement Bulletin.
- ✓ 4.07 USD/bbl average total cost (transport, storage, stocking, product analyses, insurance).
- ✓ K- is the USD/bbl value offered by the bidder above the minimum selling price calculated by the formula ($K > 0$).

- ✓ The payment by the winning bidder for the contracted quantity will be made according to the delivery schedule of the goods agreed between the parties, by bank transfer in CASH, before the start of the delivery of each quantity.

II.4 Location of the sales facility:

Location of crude oil: Albpetrol sha Patos: At delivery points Usoje Station, Visoke Station, Gorisht Station, Zharrëz Station, Kuçova Station, Ammonica Station.

II.5 Division into LOTS:

Yes ☐ No ☒

If so,

II.6 Brief description of the Lots

(Quantity or target and initial value of LOTS)

1. _____
2. _____
3. _____

Seksioni III Legal, economic, financial and technical information

III.2 Supply Assurance:

The required value of the offer insurance is in the value of **2%** of the total value (price offered x quantity).

- For the purpose of calculating the security value of the bid, the bidder shall take as a basis the latest Brent price published on the APP website prior to the auction.
- For the purpose of calculating the value of the bid, the exchange rate must be the one fixed by the Central Bank of Albania on the day when the auction announcement is published, i.e. **01.08.2025** and must be maintained at that exchange rate until the expiry of the period of validity of the offer.
- The average conversion coefficient of tons/barrels is: 6.419 bbl/ton. This coefficient will serve for the calculation of the insurance value of the offer.

Procedure

IV.1 Type of procedure:

Open	With buyers' choice	Negotiating with
X	<input type="checkbox"/>	<input type="checkbox"/>

IV.2 Winner Selection Criteria:

A) the highest price referring to the coefficient (K) **X**

Further information in the public auction documents

IV.3 Deadline for submission of bids or requests for participation:

Date: 08.08.2025 (dd/mm/yyyy) Time: 11:00 a.m.

Location: At the protocol office of the Ministry of Infrastructure and Energy, first floor, Abdi Toptani street no. 1, Tirana.

IV.4 Deadline for opening bids or requests for participation:

Date: 08.08.2025 (dd/mm/yyyy) Time: 11:00 a.m.

Venue: Ministry of Infrastructure and Energy, Abdi Toptani street no. 1, Tirana, meeting room, first floor, in the presence of the Auction Commission.

IV.5 Validity period of offers: 150 days (*expressed per day*)

IV.6 Language(s) for drafting offers or requests for participation:

Albanian	X	English	X
Next	_____		

Seksioni IV **Additional information**

V.1 Paid documents:

Yes	<input type="checkbox"/>	No	X
-----	--------------------------	----	----------

If Yes

Currency	_____	Price	_____
----------	-------	-------	-------

V.3 Previous publications, related to the same object of sale (*if applicable*):

Public Announcements Bulletin	Date of entry into	_____	Number	_____
-------------------------------	--------------------	-------	--------	-------

V.4 Additional Information (Country, Office, Ways to Withdraw Auction Documents)

The place of delivery of the documents is the Ministry of Infrastructure and Energy, in the protocol office, first floor, Abdi Toptani Street, no. 1, Tirana.

The documents can be withdrawn from "Albpetrol" sha at the address Rruga Fier-Patos, km-7 with the submission of a written request, or on the website of "Albpetrol" sha www.albpetrol.al, or on the website of the Ministry of Infrastructure and Energy at www.infrastruktura.gov.al.

Date of dissemination of this announcement: 01.08.2025

2. GUIDELINES FOR THE CONDUCT OF THE AUCTION

- 2.1 The sale procedure will be carried out in accordance with the Order no. 83, dated 10.02.2012 of the Minister of Economy, Trade and Energy, as amended, and with these Documents for Public Auction. Here and below in these documents where the word "Auction" is written, "Procedure for the sale of crude oil" will be understood.
- 2.2 Each Buyer Candidate is invited to submit an offer. The bid with the highest price will serve as the initial value for the start of the auction. The sales contract will be awarded to that Buyer Candidate who offers the highest price during the development of the public auction procedure.
- 2.3 1. The selling authority is allowed to cancel the auction at any time, for reasons of public interest, respecting the principles of equality and transparency. The selling authority is in no case obliged to announce the winner for an auction.
2. The selling authority bears no responsibility towards the bidders, who have submitted offer, for the decision taken on the basis of point 1 of this article.
1. The selling authority, in accordance with Article 10 of this Law, communicates to all buyer or bidder candidates the decision and the reasons not to continue the auction within 5 days from the receipt of the decision.
2. The selling authority publishes the notice of cancellation of the auction within 10 days from the decision on cancellation.
3. All interested parties who have submitted a bid or participated in the procedure will be notified of the decision taken and the reasons for the cancellation of the Public Auction procedure within 5 days from the receipt of this decision.
4. The Selling Authority, at any time, before the expiry of the deadline for the submission of auction bids and for any reason, on its own initiative or upon request for clarification by a candidate, may make changes to the auction documents, through the drafting of an annex. Each attachment is immediately communicated to all buyer candidates, who have withdrawn the auction documents and becomes binding on them. The plugin is also made available electronically. In any case, the selling authority extends the deadline for submitting the offer by at least 5 days.
- 2.4 The terms used in the Public Auction Documents have the following meanings:
- "Authorized Person(s)" means a person(s) authorized by the Selling Authority to act on its behalf and a person(s) authorized by Special Power of Attorney, written authorization or other legal means to act on behalf of the Offeror.
- "Selling Authority" – Albpetrol sh.a
- "LAP" - Law no. 9874, dated 14.02.2002, "On Public Auction".
- "Public Auction Procedure" – procedure carried out by the Selling Authority, based on this Auction Documentation.
- "Public Auction Rules" – By-laws issued in implementation of the LAP, which includes, among others, the Public Auction Rules, approved by the Council of Ministers with DCM no. 1719, dated 17.12.2008, Order no. 83, dated 10.02.2012 of the Minister of Economy, Trade and Energy, as amended.
- "Buyer candidates" are all natural or legal persons who seek to participate with their bid in the public sale procedure through public auction.

"Bidder" – any economic operator that has submitted an offer, in accordance with the DA.

"DA" – this Auction Documentation.

GUIDELINES FOR BUYER CANDIDATES

Ways of communicating with bidders

- 3.1 All communication and exchange of information (correspondence) between the Selling Authority and the Buyer Candidates must be done in writing, as stipulated in Article 11 of the LAP.
- 3.2 In particular, communication and exchange of information is carried out via (e.g., mail, fax, electronic means (at the internet address mentioned in section 2 of the DA). It will be considered that the correspondence has been submitted in due time, if its content, in writing, according to Article 11 of the LAP, has arrived at the Selling Authority before the expiration of the time limit.

