



TENDER NOTICE

CEYLON PETROLEUM CORPORATION (CEYPETCO)

BID FOR THE SUPPLY OF

A CARGO OF 700,000 BBLs +/- 5%
OF MURBAN CRUDE OIL

REF: CR/08/2017

FOR DELIVERY AT SPBM1 COLOMBO, SRI LANKA

CHAIRMAN
SPECIAL STANDING CABINET APPOINTED PROCUREMENT COMMITTEE (SSCAPC)
C/O. COMMERCIAL MANAGER
07TH FLOOR
CEYLON PETROLEUM CORPORATION
No. 609, DR. DANISTER DE SILVA MAWATHA
COLOMBO 09
SRI LANKA.

26/04/2017

INVITATION FOR BIDS

CEYLON PETROLEUM CORPORATION (CEYPETCO)

BID FOR THE SUPPLY OF A CARGO OF 700,000 BBLs +/-5% OF MURBAN CRUDE OIL FOR DELIVERY AT SPBM 1 COLOMBO CR/08/2017

SECTION 1- INSTRUCTIONS TO BIDDERS (ITB)

1.1 INTRODUCTION

THE CHAIRMAN, SPECIAL STANDING CABINET APPOINTED PROCUREMENT COMMITTEE (SSCAPC), ON BEHALF OF CEYLON PETROLEUM CORPORATION (HEREINAFTER REFERRED TO AS 'CEYPETCO') INVITES FIRM OFFERS FROM THE SUPPLIERS **REGISTERED WITH CEYPETCO** UNDER THE CATEGORY OF "CRUDE OIL" FOR THE SUPPLY OF **A CARGO OF 700,000 BBLs +/- 5% OF MURBAN CRUDE OIL ON DES COLOMBO BASIS (INCOTERMS 2000)** FOR DISCHARGE OF FULL CARGO QUANTITY AT SINGLE POINT BUOY MOORING 1 (SPBM 1) COLOMBO, SRI LANKA DURING LAYCAN 24TH JUNE 2017 – 28TH JUNE 2017.

INTERESTED SUPPLIERS MAY REQUEST FURTHER INFORMATION/CLARIFICATIONS FROM THE COMMERCIAL MANAGER OF CEYLON PETROLEUM CORPORATION [TEL: 0094-115664649; FAX: 0094-115455406; E-MAIL: cm@ceypetco.gov.lk].

1.2 ISSUE OF BIDDING DOCUMENT

- LOCAL AGENTS OF THE REGISTERED SUPPLIERS COULD OBTAIN THE BIDDING DOCUMENT FROM THE COMMERCIAL MANAGER BETWEEN 0900 HRS. AND 1500 HRS. (SRI LANKA TIME) ON ANY WORKING DAY COMMENCING **27TH APRIL 2017 UP TO 02ND MAY 2017.**

OR

- REGISTERED SUPPLIERS COULD DOWNLOAD THE RELEVANT BID DOCUMENT FROM THE CEYPETCO WEBSITE www.ceypetco.gov.lk

1.3 ELIGIBILITY FOR BIDDING

ONLY THE SUPPLIERS WHO HAVE CURRENTLY BEEN REGISTERED WITH CEYPETCO UNDER THE CATEGORY OF "CRUDE OIL" ARE ELIGIBLE TO SUBMIT BIDS. **THOSE SUPPLIERS WITH WHOM CEYPETCO IS HAVING UNRESOLVED DISPUTES/TEMPORARY SUSPENSIONS ARE NOT ELIGIBLE FOR BIDDING.**

1.4 SUBMISSION OF BIDS

PLEASE REFER CLAUSE 2.22

1.5 LOCAL AGENT

PLEASE REFER CLAUSE 2.10.

1.6 AWARD OF THE TENDER

PLEASE REFER CLAUSE 2.13.

1.7 CURRENCY

ALL VALUES SHALL BE QUOTED IN UNITED STATES DOLLARS (US\$).

1.8 BID SECURITY GUARANTEE

1.8.1 PRIOR TO THE BID OPENING, ALL BIDDERS SHALL ESTABLISH **A BID SECURITY GUARANTEE FOR UNITED STATES DOLLARS THREE HUNDRED THOUSAND (US\$ 300,000/=)** FOR THE TENDER UNDERTAKING THAT THE BID WILL BE HELD VALID FOR THE SPECIFIED PERIOD AND THAT THE BID WILL NOT BE WITHDRAWN DURING THAT PERIOD. SUCH SECURITY SHALL BE IN THE FORM OF A BANK GUARANTEE ISSUED/CONFIRMED BY A LICENCED COMMERCIAL BANK IN SRI LANKA, IN FAVOR OF CEYPETCO AND PAYABLE TO THE SAME ON DEMAND. **THE ORIGINAL BID SECURITY GUARANTEE SHALL BE SUBMITTED ALONG WITH THE OFFER.**

