###### **APPROVED**

General Director

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

# «\_\_\_» \_\_\_\_\_\_\_\_\_\_ 20\_\_ г.

# Tender procedure

**Purpose:**

The purpose of this procedure is to settle the unified rules and requirements for choice of contracting organizations rendering services in various types of \_\_\_\_\_\_\_\_ Company's activities.

**Terms:**

This procedure should be followed by all \_\_\_\_\_\_\_\_ personnel involved under the conditions that:

1. Cost of works exceeds 10,000.00 USD in the reported year.
2. Term of rendering of services exceeds 90 days.
3. There are any obligations to state organs or their representatives.

Note: In all other cases it is allowed to make contracts for performance of works or rendering of services after prior inquiries of potential contractors and assessment of their qualifications and price offers. Such assessment shall be made by the department managers, responsible for this type of works, to be provided by contracting organization, and approved by Service manager.

**Responsibility:**

Managers of Company departments are responsible to their direct management for timely organization of tenders in their type of activities and finalizing of terms for making up of tender documents in accordance with annual work program.

Secretary of tender commission is responsible for proper executing of all necessary documents and minutes of tender commissions.

Ecologist is responsible for observance and assessment of requirements on nature protection in tender proposals.

Health and safety engineer is responsible for observance and assessment of health and safety requirements in tender proposals.

Members of the tender commission are responsible for their decision on choice of contractor or declaration on the tender failure.

**Term of tender holding**

Managers of departments shall by their own appoint the commencement date of tender procedure, basing on the following criteria:

1. Term for making up of tender proposal by pretenders shall be 30 days after the tender was published in portal.
2. Term for assessment by tender commission of proposals shall be no more than 10 days after the proposal packet was opened.
3. Terms for mobilization and preparation works shall be determined individually for each case and shall not exceed the estimated terms for these purposes plus 20% of slack time.
4. When drilling equipment and materials are delivered, the equipment remains at stock shall be assessed, which should not be less than 2 full well sets.
5. In case equipment and materials are delivered for maintenance of operating regime and provision of fail-free work of mechanisms, stock remains shall be 10% or correspond to minimal necessary norm for timely replenishment of stock remains. Note: Norms of remains at stock shall be determined by Materials and logistics manager jointly with field personnel and agreed with heads of departments.
6. Decision on choice of equipment, materials and contractor for performance of works for field construction shall be taken after agreeing of design documentation with state controlling organs. Note: It is allowed to order equipment and materials by authority of Project manager if need in such was proved and if delivery terms are long.
7. If any terms for acquisition of services or materials are not envisaged in clauses 3-6, it is necessary to be guided by work program approved, provided that terms of implementation of work program shall not be extended.

**Tender documentation**

Tender documentation shall consist of, but not limited by the following:

1. Invitation to tender. (List of documents submitted, date of presentation of tender proposal, final date of consideration of tender proposals and signature of tender commission chairman).
2. The letter of approval. (Sender's return address and consent or waiver to participate in tender).
3. Part 1 – Scope of works
   1. Introduction
      1. Brief information on company and tender.
      2. Term for rendering of services acquired.
   2. Scope of works
      1. Location of site where services shall be rendered or delivery address for equipment and materials.
      2. Specifications for equipment or materials acquired or list of works planned.
4. Part 2 – Rules for participation in tender.
   1. Terms of participation in tender. (List of documents, submitted by tender participant).
   2. Content of tender proposal. (Full list of information inquired).
5. Part 3 – Terms for participation in tender.
   1. General (The way and form the information is to be submitted, to whom the documents shall be addressed and terms of confidentiality)
      1. Guarantees. (List of guarantees, provided by tender participant).
      2. Alterations. (Rules for making alterations to tender terms).
   2. Preparation to tender.
      1. Payments. (Participant's liabilities for other payments).
      2. Language of tender.
      3. Terms of tender proposal.
      4. Currency of tender.
   3. Documents.
      1. Contract
      2. Number of copies.
      3. Final date and time of documents submission.
      4. Registration of mailing of documents.
      5. Address. (To whom the documents shall be addressed).
6. Company rules on assessment of tender proposals.

**Tender commission**

The members and chairman of tender commission shall be appointed by the order of \_\_\_\_\_\_\_\_\_ Company's General director depending on nature of tender documentation. Tender commission may attract some specialists who will participate in discussion of tender proposals but shall not have right to vote. The final decision on tender shall be made by a majority of vote. In case one or more commission members disagree with the final decision, their opinion shall be mentioned in the minutes of meeting.

**Minutes of meetings**

During tender commissions meetings a secretary is to be appointed who shall minute the course of meeting and prepare the documents for further approval. These documents shall contain, but not be limited to: list of members, list of companies invited to tender, status and correctness of documents received, analysis of each proposal and comparative spreadsheets of prices.

**Special terms**

If total cost of tender is in excess of $500,000 and there are some predicaments in choice of tender participants, than tender initiator, upon agreement with his direct manager may select of potential suppliers of this type of services.

**Documents**

After tender is over, the members of tender commission shall sign the minutes of tender commission meeting and submit to the company President for approval. After the minutes is approved, the secretary of tender commission shall prepare notification to all the participants in tender with information on status of every given participant. Such notifications shall be signed by the chairman of tender commission and submitted to participants by any means available. In case the cost of tender is in excess of $500,000 США, another two notifications are to be made on the results of the tender held to \_\_\_\_\_ Company's Investor.

**Contract making**

After notification to the tender winner, the department manager shall appoint the date and method of negotiating for contract making. All \_\_\_\_ personnel involved shall take part in the process of negotiations. Health and safety engineer and Ecologist shall necessarily participate in negotiating with companies, rendering services on site. Without their consent the contract may be approved only by instruction of \_\_\_\_\_ Company General Director.