Bid design

- 3.3 Buyer candidates are required to prepare offers, in accordance with the requirements set out in these DAs. Offers that are not prepared in accordance with these DAs will be rejected as inadmissible.
- 3.4 Buyer candidates bear the costs associated with the preparation and submission of its offer. The selling authority is not responsible for these costs.
- 3.5 The offer and all documents and correspondence related to the offer, exchanged between the Buying Candidate and the Selling Authority must be prepared in the Albanian language (if applicable). The supporting materials and printed literature submitted by the Bidder may also be written in another language widely used in international trade, provided that these documents are accompanied by the proper translation into the language of the offer, of the relevant fragments.
- 3.6 *(option).*
An explanatory meeting will be organized in (dd/mm/vv) in such a way that the Purchasing Candidates can familiarize themselves with the DA and its requirements. Participation is optional, but the interested Buyer Candidate must confirm in advance in writing his/her intention to participate in this visit. During the meeting, additional information and explanations will be provided, which will be distributed to all Purchasing Candidates. All costs of the Buyer Candidates associated with the meeting must be covered by them.

To arrange the meeting please contact: (specify the contact person)

- 3.7 The original of the offer must be printed or written in non-erasable ink. All bid sheets must be tied together and numbered. All offer sheets, except for immutable, printed literature, must be initialled or signed by the authorized Person(s).
In case of bids submitted by an association of economic operators, the bid must be accompanied by the Power of Attorney/Written Authorization for the Authorized Persons who will represent the merger during the auction procedure (The Power of Attorney may also include the authorization to sign a contract).
- 3.8 **The offer must include the following documents:**
 - a) Offer Form, in accordance with the model attached as Appendix 3 to the DA

b) Documents and certifications mentioned in Section 4 of the DA.

A Buyer Candidate only needs to submit one offer.

Secrecy

- 3.9 The selling authority must not make public the information received from the candidate buyers or bidders, labeled as confidential. This type of information includes in particular technical aspects, trade secrets and confidential tender information.
- 3.10 Prospective buyers must submit only the original bid entered in a non-transparent, sealed, sealed and signed envelope with the name and address of the Bidder and marked: "Bid for the purchase of **100,971 tons of crude oil**".
"DO NOT OPEN IT, EXCEPT IN CASES WHEN THE AUCTION COMMISSION IS PRESENT, AND NOT BEFORE 08.08.2025 at 11:00".

Price calculation

- 3.11 The Buyer Candidate must complete the Offer Form attached to these DAs, setting out a detailed list of prices that make up the full price.
- 3.12 All prices must be quoted in the Albanian Currency (ALL), including applicable taxes, but excluding VAT. If the prices are quoted in a foreign currency, then they must be converted into Albanian Lek and the exchange rate must be the one fixed by the Central Bank of Albania on the day when the contract notice is published and must be maintained at that exchange rate until the expiry of the period of validity of the offer.
- 3.13 The bidder must indicate in the Prize Program the total prices of the offer excluding VAT. The value of VAT, when applied, is added to the given price and constitutes the total value of the offer.
- 3.14 The prices given by the Bidder must be fixed during the execution of the contract and must not be subject to any change in any aspect. The bid submitted at a variable price, and which is not in accordance with this paragraph, will be rejected by the Contracting Authority as inadmissible.

Deadline and place for submission of bids

- 3.15 Bids must be submitted to the following address:

Ministry of Infrastructure and Energy, near the Protocol Office, first floor.
Address: "Abdi Toptani" street, no. 1, Tirana.

- 3.16 The deadline for submission of bids expires on **08.08.2025 at 11:00**.
Bids submitted after the expiration of the deadline will be returned unopened to the respective Buyer Candidates.
In the case of electronic procurement, the time limit for sending the tender expires at the time of the time set by the contracting authority for the opening of tenders.

Date and place for opening bids

- 3.17 The public opening of bids will be carried out at the time of the start of the public auction

on **08.08.2025 at 11:00, in the meeting room of the Ministry of Infrastructure and Energy, first floor, "Abdi Toptani" Street, no. 1, Tirana.**

Bidders or their representatives **must be** present at the opening of the offers. The information communicated during the public opening of bids must be is communicated to all present Buyer Candidates. The offer with the highest value above will serve as the initial value of the start of the public auction procedure.

Bid Assurance

3.18 For a Candidate Buyer to participate in an auction procedure, it is required that submits the Offer Assurance, accompanied by the Offer Assurance Form. The required value of the offer assurance is in the value of 2% of the total value (price offered x quantity).

- For the purpose of calculating the security value of the bid, the bidder shall take as a basis the Brent price published in the most recent Bulletin prior to the auction.
- For the purpose of calculating the security value of the bid, the exchange rate must be the one fixed by the Central Bank of Albania on the day when the auction announcement is published, i.e. **01.08.2025** and must be stored at that exchange rate until the expiration of the period of validity of the offer.
- The average ton/barrel conversion coefficient is: 6.419 bbl/ton. This coefficient will serve for the calculation of the insurance value of the offer.

(OPTIONAL: if the Selling Authority allocates the object of the public auction to the Lot)
In cases of submission of the bid for Lots, the value of the bid insurance for each of the Lots is as follows:

Lot 1 _____ LEKE

Lot 1 _____ LEKE

3.19 The Offer Assurance must be submitted together with the offer before the expiry of the time limit for the submission of bids. Disagreement with the requirements for securing the offer will result in the rejection of the offer.

3.20 The Offer Assurance can be submitted in one of the following forms:

- a) unconditional bank guarantee,
- b) Insurance Guarantee

The bid assurance form must be signed by the issuer (Bank, insurance company, etc.) and must be submitted together with the bid before the bidding is opened, otherwise the bid will be rejected.

3.21 The documents referred to in points a – b) must be valid throughout the period of validity of the offer. The Contracting Authority shall return the relevant tender insurance to the bidders within 15 days from the signing of the contract.

Offer Validity Period

- 3.22 Bids must be valid for 150 (days) from the moment the deadline for submission of bids expires. The period of validity of the offer starts from the moment of expiry of the deadline for the submission of offers.

4. PARTICIPATION AND QUALIFICATION

Qualification requirements and required certifications

- 4.1 In accordance with the LAP, Purchasing Candidates must meet the following conditions to qualify:
- a) the bid assurance form for the amount and validity required in the standard auction documents;
 - b) certification from the National Registration Center;
 - c) the certificate of registration with the tax body or NIPT.
 - d) in the case of natural persons, the original identification document, a copy of which is deposited with the Auction Commission

Joining Buyer Candidates

- 4.7 The offer may be submitted by a group of buyer candidates, where one of them represents the others during the procedure and, in case of selection, also during the execution of the contract.
- 4.8 Prior to the submission of the offer, the group must be formally established by means of a notarized agreement, which indicates the representative of the group, the percentage of participation and the quantity of concrete goods for each member, as well as the authorization/power of attorney for the representation of the members of the group, both for the submission of the offer and for the conclusion of the contract in case of the announcement of the winner. The representative must also provide the offer, specifying the participation as a union of economic operators.

5. BID EVALUATION AND AUCTION DEVELOPMENT

The bid rated as the highest will serve as the initial value for the development of the auction procedure.

The criterion for determining the highest bid will be the value of the coefficient "K" offered in the auction

The Auction Commission, after declaring the initial value of the auction after the opening of bids, **declares the step** of awarding bids above the initial value to the participants in the auction and directs the receipt of bids from the participants in the auction.