IMPORTANT

1.8.2 **PLEASE NOTE THAT ALL BIDDERS IRRESPECTIVE OF WHETHER THEY ARE RECOGNIZED GOVERNMENT OWNED INSTITUTIONS / SUBSIDIARIES AND/OR OIL MAJORS SHALL SUBMIT THE BID SECURITY GUARANTEE.**

1.8.3 THE BID SECURITY GUARANTEE SHALL BE VALID FOR A MINIMUM SIXTY (60) DAYS FROM THE DATE OF CLOSING OF THE BID. **THE FORMAT OF BID SECURITY GUARANTEE IS ANNEXED HERETO AS ANNEX - 'A'.**

1.8.4 FAILURE TO SUBMIT THE BID SECURITY GUARANTEE INCONFORMITY WITH THE BID REQUIREMENT, ON OR BEFORE THE CLOSING TIME OF BID **BY ANY BIDDER**, WILL RESULT IN THE BID BEING REJECTED. CEYPETCO SHALL BE ENTITLED TO ENCASH THE BID SECURITY IN THE EVENT THE SUCCESSFUL BIDDER FAILS TO ENTER INTO THE CONTRACT, WITHIN A PERIOD OF FOURTEEN (14) DAYS SUBSEQUENT TO WRITTEN INSTRUCTIONS FROM CEYPETCO TO ENTER INTO THE SAID CONTRACT.

1.8.5 THE BID SECURITY OF THE SUCCESSFUL BIDDER WILL BE RETURNED ONLY AFTER RECEIPT OF THE PERFORMANCE SECURITY GUARANTEE BY THE SUCCESSFUL BIDDER. CEYPETCO SHALL BE ENTITLED TO ENCASH ON THE BID SECURITY GUARANTEE UNLESS A PERFORMANCE SECURITY GUARANTEE IS PROVIDED BY THE SUCCESSFUL BIDDER, ON THE DATE SPECIFIED BY CEYPETCO.

1.8.6 THE BID SECURITY GUARANTEE FROM THE UNSUCCESSFUL BIDDER WILL BE RETURNED TO THEM AFTER THE AWARD IS MADE TO THE SUCCESSFUL BIDDER.

1.9. PERFORMANCE SECURITY GUARANTEE

1.9.1. THE SUCCESSFUL SUPPLIER/BIDDER **INCLUDING RECOGNIZED GOVERNMENT OWNED INSTITUTIONS / SUBSIDIARIES AND OIL MAJORS**, ON BEING NOTIFIED BY THE CEYPETCO OF THE ACCEPTANCE OF HIS OFFER, SHALL FURNISH AT HIS OWN EXPENSE A PERFORMANCE SECURITY GUARANTEE AFTER THE DATE OF AWARD OF THE BID TO THE SUCCESSFUL TENDERER, WITHIN SEVEN (7) WORKING DAYS BY A LICENCED COMMERCIAL BANK IN SRI LANKA IN FAVOR OF CEYPETCO AND PAYABLE TO THE CEYPETCO ON DEMAND TO THE VALUE OF IN **UNITED STATES DOLLARS THREE HUNDRED THOUSAND (US\$ 300,000/=)**.

- 1.9.2. THE PERFORMANCE SECURITY GUARANTEE SHOULD BE VALID UPTO THIRTY (30) DAYS FROM THE STIPULATED DELIVERY DATE. THIS SHALL BE COMPLIED BY ALL SUCCESSFUL BIDDERS IRRESPECTIVE OF THEIR CATEGORY, AS INDICATED IN 1.9.1.
- 1.9.3. THE SUCCESSFUL SUPPLIER/BIDDER SHOULD STRICTLY ADHERE TO **THE FORMAT OF PERFORMANCE SECURITY GUARANTEE WHICH IS ANNEXED HERETO AS ANNEX - 'B'**.
- 1.9.4. **THE SUCCESSFUL SUPPLIER/BIDDER SHOULD ENSURE AND CLEARLY INDICATE IN THEIR OFFER THAT THEY PROVIDE A PERFORMANCE SECURITY GUARANTEE UPON THE AWARD. FAILURE TO COMPLY THIS REQUIREMENT WILL RESULT IN THE AWARD BEEN CANCELLED, AS IT IS CONSIDERED TO BE A MAJOR DEVIATION.**
- 1.9.5. IF THE SUCCESSFUL SUPPLIER/ BIDDER, FAILS TO FURNISH THE PERFORMANCE SECURITY GUARANTEE AS AFORESAID, HIS NAME WILL BE PLACED IN THE LIST OF DEFAULTING CONTRACTORS. CEYPETCO SHALL THEREFORE, BE ENTITLED IN ITS ABSOLUTE DISCRETION TO MAKE SUITABLE ARRANGEMENTS REQUIRED FOR THE PERFORMANCE OF SUCH TENDER, AS THE CASE MAY BE, AT THE RISK AND EXPENSE OF SUCH DEFAULTED BIDDER.
- 1.9.6. THE SUCCESSFUL SUPPLIER/ BIDDER, IN THE EVENT OF HIS FAILURE TO FURNISH THE PERFORMANCE SECURITY AS REQUIRED UNDER THIS TENDER DOCUMENT, SHALL BE LIABLE FOR ANY LOSSES, COSTS, EXPENSES AND DAMAGES, WHICH CEYPETCO MAY SUSTAIN IN CONSEQUENCE OF SUCH FAILURE AND THE PERFORMANCE SECURITY GUARANTEE, SHALL BE FORFEITED.
- 1.9.7. THE LETTER OF CREDIT (L/C) FOR THE SHIPMENT WILL BE OPENED ONLY AFTER THE RECEIPT OF PERFORMANCE SECURITY GUARANTEE. THE PERFORMANCE SECURITY GUARANTEE SHALL BE IN FAVOUR OF CEYPETCO.

