**2. Conditions of participation in the tender and determination of the winner**

Only the "supplier" that owns / uses in Georgia (including franchising or leasing) at least one tank depot and owns not less than 4 fuel carriers ( Not more than 12 meters long) can participate in the tender.

At the tank depot, it is necessary to indicate the supplier's trade mark in order to identify the goods and / or services offered by the winning supplier and easily distinguish it from the goods and services of a competitor or other supplier.

Companies participating in the tender, together with the tender offer must submit written information signed by the relevant authorized person about the above-mentioned tank depot, transportation means, diesel fuel, and their location (with addresses).

The participant together with the tender offer must submit a quality certificate issued by the euro diesel producer which must comply with the requirements set by the EU "EN 590". If a certificate is submitted in a foreign language, a notarized translation in Georgian should be attached to it.

The company participating in the tender, together with the tender proposal, must provide information on the insolvency (insolvency) case, on debts to the state budget, as well as on the extract from the state register with the owners, documentation on the money turnover for the last three years (profit declaration). A certificate of tax debts. The documents must be issued no earlier than May 2017.

Acceptance of tender proposals will begin on June 5, 2017 and will end on June 26, 2017.

Tender proposals shall be valid until 31 December 2017.

The tender will be conducted for the cost of one (1) liter of Euro-diesel (Eur 4).

The winner of the tender will be the applicant who will set the lowest price and the best payment terms (such as deferred payment for the delivered goods). At the same time, the applicant must comply with the requirements of the tender documentation and the requirements of relevant legal acts.

**3. Determination of the value of the object of purchase and the terms of payment**

3.1 From the lowest final price set by the winner of the tender is calculated "Z", in US dollars (transportation costs, logistics and storage costs, overheads and profit of the enterprise) according to the following formula:

$$Z=\left(\frac{ C bid\*1000 }{D\*1,18 }– A jun\right)\* \frac{1}{R jun}-P jun$$

Where:

C bid - the final price for 1 liter of diesel fuel (in GEL);

Rjun is the arithmetic average of the official GEL exchange rate against the US dollar for June 2017;

D is the density index of diesel fuel represented by the tender proposal (g / cm3);

Pjun is the average arithmetic price of the 1st metric ton of fuel in US dollars for June 2017, set on the PLATTS EUROPEAN MARKETSCAN FOB Med (Italy)

Ajun - The amount of excise tax per one metric ton of fuel in GEL for June 2017.

The values of Z and D remain unchanged until December 31, 2017.

3.2 The supplier shall determine the nominal value per 1 liter of diesel for each current calendar month (hereinafter - nominal value - Cnom) according to the following formula:

$∁$nom$=\frac{\left(\left( P+Z \right)R+A\right) \* 1,18 \* D}{1000}$

Where:

P and R are the average of the corresponding data for the previous calendar month, A is the excise amount per one metric ton of fuel for the current month, 18% is VAT, and Z and D are the values determined in clause 3.1. Invariable values.

3.3 Based on the specifics of petroleum products (fuel) on the ratio of its value with variable prices (P) on international trade exchanges and / or the ratio to the official exchange rate (R) and / or the dependence of the excise amount per metric ton of fuel, the supplier is obliged monthly to provide to the purchased organization the price calculated per nominal value for the unit of goods delivered for the current month (contract price for the current month C1).

The contract price for July 2017 will be determined by the cost of 1 liter of diesel fuel (Cbid) in the tender offer. The contract price for each subsequent month is calculated on the basis of the nominal value of one liter of diesel fuel.

The settlement between the supplier and the organization is made by the established settlement price (C2) on the basis of the contract price of the current month, by transfer in the national currency and includes all taxes established by the legislation of Georgia.

When setting the settlement price, the following circumstance is taken into account: When buying a diesel, the supplier will provide the organization with an invoice for the relevant brand on the day of fuel supply. The settlement price is calculated on the basis of the nominal value determining the settlement price.

The supplier is obliged to ensure the delivery of the eurodiesel from the objects specified in the tender offer including December 31, 2017. The transportation costs for the eurodiesel are borne by the organization, unless other conditions are stipulated by the contract between the supplier and the organization

3.3 The Supplier shall be obliged on the first working day of each month to provide the tender commission specified in clauses 3.2 A, P and R and the contract price calculated for them (C1) for 1 liter of diesel for the current month and the estimated price for the previous month, the information should be placed on the official Web page.

When the calculation is made, the supplier transfers the price of fuel supplied during the month, which is calculated in the method specified in clause 3.

The supplier is responsible for the reliability of information on the cost of fuel, as well as any information posted on its web page.

**4. Fuel quality control**

In order to determine the compliance of the fuel quality with the established standards, the supplier is obliged by its own funds, in 2017, not to conduct a scheduled examination in the National Forensic Office of Georgia named after Levan Samkharauli or other internationally recognized organizations (eg TUV, SGS, etc.) who have at least 3 years of experience in the field of fuel expertise and submit a corresponding report of the tender commission's expertise. The time and place for the examination or receipt of samples will be determined by the commission and accordingly notified the supplier and the expert organization within a reasonable time.

The procuring entity or supplier has the right to request an alternative examination if one of them does not agree with the results of the planned examination. In this case, the alternative expert's expenses are borne by the party that requires an alternative examination. Alternative expertise has the advantage if it is conducted in an internationally recognized organization (eg TUV, SGS, etc.) in which the experience in the field of fuel testing is at least 3 years. In the course of the alternative examination, there should be no conflict of interests between the supplier and the organization conducting an alternative examination on any issues (for example: the country of the fuel producer, the relationship between the supplier and the organization conducting the examination and other issues) that can cast suspicion on impartiality and objectivity Report.

In the event that the purchasing organizer justifies the tender commission suspicion about the damage to the car or machinery because the fuel is not of high quality, the commission has the right to demand from the supplier an unscheduled expert examination on the parameters determined by the commission, the verification of which will be considered expedient on the basis of a specific case. The supplier of the results of the examination will present to the tender commission, the expenses of the examination will be covered by the supplier.

**5. The main terms of the contract between the procuring entity and the supplier, the rights of the parties and mutual obligations.**

Terms of the contract are determined by this tender documentation.

The volume of the Diesel EUR 4 specified in the contract and the value of the contract is indicative and may change during the contract period.