The value of the auction development step will be from 2-5% of the initial auction value and is decided by the auction commission before the auction takes place.

In the end, the process – the auction minutes are drafted.

The auction commission will declare the winner the participant who has offered the highest value in favor of the selling authority for the purchase of the object announced for sale.

Halting negotiations

- 5.1 No negotiations will be conducted with the Bidder regarding its offer. However, the Selling Authority may ask the Bidder to clarify its offer, without making any changes to its substance.

Error correction and removed parts

- 5.2 The Selling Authority corrects those errors in the bid, which are purely of an arithmetic nature, if the error is discovered during the review of the bids.
- 5.3 Errors in the calculation of the price will be corrected by the State Authority, according to the following examples:
- in case there is a discrepancy between the amounts expressed in figures and those in question, then the amounts expressed in question will prevail, except in cases where the amount in question is related to an arithmetic error,
 - except for contracts with large amounts, if there is a discrepancy between the unit price and the total value obtained from the multiplication of the unit price and the quantity, then the unit price will prevail, and consequently the total amount must be corrected,
 - If there is an error in a total amount, corresponding to the collection or deduction of subtotals, then the subtotal will prevail and the total must be corrected. The amounts corrected in this way are mandatory for the bidder. If the bidder does not accept them, then their offer will be rejected.
- 5.4 The Selling Authority considers an offer to be admissible, if it meets the requirements set out in the contract notice and in the DA. Notwithstanding the above, the Selling Authority has the right to call the offer acceptable, if:
- (i) it contains any errors or negligence which can be corrected without altering any condition or material aspect of this offer, or which do not affect competition, or
 - (ii) it contains only minor deviations that do not materially alter it or that do not arise as a result of the characteristics, conditions and other requirements presented in the contract notice and in the auction documents; however, provided that any such changes are measured as best as possible, and properly taken into account when evaluating and comparing offers.
- 5.5 Whenever a bid is rejected or a bidder does not qualify, the selling authority informs the interested bidder of the reason(s) for disqualification or rejection. The notification form can be found in Annex 6 of the DA.

6. APPEAL PROCEDURE

- 6.1 Any bidder may request an administrative review of the auction process, when it deems that a decision of the selling authority has been taken in violation of this law or other legal and by-laws in force.
- 6.2. The complaint shall be submitted in writing to the selling authority within 5 working days from the date when the complainant was informed or should have been informed of the alleged violation, according to this law.
- 6.3. Upon receipt of the written complaint, the selling authority shall suspend the continuation of the auction procedure, until the appeal has been fully reviewed, including the issuance of a decision before the expiry of the time limit, set out in point 4 of this article.
- 6.4. The selling authority reviews the complaint and takes a reasoned decision within 5 days after receiving the complaint, which it must notify the complainant no later than the following working day.

NOTE: For the appeal procedures, the interested Operators must implement the provisions made in the Order no. 83, dated 10.02.2012 "On the rules and procedures for the sale of hydrocarbon products", as amended.

According to the Order no. 83, dated 10.02.2012 "On the rules and procedures for the sale of hydrocarbon products", as amended, the appeal is made to Albpetrol sha Patos and in case of disagreement with the decision of Albpetrol sha Patos, the complainant addresses the competent court. Appealing to the court does not prevent the continuation of the proceedings.

7. CONTRACT SIGNING

- 7.1 The winning bidder must appear to conclude the contract within a period of no more than 15 (fifteen) days from the receipt of the notification of the winner.
- 7.2. The contract comes into force when it is signed by the auction winner and the selling authority.
- 7.3. When the winner of the auction fails to sign the contract or fails to secure the contract, if such a thing is required, the selling authority shall confiscate the bid security and select the bidder ranked second in the list of remaining bidders, if the difference between the bid classified in the first place and the one classified in the second place is not greater than the value of the bid insurance. This does not infringe on the right of the selling authority to reject all remaining bids and cancel the auction procedure.

Insurance for the execution of the contract

(OPTION)

- 7.4 The Selling Authority requires insurance for the execution of the contract. The amount of insurance for the execution of the contract will be 10% of the contract value. The Contract Insurance Form, which is attached as Annex 12 to the DA, must be signed and submitted before the contract is signed.
- 7.5 Insurance for the execution of the contract can be submitted in one of the following forms:
 - i. unconditional bank guarantee,
 - ii. insurance guarantee,

Contract terms

- 7.7 The Selling Authority will sign with the Winner of the auction announced by the Auction Commission.

8. APPENDICES

The following appendices are an integral part of DA:

Appendix 1: Auction Notification Form
Appendix 2: Invitation to Tender Form
Appendix 3: Offer Form
Appendix 4 Offer Assurance Form
Appendix 5: Criteria for participation, qualification and evaluation of the tender
Appendix 6: Disqualification Notification Form
Appendix 7: Winner Notification Form
Appendix 8: Contract Assurance Form
Appendix 9: Complaint Form
Appendix 10: Technical Specifications
Appendix 11: Quantity and Plot of Praise
Appendix 12: General Terms and Conditions Goods – Open Auction
Appendix 13: Special conditions

Appendix 3.

[Bidder's letter]

OFFER FORM

[Ref. ...]

[Date]

For: *[Name and address of the selling authority]*

* * *

Auction procedure (if applicable): *[file reference, determined by selling authority]*

Brief description of the auction procedure *[type of procedure and object]*

Publication (if applicable): Public Notice Bulletin *[Date]* *[Number]*

* * *

Referring to the above-mentioned procedure, we, the undersigned, declare that:

1. We have reviewed the auction documents for this procedure and accept, without reservations and exceptions, the requirements, deadlines and conditions, expressed in these documents;
2. We meet all legal requirements, set out in the auction documents, and prove this with certificates and documents, submitted together with this declaration;
(in the case of a restricted or negotiated procedure, for the qualification phase)
3. We express interest in participating in the procedure, in case of selection by the selling authority;
(in the case of an open auction/restricted procedure or negotiated during the bidding phase and with the criterion of the highest price)
4. The total price of our offer is *[currency and offer value]*; excluding VAT;
5. The total price of our offer is *[currency and offer value]*; incl. VAT
(in case of open auction/restricted procedure or negotiated during the bidding phase and with the bidding criterion with greater economic advantages)
6. Our offer is valid for the period specified in the auction documents;
7. We have made the bid assurance, as provided in the auction documents;
8. We authorize the selling authority to verify the information/documents attached to this offer.
9. I agree to sign the contract if I am declared the winner.

Bidder's representative

Signature

Seal

AUCTION BID PRICING FORM

FOB terms:

77.45% of Brent + K Price

At the points of sale of Albpetrol sha:

77.45% of Brent Price – 4.07 USD/bbl + K

K= _____ excluding VAT

_____ (in words)

Set the **value K** expressed in USD/bbl.

Bidder's representative

Signature

Seal

****This form must be completed and attached to the offer form***

Appendix 4.

[Bank/Insurance Company Head Letter]

OFFER ASSURANCE FORM

[Ref. ...]