SECTION 2 - TERMS & CONDITIONS OF BID

2.1 BUYUER

CEYLON PETROLEUM CORPORATION (CEYPETCO)
NO. 609
DR. DANISTER DE SILVA MAWATHA
COLOMBO 09
SRI LANKA.

2.2 CONTRACTUAL CARGO QUANTITIES

- 2.2.1 THE QUANTITY OF MURBAN CRUDE OIL UNDER THIS TENDER SHALL BE 700,000 BBLs PLUS/MINUS 5 PER CENT (+/- 5%).
- 2.2.2 THE QUANTITY OF THIS DELIVERY OF MURBAN CRUDE OIL SHALL BE LOADED WITHIN THE PLUS/MINUS 5 PER CENT (+/- 5%) TOLERANCE.
- 2.2.3 ANY DEVIATION TO THE PLUS/MINUS 5% (+/-5%) QUANTITY TOLERANCE WILL ONLY BE CONSIDERED UNDER SPECIAL CIRCUMSTANCES, ON MUTUAL AGREEMENT BETWEEN CEYPETCO AND THE SUCCESSFUL SUPPLIER/BIDDER.

2.3 DELIVERY

- 2.3.1. THE FIVE DAY DELIVERY LAYCAN OF MURBAN CRUDE OIL CARGO AT SPBM 1 COLOMBO, SRI LANKA IS 24TH JUNE 2017 – 28TH JUNE 2017.
- 2.3.2. THE SUCCESSFUL SUPPLIER/BIDDER SHALL BE GIVEN A TWO DAY DELIVERY LAYCAN WHICH WILL BE INFORMED BY CEYPETCO TO THE SUCCESSFUL SUPPLIER/BIDDER **THIRTY (30) DAYS** PRIOR TO THE DELIVERY DATE OF THE FIRST DAY OF THE SAID DELIVERY LAYCAN.
- 2.3.3. THE SUCCESSFUL SUPPLIER/BIDDER SHALL DISCHARGE THE FULL CARGO AT SPBM 1 COLOMBO.
- 2.3.4. PORT OF LOADING FOR EACH CARGO SHALL BE JEBEL DHANNA, U.A.E. OR FUJAIRAH, U.A.E. ANY LOADING PORT UNDER UNITED STATE SANCTIONS IS NOT ACCEPTABLE TO CEYPETCO. ANY CRUDE OIL SIMILAR OR IDENTICAL TO IRANIAN CRUDE WILL NOT BE PERMITTED. IN THE EVENT THAT THE CARGO AT THE DISCHARGE PORT IS FOUND TO BE SIMILAR OR IDENTICAL TO IRANIAN LIGHT CRUDE OIL, CPC RESERVES THE RIGHT TO REJECT THE CARGO STRAIGHTAWAY AND CLAIM DAMAGES FROM THE SUPPLIER. TESTS WILL BE CARRIED OUT AT THE LOAD PORT AND ALSO BEFORE DISCHARGING AT THE BUYER'S PORT. THE DECISION TO ACCEPT THE CARGO AFTER TEST RESULTS IS SOLELY AT THE DISCRETION OF CEYPETCO.
- 2.3.5. IN THE EVENT CEYPETCO UNABLE TO RECEIVE THE CARGO DUE TO UNFORESEEN EVENT SUCH AS;
 - 2.3.5.1. FAILURE OF THE SPBM HOSE SYSTEM.
 - 2.3.5.2. FAILURE OF CRUDE OIL SPBM.

