

SAKHALIN ENERGY INVESTMENT COMPANY LTD.

INVITATION TO TENDER

For the purchase of vehicles

All goods being offered for tender are located at Armros parking area,
441-A Lenina Street, Yuzhno-Sakhalinsk, Sakhalin Region

General Terms

Tender Reference: DRF_1635/2 Vehicles.

Bid closing date: all interested parties to submit their bids no later than **2nd of April 2019**, 10:00 hrs Sakhalin time (GMT+11).

1. All tender submissions are to be sent to the Contracting Tender box by emailing the Bid Submission Form (Appendix 2) to: contracting-tenderbox@sakhalinenergy.ru

All tender submissions, communication and additional documentation are to be clearly marked with the Tender Reference number. The Tender Reference number must be mentioned in SUBJECT field of the e-mail message in which the bid is submitted.

It is not permitted to send financial offers to any other party in Sakhalin Energy, including the nominated Company's representatives. Failure by bidders to observe this instruction will lead to disqualification of such bids.

2. Review and evaluation of bids may take several weeks after the tender completion date.

Technical inquiries and clarification contacts:

e-mail: Seic-surplus-disposal-team@sakhalinenergy.ru

Inspection of the Assets on offer:

All goods (hereinafter referred to as "the Assets") being offered for tender are located on the territory of Armros parking area, 441-A Lenina Street, Yuzhno-Sakhalinsk, Sakhalin Region .

Access to the Site is restricted and inspection of Assets on offer can be arranged only via Sakhalin Energy representatives.

Terms and conditions of sale:

1. Description of the Assets on offer:

The Assets being offered for sale represents 19 units of heavy vehicles.

All the vehicles are used but in satisfactory condition and conform to different technical characteristics.

Operating life of the vehicles – 5 years and more.

All the assets are not related to the PSA therefore there are no PSA related constraints to sale.

The Assets will be offered for sale as **separate lots**.

Full description of the Assets presented in the table below:

| № of Lot | № from DRF | Description | Car Mileage, km | YoM |
|-----------------|-------------------|-------------------------------------|------------------------|------------|
| 1 | 1 | Bobcat S150 Kubota V2203, 0447 CH | 3 664 | 2004 |
| 2 | 2 | Bobcat S150 Kubota V2203, 0448 CH | 3 497 | 2004 |
| 3 | 3 | Bobcat A300,Front loader, 3983CH | 5 130 | 2006 |
| 4 | 4 | Bobcat A300, Front loader,5327 CH | 5 485 | 2007 |
| 5 | 10 | Snowplow truck Ural 32551, B 710 OA | 6 740 | 2002 |
| 6 | 19 | Steam truck Ural-4784, K 224 AO | 17 398 | 2006 |
| 7 | 20 | Steam truck Ural-4784, K 225 AO | 15 242 | 2006 |

| | | | | |
|----|----|---|---------|------|
| 8 | 31 | Truck ZIL MDK-432932, K 675 HC | 14 370 | 2007 |
| 9 | 45 | Truck-tractor NISSAN CW631-GNT, M 143 BE | 540 200 | 1995 |
| 10 | 47 | Ambulance car GAZ-322174, K 966 BK | 9 535 | 2006 |
| 11 | 32 | Hyundai Starex (H-1) 3-seater, K 760 BA | 79 550 | 2006 |
| 12 | 36 | Hyundai Starex (H-1) 9-seater, K 815 BO | 150 500 | 2007 |
| 13 | 25 | Steam truck Ural-1600/100, K 534 EA | 4 424 | 2006 |
| 14 | 26 | Steam truck Ural-1600/100, K 538 EA | 4 622 | 2006 |
| 15 | 27 | Steam truck Ural-48950A, K 656 BE | 7 831 | 2006 |
| 16 | 28 | Steam truck Ural-48950A, K 657 BE | 11 133 | 2006 |
| 17 | 29 | Steam truck Ural-48950A, K 658 BE | 26 431 | 2006 |
| 18 | 30 | Steam truck Ural-48950A, K 659 BE | 50 230 | 2006 |
| 19 | 46 | Steam truck Ural-58491N-0000020, M 776 MB | 2 648 | 2010 |

* Photos of the Asset are set out in Appendix 1 to this Invitation.

2. Location and Price Basis

2.1. The Assets on offer are located on the territory of Armros parking area, 441-A Lenina Street, Yuzhno-Sakhalinsk, Sakhalin Region.

The basis of Pricing shall be as follows:

- As-is- where-is basis
- Ex-Works, Armros parking area, 441-A Lenina Street, Yuzhno-Sakhalinsk, Sakhalin Region.

2.2. All offers shall be specified in Russian Rubles (RUR).

3. Obligations of the Buyer:

The Buyer shall:

- Perform 100% advance payment for the purchased Assets to the Seller's account within 5 working days after receipt invoice.
- Organize the removal of the Assets within 7 working days after receipt by the Seller of 100% payment. All the Buyer's vehicles entering the Site shall meet all safety rules valid in the RF.

4. Obligations of the Seller

The Seller shall:

- Provide access to the Site for inspection and subsequent removal of the Assets by the time agreed with the Buyer.

5. Bid Submission and Contract

- Bidders are requested to fill in the Bid Submission Form (Appendix 2 to this Invitation to Tender) and to send it to the Contracting Tender box as per General Terms specified above.
- Seller does not bind itself to award sales agreement to the highest or any tender received. Goods being offered for sale may not necessarily be awarded for sale after the subsequent analysis of bids. Seller reserves right to withdraw any item from the lot on offer.