[Date]

For: *[Name and address of the selling authority]*

On behalf of: *[Name and address of the insured bidder]*

* * *

Auction procedure (if applicable): *[File reference from the contracting authority]*

Brief description of the auction procedure and its object: *[type of procedure and object]*

Publication (if applicable): Public Procurement Bulletin *[Date]* *[Number]*

* * *

Referring to the above-mentioned procedure,

We certify that *[name of the insured bidder]* has deposited a deposit near *[name and address of the insurance bank/company]* with a value of *[currency and value, expressed in words and figures]* as a condition for securing the offer, submitted by the above-mentioned buyer candidate.

We undertake to transfer to the account of *[name of selling authority]* the secured value, within 15 (fifteen) days of your simple and first written request, without requiring explanation, provided that this request mentions the non-fulfillment of one of the following conditions:

- The bidder has withdrawn or changed the bid, after the final deadline for submission of bids or before the final deadline, if so specified in the auction documents;
- The bidder has refused to sign the purchase contract when the selling authority requests such a thing;
- The bidder has not submitted the contract insurance, where the bid has been declared the winner or has not fulfilled any other conditions before signing the contract specified in the auction documents.

This Insurance is valid for the period specified in *[contract notice or invitation to tender]*.

[Bank/insurance company representative]

Appendix 5

1. CRITERIA FOR PARTICIPATION, QUALIFICATION AND EVALUATION OF THE OFFER

The Selling Authority shall qualify any candidate or bidder in the auction procedures only when he/she submits: a) the bid assurance form for the amount and validity required in the standard auction documents; b) certification from the National Business Center; c) the certificate of registration with the tax body or NIPT. d) in the case of natural persons, the original identification document, a copy of which is deposited with the Auction Commission

2. The selling authority, when requesting information about the bidder resident in a foreign country, may require the cooperation of the relevant authorities.

Disqualification of bidders

1. The selling authority disqualifies at any time candidates or bidders, who submit false data or a forged document, for qualification purposes, during an auction procedure. The selling authority in this case asks the Public Procurement Agency to exclude from public auctions the bidder who has used these data or documents. 2. The selling authority disqualifies any candidate or bidder against whom the decision to exclude from the public auction procedures has been taken, according to the relevant legislation.

The General Criteria for Admission should not be changed by the selling authorities. These criteria must be validated through documents issued no earlier than three months from the date of opening the offer.

The foreign Candidate/Offerer must prove that he meets all the requirements listed above. If the above-mentioned documents are not issued in their country of origin, then a written statement will suffice. If the language used in the procedure is Albanian, then the documents in a foreign language must be accompanied by a notarized translation into Albanian.

In cases of merger of economic operators, each member of the group must submit the above-mentioned documents.

2. SPECIAL QUALIFICATION CRITERIA

To prove that the Buyer Candidates are qualified, the bidder must submit:

2.1 Bidders/candidates who have withdrawn the documents directly from the selling authority, as well as those who have withdrawn these documents electronically, who must be equipped with and submit the following documents, are allowed to participate in the public auction:

- a) **Concession license for the processing** of the crude oil hydrocarbon product in the domestic market or **the relevant license for the trading** of this hydrocarbon product, obtained in Albania according to the provisions of the law no. 8450, dated 24.02.1999, "On the processing, transportation and trade of oil, gas and their by-products", as amended, when these products will be processed or traded in Albania.

Or

- b) The relevant license obtained in Albania according to the provisions of the law no. 8450, dated 24.02.1999, "On the processing, transportation and trade of oil, gas and their by-products", as amended, or in the country of origin of the company, for the trading of the hydrocarbon product crude oil, when these products will be traded for export purposes.

*Submission of the type license (0/A), for the **marketing** of the crude oil hydrocarbon product, the submitted license must meet the minimum capacity condition, in accordance with DCM no. 970 dated 2.12.2015 *"On determining the procedures and conditions for granting licenses for the trading of crude oil and its by-products"*, as amended.

2.2 The bidder must also submit the following documentation:

- a) Financial balance sheet for the last three years or bank guarantee for the financial transaction that will be carried out with the company "Albpetrol" sh.a. Patos;
- b) Historical extract and extract of the company's registration from the NBC;
- c) Unconditional bank guarantee to guarantee the full settlement of arrears to "Albpetrol" sh.a., when appropriate (when the bidder has financial obligations towards the company "Albpetrol" sha).
- d) Document on not having any financial obligation to tax and social security bodies;
- e) Certification from the enforcement, prosecution and court, regarding the company's activity;
- f) A statement that the subject agrees with the technical specifications of crude oil and the production schedule part of these documents.
- g) Previous similar purchases (purchases of hydrocarbon products), in an amount not less than 40,000 tons realized during the last three years of the bidder's activity.

For this, the bidder must submit certificates issued by a public entity for the successful performance of the contract together with the contract, indicating the value, the deadline for the termination of the contract, or tax invoices completed in accordance with the legislation in force, and declared to the tax authorities, indicating the dates, amounts and quantities of the goods purchased.

NOTE:

- The criterion for determining the highest bid will be the value of the "K" coefficient offered in the auction.

All documents must be original or notarized copies thereof. Cases of non-submission of a document, or false and incorrect documents, are considered as conditions for disqualification.

Appendix 6

STANDARD NOTICE FOR THE DISQUALIFIED BIDDER¹

[Place and date]

[name and address of the contracting authority]

[Bidder's Address]

Honorable, Ms. <contact name>

Thank you for participating in the above-mentioned public auction procedure. The procedure carried out in accordance with the Law on Public Procurement, no. 9874 dated 14.02.2008, known as LAP".

Your offer was carefully evaluated according to the conditions and requirements set out in the contract notice and in the offer file. I regret to inform you that you [did not qualify] [eliminated], because the bid submitted by you was rejected due to the following reason(s) *[tick the appropriate box]*:

[your subject] [your executive lead]

- ☐ participated in the preparation of the contract notice, or the auction file, or parts thereof, that were used by the contracting authority
- ☐ received unlawful assistance in the preparation of the contract notice or auction file, or part of it

[your subject]

- ☐ Has been adjudicated by a court enjoying competent jurisdiction to have committed a criminal or civil offence, involving corrupt practices, money laundering, criminal organisation or activities described in Article 15 of the LAP, in the laws or rules applicable in Albania, or under international agreements and conventions;
- ☐ A court with competent jurisdiction has decided that it has committed an act of fraud or an act equivalent to fraud;
- ☐ He has been convicted by a court with competent jurisdiction, for professional misconduct;
- ☐ He is under criminal prosecution for one of the criminal offenses described in Article 15 of the LPP;
- ☐ has gone bankrupt, the activity has been taken under the administration of the court,
- ☐ is under the procedure of declaring bankruptcy, under an order for compulsory liquidation or administration by the court, or under an agreement with creditors, or under similar procedures;

¹ This announcement is addressed to bidders i) who are disqualified based on Articles 45, 46 and 47 of the LPP; ii) whose bid was rejected because they failed to meet the request for securing the bid.