2.3.5.3. ANY MAJOR BREAKDOWN IN PIPELINE INCLUDING OFFSHORE CEYPETCO WILL RESERVE THE RIGHT TO CANCEL THE SAID VOYAGES BEFORE THIRTY (30) DAYS IN ADVANCE. IN SUCH EVENT THE SUCCESSFUL SUPPLIER/BIDDER SHALL ALLOW TO SELL THE CARGO TO THIRD PARTY OR TO MAKE ANY ALTERNATIVE ARRANGEMENTS WITHOUT ANY COST TO CEYPETCO.

2.3.5.4. EVEN AFTER THIRTY (30) DAYS IF SUCH EVENT HAPPENS, BOTH CEYPETCO AND THE SUCCESSFUL SUPPLIER/BIDDER ON MUTUAL AGREEMENT SHALL TAKE EVERY ENDEAVOR TO MINIMIZE THE DAMAGES AND LOSSES TO BOTH PARTIES BY ALTERNATIVE ARRANGEMENTS.

2.4 QUALITY

THE SUCCESSFUL SUPPLIER/BIDDER SHALL ENSURE THAT THE MURBAN CRUDE OIL OFFERED IS IN CONFORMITY WITH THE RELEVANT SPECIFICATIONS GIVEN IN **ANNEXURE - 'D'**. TENDERERS SHOULD FURNISH THE FULL ASSAY OF MURBAN CRUDE OIL FOR THE EVALUATION OF BIDS. **THE BIDS FROM SUPPLIER/BIDDER WHO DO NOT FURNISH THE FULL ASSAY OF MURBAN CRUDE OIL WILL NOT BE CONSIDERED FOR EVALUATION.**

2.5 SOURCE OF SUPPLY

TENDERERS SHOULD CONFIRM THE FOLLOWING.

2.5.1. MURBAN CRUDE OIL SUPPLIER IS ADNOC/ADCO, U.A.E.

2.5.2. COUNTRY OF ORIGIN IS U.A.E.

2.5.3. PORT OF LOADING IS JEBEL DHANNA, U.A.E. OR FUJAIRAH, U.A.E.

2.5.4. TENDERER SHALL PRODUCE ALL DETAILS OF HIS SUPPLIER OF MURBAN CRUDE OIL. IF THE SUPPLIER IS AN EQUITY HOLDER OF ADNOC, TENDERER MUST PRODUCE A LETTER FROM HIS SUPPLIER (EQUITY HOLDER OF ADNOC) THAT THE SUPPLIER IS SELLING A CARGO OF MURBAN CRUDE OIL TO TENDERER WHICH IS TO BE LOADED AT JEBEL DHANNA AND/OR FUJAIRAH, U.A.E.

2.5.5. THE BIDS SUBMITTED WITHOUT THE ABOVE INFORMATION WOULD BE SUBJECTED FOR REJECTION.

2.6 MODE OF LOADING

UNDER EACH AND EVERY DELIVERY MURBAN CRUDE OIL SHALL BE LOADED ON TO THE NOMINATED VESSEL **ONLY FROM SHORE TANKS ANY SHIP TO SHIP TRANSFER OF CRUDE OIL IS STRICTLY PROHIBITED.**

2.7 INSPECTION

2.7.1. INSPECTION AT LOAD PORT

2.7.1.1. CEYPETCO SHALL NOMINATE AN INDEPENDENT INSPECTOR (GEO-CHEM/ITS CALEB BRETT/SBC ASIA – SAYBOLT/SGS/BUREAU VERITAS/CCIC) ACCEPTABLE TO THE SUCCESSFUL SUPPLIER/BIDDER TO SAMPLE, TEST AND CERTIFY THE QUALITY OF EACH PRODUCT AS PER THE TENDER SPECIFICATIONS AND THE QUANTITY AS PER THE

TENDER CONDITIONS. THEY SHOULD BE PRESENT AT THE TIME OF LOADING OF THE CARGO TO CARRYOUT/WITNESS THE INSPECTION AND TO PREPARE THE QUALITY AND QUANTITY CERTIFICATES AND ANY OTHER DOCUMENTS SPECIFIED.