6. Warranty/Guarantee

The physical transfer of the Assets shall be made on "as-is" basis and Seller shall not be responsible vis-à-vis the Purchaser for warranties and guarantees for workmanship which may normally be applied to the sales of goods under applicable laws. For this reason, it is mandatory that prospective bidders or their agents inspect the Assets to confirm quantities and condition of the goods prior to submitting their bids.

7. Act of Hand Over/Title and Transfer

The Act of Handover is to be signed by the Buyer and the Seller prior to physical handover of the Assets to the Buyer. The responsibility for the safe handling of the Assets and all risks pertaining to the Assets shall be transferred to Buyer from the moment of the Act of Handover is signed.

8. Indemnity

The Buyer shall protect, defend, release, indemnify and hold Seller harmless from and against any claims, actions, liabilities, charges, demands, judgments and expenses (including legal expenses) which may be incurred by Seller in connection with the failure of Buyer to perform its obligations under the Sales Contract.

9. Fulfillment of Obligations

For non-fulfilment or improper fulfilment of the Sales Contract, its one-sided amendment or one-sided termination, the party in fault shall compensate to the other party the damage in the amount of the direct damage.

10. Disputes

The disputes, disagreements, claims following from the present Agreement shall be resolved by negotiations. In case of failure to be resolved by negotiations, they shall be subject to the Sakhalin Arbitration court examination according the procedure envisaged by the existing legislation of the Russian Federation.

11. Other issues

11.1 All the issues, not covered in the Sales Contract, shall be governed by the applicable existing legislation of the Russian Federation.

11.2 Unilateral termination of this Agreement by the Seller is possible in the event of:

- (a) Violation by the Buyer of terms and conditions pertaining to payment if it exceed 10 (ten) days.
- (b) Violation by the Buyer of terms of the Assets removal, specified in the Item 3.2 of this Invitation to Tender, if it exceed 10 (ten) days.

#1



#2



#3



#4



#5



#6



#7



#8



#9



#10



#11



#12



13



#14



#15



#16



#17



#18



#19



Bid Submission Form

Company/Name_____

Tender Reference: DRF_1635/2_Vehicles

Date: “ ____ ” _____ 2019

Table 1

| General Information about Bidder | |
|--|--|
| Company's address/individual* | |
| Company's postal address | |
| Phone number* | |
| Fax number | |
| E-mail* | |
| Company's focal point (full name) | |
| Focal point's position | |
| Web-site | |
| Number of permanent staff in Sakhalin | |
| Copy of Certificate of Incorporation | |
| Tax Registration Number of Company | |
| Management structure table (showing names of directors and senior positions) | |
| | |

Table 2

| Additional information | |
|---|--|
| Specify company's type: Consulting company / Research institute / Recruitment Agency / Other (specify) | |
| Specify company's status (government owned or private) | |
| Company shareholders (if possible) | |
| If Russian content is less than 100%, please name your foreign partners and indicate percentage of their interest | |

*The individuals to fill up only asterisk marked lines.

Commercial Proposal

| № of Lot | № from DRF | Model | Car Mileage, km | YoM | Offered price for Lot, RUR VAT Included |
|-----------------|-------------------|---|------------------------|------------|--|
| 1 | 1 | Bobcat S150 Kubota V2203, 0447 CH | 3 664 | 2004 | |
| 2 | 2 | Bobcat S150 Kubota V2203, 0448 CH | 3 497 | 2004 | |
| 3 | 3 | Bobcat A300, Front loader, 3983CH | 5 130 | 2006 | |
| 4 | 4 | Bobcat A300, Front loader, 5327 CH | 5 485 | 2007 | |
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| 15 | 27 | Steam truck Ural-48950A, K 656 BE | 7 831 | 2006 | |
| 16 | 28 | Steam truck Ural-48950A, K 657 BE | 11 133 | 2006 | |
| 17 | 29 | Steam truck Ural-48950A, K 658 BE | 26 431 | 2006 | |
| 18 | 30 | Steam truck Ural-48950A, K 659 BE | 50 230 | 2006 | |
| 19 | 46 | Steam truck Ural-58491N-0000020, M 776 MB | 2 648 | 2010 | |

The Assets are being offered for sale as **separate lots**:

Offered price for the **Lot №1** must not be less than **RUR 390,000.00** (VAT included)
Offered price for the **Lot №2** must not be less than **RUR 390,000.00** (VAT included)
Offered price for the **Lot №3** must not be less than **RUR 510,000.00** (VAT included)
Offered price for the **Lot №4** must not be less than **RUR 450,000.00** (VAT included)
Offered price for the **Lot №5** must not be less than **RUR 750,000.00** (VAT included)
Offered price for the **Lot №6** must not be less than **RUR 780,000.00** (VAT included)
Offered price for the **Lot №7** must not be less than **RUR 780,000.00** (VAT included)
Offered price for the **Lot №8** must not be less than **RUR 300,000.00** (VAT included)
Offered price for the **Lot №9** must not be less than **RUR 660,000.00** (VAT included)
Offered price for the **Lot №10** must not be less than **RUR 540,000.00** (VAT included)
Offered price for the **Lot №11** must not be less than **RUR 240,000.00** (VAT included)
Offered price for the **Lot №12** must not be less than **RUR 276,000.00** (VAT included)
Offered price for the **Lot №13** must not be less than **RUR 882,000.00** (VAT included)
Offered price for the **Lot №14** must not be less than **RUR 882,000.00** (VAT included)
Offered price for the **Lot №15** must not be less than **RUR 840,000.00** (VAT included)
Offered price for the **Lot №16** must not be less than **RUR 840,000.00** (VAT included)
Offered price for the **Lot №17** must not be less than **RUR 828,000.00** (VAT included)
Offered price for the **Lot №18** must not be less than **RUR 828,000.00** (VAT included)
Offered price for the **Lot №19** must not be less than **RUR 900,000.00** (VAT included)