- ☐ has been convicted by a final decision for violations related to professional conduct;
- ☐ has not paid social security contributions, in accordance with Albanian Law and the provisions in force in the country of origin;
- ☐ has not fulfilled the obligations related to the payment of taxes, in accordance with the Albanian Law or the provisions in force in the country of origin;

You failed to submit:

- ☐ Required certificates or certifications showing that you are not under the terms of Article 45 of the LPP,
- ☐ A sufficient certificate, document or other attestations required by the selling authority under Article 46 of the LPP and (*relevant sections of the DT*), for the purpose of verifying your professional suitability;
- ☐ The Contracting Authority has determined that you have submitted documents containing false information or forged documents, for the purpose of qualification;
- ☐ Your offer [does not respond to requests] [is irregular] [is abnormally low];
- ☐ You failed to meet the requirements for securing the offer;
- ☐ (any cause other than the above)

JUSTIFICATION

[You are disqualified] [your offer was rejected] due to these reasons, as follows:

[Please note the detailed reasons for disqualification or rejection of the offer in question]

If you feel that the Selling Authority has violated the LAP or RAP during the public auction procedure, then you are entitled to initiate a review procedure as provided for in Chapter VII of the LAP and Section 6 of the DT.

Although we could not cooperate in this case, I believe that you will continue to be interested in our sales initiatives through public auction.

Yours sincerely,
< **Name** >

Appendix 7

[Selling Authority]

WINNER NOTIFICATION FORM

[Ref. ...]

[Date]

For: *[Name and address of the declared winning bidder]*

* * *

Auction procedure: *[Reference to the file by the contracting authority]*

Brief description of the auction procedure and its object: *[Quantity or purpose and duration of the contract]*

Previous publications (if applicable): Public Announcements Bulletin *[Date]* *[Issue]*

We would like to inform you that the following bidders with the respective values offered were participants in the procedure:

1. _____

Company full name

NIPT number

Value _____

(with numbers and words)

2. _____

Company full name

NIPT number

Value _____

(with numbers and words)

Etj. _____

The following bidders have been disqualified:

1. _____

Company full name

NIPT number

2. _____

Company full name

NIPT number Namely for the following reasons:

* * *

Referring to the above-mentioned procedure, we inform *[name and address of the declared winning bidder]* that the submitted bid, with a total value of *[the relevant amount expressed in the words and figures]* has been identified as a successful bid.

Consequently, you are kindly requested to submit to Albpetrol sha, Fier – Patos km 7 road, the contract insurance in the amount of *[the relevant value expressed in the said and figures]* ALL, in the amount of 10% of the calculated value of the contract, as provided in the auction documents, and to sign the contract within 15 (fifteen) days from the day of receipt of this notification.

In case you do not agree with this request, or withdraw from the signing of the contract, the insurance of your bid will be confiscated and the contract will be awarded to the following bidder in the final classification, whose bid has been submitted with a total value of *[relevant value expressed in the said and figures]*, as provided for in Article 58 of the Law on Public Procurement no. 9643 dated 20.11.2006

The Classification Announcement was made on _____

Complaint: there is or jo _____

(if any) received a reply on _____

* * *

[Head of Contracting Authority]

Appendix 8

[Bank/Insurance Company Head Letter]

CONTRACT INSURANCE FORM

[Ref. ...]

[Date]

For: *[Name and address of the contracting authority]*

On behalf of: *[Name and address of the insured bidder]*

* * *

Procurement procedure *(if applicable)*: *[file reference, determined by contracting authority]*

Short description of the contract: *[type of procedure and object]*

Publication *(if applicable)*: Public Procurement Bulletin *[Date]* *[Number]*

* * *

Referring to the above-mentioned procedure, and provided that the contract has been awarded to *[the name of the designated winning bidder]*,

We certify that *[name of the designated winning bidder]* has deposited a deposit near *[name and address of bank/insurance company]* in an amount of *[currency and value, expressed in words and figures]* as a condition for securing the execution of the contract, to be signed with *[name of contracting authority]*

We undertake to transfer to the account of *[name of contracting authority]* the secured value, within 15 (fifteen) days of your simple and first written request, without asking for explanation, provided that this request mentions the non-fulfillment of the terms of the contract.

This Insurance is valid until the full implementation of the contract.

[Bank/insurance company representative]

Appendix 9

PUBLIC AUCTION COMPLAINT FORM

Complaint addressed: Selling Authority ☐

Complaint addressed: Public Procurement Agency ☐

(Mark one of the boxes)

Section I. Identification of the Complainant

The complainant can be a bidder or potential bidder (e.g., as an individual, in partnership, in cooperation, in merger of companies).

Complainant's full name (please print)

Address

City

Country

Zip Code/Zip Code

Telephone number (including area prefix)

Fax No. (including area prefix)

Email

The name and position of the authorised officer completing the complaint (please print it)

Signature of the authorized officer

Date (year/month/day)

Phone No. (including area prefix)

Fax No. (including area prefix)

Section II. Information on the Procedure

1. Identification Number

*Fill in the reference number specified in the auction documents, including **the type of procedure used** for the auction in question (e.g., Request for Proposals (CP), Open Procedure (PH), Limited Procedure (CP), Negotiated Procedure (PN), Consultancy Service (CC), Design Tender (CP).*

2. Selling Authority

Name of the selling authority administering the public auction process

3. Auction Announced Value

(amount expressed in numbers and words)

4. Auction Facility

Brief description of the objects/goods/services being sold.

5. Deadline for Submission of Bid

Deadline for submission of bids.

Date (year/month/day)

6. Date of announcement of the winner

Date (year/month/day) if applicable

Section III. Description of the complaint

1. Legal Basis of the Complaint

(write down the legal violation, based on decisions, acts, documents, etc.)

2. Detailed Statement of Facts and Arguments

Provide a detailed statement of the facts and arguments supporting your complaint. For each reason for the complaint, please specify the date on which you were made aware of the facts related to the reasons for the complaint. Also mention the relevant sections of the tender documents, if applicable. Use additional pages, if necessary.

Section IV. Preliminary Objection to the Contracting Authority

An objection is called a complaint directed directly to the selling authority. Attach a copy of any written complaint, including the response, if any.

- 1. Have you made any such objection? If so, then specify the method of objection (e.g., in writing, by fax, etc.).**

Yes ☐ No ☐

- 2. Selling authority To which the objection was made**

Name of the selling authority.

The name and position of the official to whom the objection was made.

- 3. Nature of the Corrective Measure Sought**

What corrective measure do you request?

- 4. List of Appendices**

For a complaint to be considered submitted, it must be complete. Attach a legible copy of all documents related to your complaint and a list of all these documents. The documents should normally include any published notice, all auction documents, with all changes and annexes, your proposal; all correspondence and any written information relating to an objection you have made. Determine which of the information is confidential, if any. Explain why the information is so, or submit a version of the relevant documents with the confidential parts removed and a summary of the contents.

Send the completed procurement complaint form, all necessary attachments and some additional copies, to:
Public Procurement Agency.

A copy of this complaint must be sent simultaneously to the selling authority.