- 2.7.1.2. CEYPETCO RESERVES THE RIGHT TO NOMINATE A SECOND INSPECTION COMPANY AT ITS SOLE DISCRETION TO WITNESS THE QUALITY & QUANTITY OF THE PRODUCTS AT LOAD PORT AS AND WHEN REQUIRED AT **ITS OWN COST**.
- 2.7.1.3. IT IS THE RESPONSIBILITY OF THE SUCCESSFUL SUPPLIER/BIDDER TO ENSURE THE PRESENCE OF THE INDEPENDENT INSPECTOR AT THE TIME OF SAMPLING, TESTING AND LOADING OF THE CARGO. THE SUCCESSFUL SUPPLIER/BIDDER SHALL COOPERATE AND LIAISE WITH THE INDEPENDENT INSPECTOR TO ENSURE THAT THE INSPECTION IS CARRIED OUT TO THE SATISFACTION OF CEYPETCO. UNDER NO CIRCUMSTANCES THE QUALITY OF THE CARGO SHALL BE TESTED AT THE LABORATORY AT THE LOAD PORT OR THE CARGO LOADED ON TO THE VESSEL AT THE LOAD PORT WITHOUT THE PRESENCE OF THE INDEPENDENT INSPECTOR APPOINTED AS PER SUB CLAUSE 2.7.1.1. ABOVE.
- 2.7.1.4. CEYPETCO WILL FURNISH FULL PARTICULARS OF THE RESPECTIVE CARGO TO BE PURCHASED TO THE INDEPENDENT INSPECTOR UNDER ADVICE TO THE SUCCESSFUL SUPPLIER/BIDDER. THE QUALITY AND QUANTITY OF THE PRODUCT SHALL BE DETERMINED IN ACCORDANCE WITH GOOD INDUSTRY STANDARDS AND PRACTICES, USING INTERNATIONALLY ACCEPTED SAMPLING AND ANALYTICAL/TESTING METHODS STIPULATED IN RELEVANT SPECIFICATION SHEETS.
- 2.7.1.5. SHORE TANK QUALITY CERTIFICATE ISSUED BY THE SUCCESSFUL SUPPLIER'S/BIDDER'S TERMINAL AND SIGNED BY THE MUTUALLY AGREED INDEPENDENT INSPECTOR, SHALL BE FORWARDED/COMMUNICATED TO THE DEPUTY GENERAL MANAGER (COMMERCIAL & SUPPLY CHAIN) OR COMMERCIAL MANAGER OF CEYPETCO FOR PRIOR APPROVAL, BEFORE COMMENCEMENT OF LOADING.
- 2.7.1.6. THE SUCCESSFUL SUPPLIER/BIDDER SHALL ENSURE THAT VESSEL LOADS ONLY MURBAN CRUDE OIL THAT MEET EACH, EVERY AND ALL SPECIFICATIONS AS SPECIFIED BY CEYPETCO IN THE CONTRACT. THE INDEPENDENT INSPECTOR NOMINATED BY CEYPETCO AND ACCEPTED BY THE SUCCESSFUL SUPPLIER/BIDDER SHALL ALSO ENSURE THAT THE VESSEL LOADS ONLY MURBAN CRUDE OIL THAT COMPLIES WITH CEYPETCO SPECIFICATIONS. CEYPETCO SHALL COMMUNICATE THEIR ACCEPTANCE OR REJECTION WITH REASONS ON THE QUALITY RESULTS WITHIN A MAXIMUM OF 6 HOURS (EVEN AFTER THE OFFICE HOURS AND HOLIDAYS AFTER THE SUCCESSFUL SUPPLIER/BIDDER HAS SENT THE QUALITY CERTIFICATES THROUGH E-MAIL.
- 2.7.1.7. CEYPETCO SHALL PROVIDE AT LEAST THREE (03) E-MAIL ADDRESSES FOR SUCH CORRESPONDENCE TO THE SUCCESSFUL SUPPLIER/BIDDER.
- 2.7.1.8. THE LOADING CAN ONLY BE COMMENCED AFTER ACCEPTANCE OF THE QUALITY CERTIFICATES HAVE BEEN COMMUNICATED BY CEYPETCO TO THE SUCCESSFUL SUPPLIER/BIDDER BY E-MAIL.
- 2.7.1.9. THE SUCCESSFUL SUPPLIER/BIDDER IS FULLY RESPONSIBLE FOR OBTAINING APPROVALS FROM CEYPETCO ON THE QUALITY OF MURBAN CRUDE OIL BEFORE LOADING.

- 2.7.1.10. IN THE EVENT PRODUCT IS LOADED FROM DIFFERENT SHORE TANKS, INDEPENDENT INSPECTOR SHALL PROVIDE QUALITY CERTIFICATES IN RESPECT OF EACH AND EVERY SHORE TANK.
- 2.7.1.11. THE COST OF INSPECTION AT LOAD PORT SHALL BE SHARED EQUALLY BETWEEN CEYPETCO AND THE SUCCESSFUL SUPPLIER/BIDDER.
- 2.7.1.12. QUANTITIES MENTIONED IN THE BILLS OF LADING (B/Ls) AT JEBEL DHANNA, U.A.E. OR FUJAIRAH, U.A.E. SHALL BE BINDING ON BOTH PARTIES.
- 2.7.1.13. IN THE EVENT THAT THE SUCCESSFUL SUPPLIER/BIDDER DOES NOT AGREE TO THE NOMINATED INDEPENDENT INSPECTOR BY CEYPETCO AS PER THE CLAUSE 2.7.1.1. ABOVE, THE SUCCESSFUL SUPPLIER/BIDDER IS PERMITTED TO NOMINATE AN ALTERNATIVE INDEPENDENT INSPECTOR, LIABLE IN THE SAID CLAUSE UNDER NO CIRCUMSTANCES THE SUCCESSFUL SUPPLIER/BIDDER SHALL BE PERMITTED TO CHANGE SUCH ALTERNATIVE NOMINATION THEREAFTER.