No. Fax:

E-mail:

Complainant's Signature and Seal

Appendix 10**TECHNICAL SPECIFICATIONS**

Technical specifications of crude oil for auction in the amount of 100,971 tons

No.	Naming	Unit	Min.		Max
1	Density at 15 °C	gr/cm3	0.904	to	1.021
2	Sulfur	% weight	4.08	to	6.4
3	Oil Viscosity at 20 °C	CPZ	80	to	6000
4	Potential	% weight	26.37	to	60.81
5	Mechanical waste	% weight	0.01	to	0.5
6	Salt content	mg/kg	140	to	1000
7	Vanuatu	ppm	130	to	360
8	Nickel	% weight	35	to	90
9	Tied Water	% Volume			Max 3

Note:

Due to the impossibility of removing water and mechanical waste, these are removed by formula calculation, from the gross quantity to each quantity that will be sold.

To convert the price from \$/bbl to \$/m3, at 15.5°C (60°F) the ratio 1m3=6.289 bbl will be used as 1bbl=158.987liters.

For the conversion of the price from \$/bbl to \$/ton, the conversion coefficient will be used, which will be calculated according to the average sales density.

$$Y=1/(0.158987*\text{density } 15.5^{\circ}\text{C})$$

Y- is the number of barrels found in 1 (one) ton of oil

0.158987 – is the volume in m³ of a barrel at 15.5 °C or 60 °F

density 15.5 °C – is the net density calculated for the oil being sold.

I agree with the technical specifications, the state of crude oil as well as in the places where it has been deposited.

Bidder Representative

Signature

Seal

Appendix 11

QUANTITY AND GRAPH OF LEACHING

Quantity of commodity sold: **100,971 (one hundred thousand nine hundred and seventy-one) tons of crude oil.**

Escape Deadlines: **12 (twelve) months from the date of the start of the Escape.**

Breakdown Chart:

No.	Pitch Chart	Quantity/tons
1	Month 1	8,414 tons
2	Month 2	8,414 tons
3	Month 3	8,414 tons
4	Month 4	8,414 tons
5	Month 5	8,414 tons
6	Month 6	8,414 tons
7	Month 7	8,414 tons
8	Month 8	8,414 tons
9	Month 9	8,414 tons
10	Month 10	8,414 tons
11	Month 11	8,414 tons
12	Month 12	8,417 tons

I agree with the quantities and the delivery time.

Bidder Representative

Signature

Seal

GENERAL TERMS
Goods – Open Auction

Article 1: Purpose

- 1.1 These General Contract Terms and Conditions (KPC) will apply to the purchase/sale of Goods/Objects/ through an open auction.
- 1.2 The Law on Public Auction in the Republic of Albania provides that the provisions of the Albanian Civil Code will apply to public auction contracts. Some provisions of the Civil Code have been restated in the KPC in order to increase the transparency of the terms of the contract. However, citing some provisions here does not in any way deny the application of other provisions of the Civil Code of this contract.
- 1.3 Similarly, some provisions of the Law on Public Auction have been restated in KPC in order to increase the transparency of the law regulating public auction. However, the citation of certain provisions here does not in any way deny the application of other provisions of the Law on Public Auction on the rights, duties and obligations of the parties.
- 1.4 KPCs will be implemented to the extent that they do not leave aside the terms or provisions presented in other parts of the contract.
- 1.5 The terms of the contract also include the Special Contract Terms (KVK). In case there is a conflict between KPC and KVK, KVK will prevail over KPC.

Article 2: Definitions

- 2.1 "contract" means the written agreement entered into between the Selling Authority and the winning bidder consisting of the Auction Documents including KPC and KVK, all attachments and completed forms and all other documents included in the reference of any document.
- 2.2 "Contract price" means the price paid to the selling authority under the contract for the full and punctual implementation of its contact obligations.
- 2.3 "Incoterms" means international trade terms that constitute the rules for the interpretation of trade terms that determine the distribution of functions, costs, and risks associated with the transfer of the Goods from the Selling Authority to the Winning Bidder.
- 2.4 "Loading" means all activities and actions that enable the receipt of the Goods at the place of distribution as specified in the contract such as packing, transportation, insurance, tariffs, customs procedures, loading and unloading, installation, collection, joining, control of actions and supervision of all such activity.
- 2.5 "Selling Authority" means the Contracting Authority that is part of this contract and according to the provisions of this contract sells the Goods. This term wherever it is used has the same meaning as that defined in law.
- 2.6 "Winning Bidder" means the natural or legal person that is a party to this contract and purchases the Goods in accordance with the provisions of this contract.
- 2.7 "Party(s)" means the signatories of the contract.

- 2.8 "Goods" means raw materials, products, machinery and equipment, objects in solid, liquid or gaseous form.
- 2.9 "Services in Connection with Them" means ancillary or unforeseen services in connection with the supply of the Goods, such as transportation, installation, maintenance, training, support services or similar obligations in connection with the supply of the Goods.
- 2.10 "object of the contract" means all Goods and Services in Connection therewith that the Selling Authority will provide under the terms of the contract.
- 2.11 "Technical Standards" means specifications approved by a special standardization body for continuous or repeated application. Such standards are used as rules, regulations, or definition of characteristics to ensure that the materials and services processed meet the purpose.

Article 3: Drafting the Contract

- 3.1 The announcement of the winning bid will serve for the drafting of the contract between the parties, which must be signed within the deadline expressed in the Auction Documents.
- 3.2 The existence of the contract will be confirmed by signing the contract document incorporating all agreements between the parties.

Article 4: Corrupt Practices, Conflict of Interest and Record Control

- 4.1 The Contracting Authority may ask the court to declare the contract unlawful if it finds that the winning Bidder has committed corrupt acts. Corrupt actions include the actions described in Article 26 of the Law on Public Auction.
- 4.2 The winning bidder must not have any affiliation (current or past) with any consultant or any other entity that participated in the preparation of the Auction Documents.
- 4.3 The successful bidder must allow the selling authority to inspect the accounts and records relating to the performance of the contract or to check them by means of controllers appointed by the selling authority.

Article 5: Confidential Information

- 5.1 The winning bidder and the selling authority must keep confidential all documents, data and other information provided by the other party in relation to the contract.

Article 6: Intellectual Property

- 6.1 Except as otherwise provided in the contract, all intellectual property rights secured by the Selling Authority during the execution of the contract shall belong to the Winning Bidder who may use them at its discretion.
- 6.2 Except as otherwise provided in the contract, the Selling Authority shall, upon termination of the contract, submit to the Winning Bidder all reports and data such as maps, diagrams, sketches, specifications, plans, statistics, calculations and supporting records or materials obtained, collected or prepared by the Selling Authority during the implementation of the contract. The Contractor may

keep copies of these documents and data, but must not use them for purposes unrelated to the contract without prior written permission from the Contracting Authority.

- 6.3 The selling authority must insure the winning Bidder from liability for infringement of intellectual property rights that may arise from the production or distribution of the Goods under the contract.

Article 7: Origin of Goods

- 7.1 There are no restrictions on the nationality of origin of materials, other than those that may be set out in any United Nations General Assembly Resolution.
- 7.2 For verification purposes, "origin" means the place where the materials were extracted, or manufactured. Materials are manufactured when, through sufficient production, processing, or collection of components, a new commercially recognized product emerges that is quite different in basic characteristics or purpose or use from its components.

Article 8: Purpose of Supply and Suitability of Goods with Specifications

- 8.1 The selling authority must deliver the Goods with the quality, quantity and type specified in the contract, as well as placed and packaged in the manner specified in the contract.
- 8.2 The goods are not in conformity with the contract, unless they are suitable for the special use provided for in the contract. When it is not possible to determine such a thing, it is stated that the Goods are not in conformity with the contract unless they are suitable for the use for which other items of the same kind usually serve.
- 8.3 If the sale is made on the basis of a model or sample, the seller must deliver the items that have the same qualities as the model or sample.

Article 9: Suitability of Goods with Technical Standards

- 9.1 The goods supplied under the contract must comply with the codes and Technical Standards provided in the technical specifications. If, during the execution of the contract, there are changes in the relevant codes or in the Technical Standards, these changes will be implemented only after approval by the Contracting Authority.
- 9.2 Except as provided for by any other provision of the contract, when no relevant Technical Standard has been specified in the technical specifications, the Goods must conform to the current international Technical Standards. If there are no international Technical Standards, the Goods must comply with the relevant Albanian Technical Standards.
- 9.3 The Contractor shall not be liable for errors in the sketching, data, drawing or any other aspect of the technical specifications given by the Contracting Authority except where the error was so obvious that the Contractor should have seen and advised the Contracting Authority about it.
- 9.4 The Seller shall not be liable for defects in the property (Goods) of which the winning bidder was aware at the time of entering into the contract or was not aware through its own fault, except in the case where the defects relate to the quality of the Goods specified under the contract or the representation of the seller's advertisement.

Article 10: Spare Parts

- 10.1 If the contract provides, the Selling Authority must include with the Goods provided a quantity of spare parts, in accordance with the technical specifications and any relevant provisions of the contract.
- 10.2 Unless otherwise provided, the spare parts will be delivered together with the Goods.
- 10.3 The selling authority must guarantee the availability of spare parts for a period specified in its offer and equal to the service life of the Goods.

Article 11: Packaging

- 11.1 The selling authority must deliver the Goods placed and packaged in the manner specified in the contract.
- 11.2 Except as provided by any other article of the contract, it may be said that the Goods have not been placed and packaged in accordance with the contract unless they have been placed and packaged in the same manner as is customarily done for things of the same kind or, if the ordinary manner is not available, in a way that is convenient for the storage and protection of the Goods.

Article 12: Testing and Inspections

- 12.1 The winning bidder must carry out all the tests and inspections required by the provisions of the contract. The cost of these tests and inspections must be fully financed by the winning Bidder within the terms of the contract price
- 12.2 At its own expense, the Selling Authority has the right to pursue testing and/or inspections.

Article 13: Terms of Delivery

- 13.1 The selling authority is obligated to perform all delivery activities and actions except when the selling authority is specifically exempted from such activity or action by any provision of the contract. If an Incoterm is used to describe the obligations of the parties, the term will have the meaning given to it by the last edition of *the Incoterms* published by the International Chamber of Commerce.
- 13.2 The place of delivery of the Goods will be according to the specification of the contract.
- 13.3 The time of delivery of the Goods and the date of completion of the Services in Connection thereto shall be as specified in the contract.
- 13.4 The delivery of the Goods must be made during working hours, except when this request contradicts any provision of the contract.
- 13.5 The selling authority is obliged to give the winning bidder reasonable notice of the delivery of the Goods before their arrival.

Article 14 Freight Transportation

Article 15: Insurance

- 15.1 Except as provided by another provision in the contract, the Selling Authority must ensure that the Goods to be delivered under the contract are fully insured against loss or damage during their transportation, storage or delivery.

Article 16: Examination and Acceptance of Goods

- 16.1 Prior to acceptance, the winning Bidder has the right to examine, inspect and test the Goods. This activity must be done immediately after the delivery of the Goods. The selling authority has the right to participate in this activity and review the activity reports prepared by the winning bidder or its agents.
- 16.2 The winning bidder must accept or reject the Goods immediately upon delivery and must give written notice to the seller of its action to accept or reject the Goods.

Article 17: Warranties

- 17.1 The Seller is responsible for any defect or discrepancy that exists at the time the risk passed to the Contracting Authority, even when the defect appears after this moment.
- 17.2 The Seller bears responsibility for the non-conformity that is verified after the moment indicated in the above paragraph and that arises from the failure to fulfill any obligation, including the warranty that the Goods must be suitable for their ordinary and specific use for a specified period of time, or that they will retain certain qualities and characteristics.
- 17.3 Except where provided by another provision in the contract or by law, the winning Bidder loses its right to object to the defects of the item unless it denounces them to the seller specifying their nature, within ten days of their discovery.
- 17.4 Upon receipt of this notification, the Selling Authority must immediately repair or replace the defective Goods or their free parts for the winning bidder.

Article 18: Contract Price

- 18.1 The contract price must be the price offered in the bid of the winning Bidder and accepted by the Selling Authority.
- 18.2 Except as provided by another provision in the contract, the contract price includes costs and fees, including taxes and customs duties associated with the delivery of the Goods, payment for transportation, insurance, installation, testing, loading, unloading, instructions, manuals, and documents in the language specified and necessary for the intended use, maintenance, and repairs of the Goods. The price of taxes and fees must be determined according to the laws in force 28 days before the opening of bids.

Article 19: Payment Deadlines

- 19.1 The contract price, including any upfront payment, must be paid on time as specified in the contract.
- 19.2 Except when provided for by another provision in the contract, the payment must be made in Albanian currency. The exchange rate of different currencies will be the exchange rate of the Bank of Albania fixed on the day of sending for the publication of the contract notice.
- 19.3 Except as provided by another provision in the contract, payment for the Goods shall be made within 30 calendar days from the day the Goods were received or from the day of receipt of the request for payment, whichever is later.

19.4 The payment date will be the day the funds are rolled into the account of the Selling Authority.

Article 20: Late Payment

20.1 The indemnity for damages caused as a result of the delay in payment consists of the interest accrued from the date of commencement of the debtor's delay in the official currency of the country where the payment will be made. The percentage of interest is provided for by law. At the end of each year, the interest accrued is added to the total amount, on which their calculation is made.

20.2 Legal interest is paid without forcing the creditor to prove any damage. If the creditor proves that he has suffered a damage greater than the statutory interest, the debtor must pay the remainder of the damage.

Article 21: Amendment of Laws and Regulations

21.1 If after the date of signing the contract, any law, regulation, order, order or procedure with effect of law in the Republic of Albania enters into force, is issued or changes and affects the terms, including the date of delivery, or the contract price, the terms or price of the contract shall be adjusted to the extent that the winning bidder is affected in the performance of its obligations under the contract.

Article 22: Force Majeure

22.1 The winning bidder shall not be liable for loss of contract insurance, liquidated damages or termination for non-completion if and to the extent that the delay in implementation or any other failure in the implementation of its obligations under the contract arise as a result of the occurrence of Force Majeure.

22.2 For purposes of this Article, "Force Majeure" means an event beyond the control of the Winning Bidder on fault or negligence and unforeseeable. Such events may include, but are not limited by, the actions of the Selling Authority either in its sovereign or contractual capacity, war or revolutions, fire, flood, earthquake, epidemics, quarantine restrictions and transit embargoes.