2.7.2. INSPECTION AT THE DISCHARGE PORT

- 2.7.2.1. DISCHARGE PORT INDEPENDENT INSPECTOR SHALL BE DIFFERENT TO THAT OF THE LOAD PORT.
- 2.7.2.2. THE QUALITY AT DISCHARGE PORT COLOMBO SHALL BE DETERMINED BY CEYPETCO REFINERY LABORATORY AND WITNESSED BY THE INDEPENDENT INSPECTOR (ITS CALEB BRETT/GEO-CHEM/SBC ASIA – SAYBOLT/ SGS/BUREAU VERITAS) AT COLOMBO. SUCH DETERMINATIONS SHALL BE REPORTED ON THE CERTIFICATE OF QUALITY FINALLY ISSUED BY CEYPETCO REFINERY LABORATORY.
- 2.7.2.3. A SHIP TANK COMPOSITE SAMPLE FOR EACH PRODUCT SHALL BE DRAWN FROM THE SHIP'S TANKS ACCORDING TO ASTM STANDARD METHOD OF SAMPLING BY A MUTUALLY AGREED INDEPENDENT INSPECTOR AT DISCHARGE PORT WITNESSED BY CEYPETCO/CPSTL REPRESENTATIVES. SUCH SAMPLE WILL BE ANALYSED AT THE CEYPETCO REFINERY LABORATORY ACCORDING TO CONTRACTUAL SPECIFICATIONS AND SHALL BE WITNESSED BY THE MUTUALLY AGREED INDEPENDENT INSPECTOR. THE RESULT OF THE ANALYSIS SHALL BE THE RECOGNIZED CARGO ANALYSIS AND SHALL BE BINDING ON BOTH PARTIES.
- 2.7.2.4. FOR SAKE OF CLARITY, THE SUCCESSFUL SUPPLIER/BIDDER WOULD LIKE TO MENTION THAT CERTIFICATE OF QUALITY AT DISCHARGE PORT SHALL BE ON THE BASIS OF SHIP TANK COMPOSITE SAMPLE TAKEN ON ARRIVAL OF THE VESSEL AT DISCHARGE PORT.
- 2.7.2.5. HOWEVER, IN THE EVENT THE FIRST COMPOSITE SAMPLE DOES NOT MEET THE CONTRACTUAL SPECIFICATIONS THE INDEPENDENT INSPECTOR WILL BE REQUESTED TO DRAW A SECOND SET OF SAMPLES FROM VESSEL'S INDIVIDUAL TANKS IN THE PRESENCE OF CEYPETCO'S AND THE SUCCESSFUL SUPPLIER'S/BIDDER'S REPRESENTATIVES. SUCH INDIVIDUAL SAMPLES WILL BE ANALYSED AT THE CEYPETCO REFINERY LABORATORY (AS SPECIFIED IN SUB CLAUSE 2.7.2.2.) ACCORDING TO CONTRACTUAL SPECIFICATIONS AND SHALL BE WITNESSED BY THE MUTUALLY AGREED INDEPENDENT INSPECTOR. THE RESULTS OF THESE ANALYSIS BASED ON THE SAMPLES DRAWN FROM VESSEL'S INDIVIDUAL TANKS SHALL BE THE RECOGNIZED CARGO ANALYSIS AND SHALL BE BINDING ON BOTH PARTIES.