22.3 If any Force Majeure situation occurs, the Contractor must immediately notify the Selling Authority. Except when the Selling Authority gives different directives, the winning Bidder must continue to enforce its obligations under the contract to the extent practicable and must seek all reasonable means for implementation that is not hindered by Force Majeure.

Article 23: Delay in Implementation and Extension of the Deadline

23.1 Except where otherwise provided, the Successful Bidder must commence the implementation of the contract immediately after its signature.

23.2 The selling authority will agree to an extension of the deadline in the case of Force Majeure.

23.3 The selling authority may agree to extend the deadline in other circumstances as well if it is in the public interest to do so. In the event that the winning bidder encounters conditions that hinder timely implementation, the successful bidder must promptly notify the Selling Authority in writing of the delay, cause and proposed delivery date. The selling authority must assess the demand. If the Selling Authority agrees to the delay, the extension will come into effect with a written amendment to the contract signed by both parties.

Article 24: Liquidation of Damages for Late Delivery

Note:

Based on the Order of the Ministry of Energy and Industry, no. 398 dated 30.11.2016 "On an amendment to no. 83, dated 10.02.2012 "On the rules and procedures for the sale of hydrocarbon products", as amended, the penalties will be calculated as follows:

"In case the Buyer fails to pay the obligations within the terms specified in the contract, then the Seller has the right to request late payment, which will be calculated according to the law on late payments in contractual obligations."

Article 25: Negotiations and Amendments

- 25.1 The parties will not negotiate changes or amendments to any element of the contract that would sufficiently change the terms that form the basis of the selection of the winning bidder.
- 25.2 No amendment or other variation of the contract shall be valid without being in writing, dated, expressly referring to the contract and signed by an authorized representative of the winning bidder and the Selling Authority.
- 25.3 Any waiver of rights, powers or corrections that may be made by the parties under the contract must be made in writing, dated and signed by an authorized representative of the party making such waiver and must specify the right and to the extent to which it is issued.

Article 26: Termination for Non-Compliance

- 26.1 The Contracting Authority may terminate the contract in whole or in part if:
 - a) The winning bidder fails to deliver the Goods within the period specified in the contract or within the given extension; or,
 - b) The winning bidder fails to implement any other contractual obligation.
- 26.2 The Selling Authority shall give the winning Bidder written notice of the termination for non-compliance and give the Bidder 15 days to rectify the non-compliance except when the termination was made for corrupt or illegal actions, in which case the termination will be immediate.

Article 27: Interruption Due to Bankruptcy

- 27.1 The selling authority can terminate the contract at any time if the winning bidder goes bankrupt or becomes unable to pay.
- 27.2 The selling authority must give the winning bidder written notice of the termination.

Article 28: Interruption Due to Public Interest

- 28.1 The selling authority may terminate the contract at any time if it deems that this action should be taken to best serve the public interest.
- 28.2 The selling authority must give the winning bidder written notice of the termination.

Article 29: Contract Insurance

- 29.1 Within 15 days from the receipt of the notification of the award of the contract, the winning bidder must provide the seller with the guarantee of securing the contract in the amount and form acceptable as specified in the contract. Failure to provide the contract insurance in the form and amount required within 15 days will result in the cancellation of the contract and the seizure of the bid insurance of the winning Bidder.
- 30.1 The amount of the contract insurance shall be paid to the Selling Authority as compensation for any loss resulting from the failure of the winning Bidder to meet its obligations under the contract.
- 30.2 The contract security guarantee will be returned to the winning Bidder no later than 30 days after the date of receipt of the Goods. However, five (5) percent of the deposit will be held until satisfactory fulfillment of the obligations of the contract.

Article 30: Legal Basis

- 30.1 The contract will be regulated and interpreted according to the laws of the Republic of Albania.

Article 31: Dispute Resolution

- 31.1 The parties shall make every effort to resolve any disputes or conflicts that have occurred between them or in connection with this agreement through direct negotiations.
- 31.2 If the parties fail to resolve the dispute or conflict, the problems will be considered by means of dispute resolution according to the contract and legal procedures in force under the legislation of the Republic of Albania.

Article 32: Representation of the Parties

- 32.1 Each party must appoint in writing a person or organizational post, who will be responsible, on behalf of the party, for receiving communiqués and for representing the party in matters related to the execution of the contract.
- 32.2 Each party must notify the other party immediately of any change in the appointment of the party's representative. If one party fails to notify, it must assume any loss caused by the failure to give sufficient notice.
- 32.3 The parties may appoint additional persons or organizational units to represent the party in particular actions or activities, in which case the written notice shall be given and shall determine the extent of the representative's authority.

Article 33: Announcements

- 33.1 Any notice given by one party to the other under the contract must be made in writing at the address specified in the contract.
- 33.2 The notification will take effect as soon as it is submitted.

Article 34: Calculation of Deadlines

- 34.1 All day references will be calendar days except where otherwise provided.

Appendix 13

SPECIAL CONDITIONS Goods – Open Auction

The following special terms of the Contract will complement the General Terms and Conditions of the Contract. In the event of a conflict, the following provisions shall prevail over those of the General Conditions.

Article 1: Definitions

1.1 The selling authority is

1.2 The winning bidder is

Article 2: Contract Insurance

2.1 The Contract insurance in the amount of *(10% of the bid value)* must be provided by the winning bidder to ensure the execution of its obligations under the contract.

2.2 The Contract Insurance will be issued or returned, immediately to the winning bidder according to the following form:

Article 3: Start of Implementation

3.1 The implementation of the contract should start on _____. If the date is not determined, the implementation will begin on the date that the winning bidder signs the contract form.

Article 4: Inspections and Testing

4.1 Inspections and testing prior to receipt of the Goods will be carried out:

Article 5: Terms of Delivery

- 5.1 The date(s) and place(s) of delivery of the Goods and spare parts will be made according to the Delivery Schedule provided for in this contract.
- 5.2 The selling authority must notify the winning bidder _____ days before each delivery of the Goods.
- 5.3 Notice of delivery must be made in writing, fax, post, e-mail, etc., to:

Article 6: Payment Terms

- 6.1 Payment of the Goods must be made within _____ days from the date of delivery of the Goods or from the date of receipt of the written request for payment, however late it comes. If not specified, the time period will be 30 days.
- 6.2 The payment currency will be _____. If it is left unfilled, the payment will be made in the Albanian currency.

Article 7. Prepayment

- 7.1 The percentage of the upfront payment will be _____. Unless specified, the Selling Authority will not receive an upfront payment.
- 7.2 If an advance payment has been promised, the advance will be paid within _____ days of receiving the contract insurance.
- 7.3 If the advance payment is given, the amount will be deducted from the payment to be made by the Seller Authority according to the following formula:

Article 8. Services Related to them

- 8.1 The following special terms will apply to making the payment of the Related Services

Article 9. Contract Warranty Discount

- 9.1 If a periodic discount of the contract guarantee is foreseen, it is carried out as follows:

If not fulfilled, the warranty remains unchanged.