- 2.7.2.6. DISCHARGE OF VESSEL SHALL COMMENCE ONLY AFTER THE CERTIFICATE OF QUALITY AT DISCHARGE PORT, AS ISSUED BY INDEPENDENT INSPECTOR BASED ON THE TESTS REPORT OF CEYPETCO REFINERY LABORATORY AND COUNTERSIGNED BY CEYPETCO'S REPRESENTATIVE IS IN THE SUCCESSFUL SUPPLIER'S/BIDDER'S POSSESSION. ALL CHARGES FOR THE TIME UTILIZED BY THE INDEPENDENT INSPECTOR AND CPSTL LABORATORY FOR SAMPLING AND TESTING WILL BE ON CEYPETCO'S ACCOUNT.
- 2.7.2.7. THE QUANTITY OF PRODUCTS AT THE DISCHARGE PORT COLOMBO WILL BE DETERMINED BY AN INDEPENDENT INSPECTOR (ITS CALEB BRETT/GEO-CHEM/SBC ASIA – SAYBOLT/SGS/BUREAU VERITAS) AT COLOMBO. SUCH DETERMINATIONS SHALL BE REPORTED ON THE CERTIFICATE OF QUANTITY. IN THE EVENT THAT THE OUT-TURN LOSS (OUT-TURN QUANTITY VS. B/L QUANTITY) IS IN EXCESS OF 0.3% AND/OR THERE IS ANY FREE FLOWING PRODUCT LEFT ON BOARD AS REPORTED AND CERTIFIED BY THE INDEPENDENT INSPECTOR AT DISCHARGE PORT, THE SUCCESSFUL SUPPLIER/BIDDER SHALL DEDUCT THE EXCESS LOSS AND/OR FREE FLOWING PRODUCT LEFT ON BOARD FROM THE BILL OF LADING QUANTITY FOR INVOICE PURPOSES.
- 2.7.2.8. THE QUALITY CERTIFICATE AT DISCHARGE PORT, COLOMBO SHALL BE ISSUED BY THE INDEPENDENT INSPECTOR BASED ON THE TEST REPORT OF CEYPETCO REFINERY LABORATORY.
- 2.7.2.9. THE COST OF INSPECTION AT DISCHARGE PORT SHALL BE SHARED EQUALLY BETWEEN CEYPETCO AND THE SUCCESSFUL SUPPLIER/BIDDER.

2.7.3. PENALTY FOR UNACCEPTABLE QUALITY

- 2.7.3.1. IN THE EVENT ANY SIGNIFICANT DEVIATION IF FOUND AT TIME OF TESTING OF THE QUALITY OF THE CARGO AT THE DISCHARGE PORT, A DECISION TO DISCHARGE THE CARGO WILL BE TAKEN ON MUTUAL AGREEMENT OF BOTH CEYPETCO AND THE SUCCESSFUL SUPPLIER/BIDDER.
- 2.7.3.2. ANY DELAYS DUE TO SUCH DECISION, THE COST INCURRED DUE TO THE DELAY IS EQUALLY SHARED BETWEEN CEYPETCO AND THE SUCCESSFUL SUPPLIER/BIDDER.

2.8 OUT-TURN LOSS

IN THE EVENT THAT THE OUT-TURN LOSS (OUT-TURN QUANTITY VS. B/L QUANTITY) IS IN EXCESS OF 0.3% AND/OR THERE IS ANY FREE FLOWING PRODUCT LEFT ON BOARD AS REPORTED BY INDEPENDENT INSPECTORS (GEO-CHEM/ITS CALEB BRETT/SBC ASIA – SAYBOLT/SGS/BUREAU VERITAS) AT DISCHARGE PORT, COLOMBO THE SUCCESSFUL SUPPLIER/BIDDER SHALL DEDUCT THE EXCESS LOSS AND/OR FREE FLOWING PRODUCT LEFT ON BOARD FROM THE B/L QUANTITY FOR INVOICE PURPOSES.

THE DETERMINATION OF OUT-TURN QUANTITY SHALL BE BASED ON THE OUT-TURN QUANTITY STIPULATED IN THE CERTIFICATE OF OUTTURN QUANTITY AT DISCHARGE PORT, COLOMBO ISSUED OR ENDORSED BY THE INDEPENDENT INSPECTOR.

2.9 PRICE / PAYMENT / INTEREST

2.9.1. PAYMENT IN THIRTY (30) DAYS - OPTION -1

DES COLOMBO PRICE FOR MURBAN CRUDE OIL SHALL BE CALCULATED AS FOLLOWS;

PRICE OFFERED FOR MURBAN CRUDE OIL IN U.S. DOLLARS PER BARREL ON **DES COLOMBO BASIS (INCOTERMS 2000)** SHALL BE "MURBAN ADNOC" FOB PRICE PER NET US BARREL CHARGED BY ABU DHABI NATIONAL OIL COMPANY ("ADNOC") TO TERM CUSTOMERS (I.E. GOVERNMENT SELLING PRICE) FOR LIFTINGS OF MURBAN CRUDE OIL LIFTED BY THEM FOR THE B/L MONTH, PLUS A FIXED PREMIUM/DISCOUNT FOR THE FIRST 30 DAYS INTEREST FREE CREDIT PERIOD.

BIDDERS ARE REQUESTED TO QUOTE THE PREMIUM/DISCOUNT FOR FOB JEBEL DHANNA/ FUJAIRAH, U.A.E. BASIS AS WELL

2.9.2. PAYMENT IN NINETY (90) DAYS - OPTION -2

DES COLOMBO PRICE FOR MURBAN CRUDE OIL SHALL BE CALCULATED AS FOLLOWS;

PRICE OFFERED FOR MURBAN CRUDE OIL IN U.S. DOLLARS PER BARREL ON **DES COLOMBO BASIS (INCOTERMS 2000)** SHALL BE "MURBAN ADNOC" FOB PRICE PER NET US BARREL CHARGED BY ABU DHABI NATIONAL OIL COMPANY ("ADNOC") TO TERM CUSTOMERS (I.E. GOVERNMENT SELLING PRICE) FOR LIFTINGS OF MURBAN CRUDE OIL LIFTED BY THEM FOR THE B/L MONTH, PLUS A FIXED PREMIUM/DISCOUNT FOR THE FIRST 30 DAYS INTEREST FREE CREDIT PERIOD PLUS INTEREST RATE FOR THE EXTENDED CREDIT PERIOD AFTER 30 DAYS TO 90 DAYS BASED ON A MARGIN OVER THREE (03) MONTHS LIBOR (U.S. DOLLARS) AS PUBLISHED BY THE FINANCIAL TIMES OR REUTERS. LIBOR WILL BE THAT EXISTING ON THE B/L DATE. L/C AMOUNT SHALL COVER THE CARGO VALUE AND THE INTEREST AMOUNT FOR THE EXTENDED PAYMENT PERIOD.

BIDDERS ARE REQUESTED TO QUOTE THE PREMIUM/DISCOUNT FOR FOB JEBEL DHANNA/ FUJAIRAH, U.A.E. BASIS AS WELL

2.9.3. PAYMENT WILL BE MADE THIRTY (30) DAYS (OPTION-1) OR NINETY (90) DAYS (OPTION-2) AFTER THE B/L DATE [B/L DATE TO COUNT AS DAY ZERO (0)] BY AN IRREVOCABLE, NON-ASSIGNABLE, NON-TRANSFERABLE & UNCONFIRMED DOCUMENTARY LETTER OF CREDIT (L/C) ESTABLISHED THROUGH BANK OF CEYLON/PEOPLE'S BANK, COLOMBO. ALL BANK CHARGES OUTSIDE SRI LANKA, IF ANY, WILL BE TO THE ACCOUNT OF THE SUCCESSFUL SUPPLIER/BIDDER. CONFIRMATION CHARGES OF L/C SHALL BE TO THE BENEFICIARY'S ACCOUNT.

2.9.4. SELECTION OF EITHER OPTION - 1 (PAYMENT IN 30 DAYS) OR OPTION - 2 (PAYMENT IN 90 DAYS) OF THE TENDER AT ITS SOLE DISCRETION OF THE SSCAPC.

2.9.5. L/C TO BE ESTABLISHED BY THE BANK OF CEYLON OR PEOPLE'S BANK (IN CONSULTATION WITH THE SUCCESSFUL SUPPLIER/BIDDER), IN A FORMAT ACCEPTABLE BOTH TO THE SUCCESSFUL SUPPLIER/BIDDER AND CEYPETCO EIGHT CALENDAR DAYS THE LATEST PRIOR TO THE FIRST DAY OF THE TWO DAY NARROWED DOWN DELIVERY DATE RANGE AT COLOMBO. SUPPLIER SHALL BE RESPONSIBLE TO TRACE AND VERIFY THE RECEIPT OF THE L/C THROUGH THEIR CORRESPONDING BANKS. THE SUPPLIER SHALL ALSO BE RESPONSIBLE TO SEND ALL REQUIRED DETAILS (PROFORMA INVOICE) FOR THE ESTABLISHMENT OF THE L/C TO CEYPETCO WITHIN THREE WORKING DAYS AFTER THE RECEIPT OF LETTER OF ACCEPTANCE FOR TENDER.

- 2.9.6. IF THE PAYMENT DUE DATE FALLS ON A SATURDAY OR NON-MONDAY BANK HOLIDAY IN NEW YORK, USA, PAYMENT SHALL BE EFFECTED ON THE LAST PRECEDING BANKING DAY IN NEW YORK, USA. IF THE PAYMENT DUE DATE FALLS ON A SUNDAY OR MONDAY BANK HOLIDAY IN NEW YORK, USA, PAYMENT SHALL BE EFFECTED ON THE FIRST FOLLOWING BANKING DAY IN NEW YORK, USA CREDIT PERIOD UNDER 2.9.1. & 2.9.2. ABOVE FOR THE PURPOSE OF INTEREST CALCULATION SHALL BE ADJUSTED AS PER PAYMENT DUE DATE BEING AFFECTED UNDER THIS CONDITION.
- 2.9.7. IN THE EVENT THAT CEYPETCO SHALL REMIT ANY MONIES DUE AND PAYABLE TO THE SUCCESSFUL SUPPLIER'S/ BIDDER'S BANK ACCOUNT ON A DATE AFTER THE DUE DATE SPECIFIED FOR PAYMENT, THEN INTEREST SHALL BE CHARGED AT PREVAILING MONTHLY AVERAGE LIBOR (US DOLLARS) AS PUBLISHED BY THE FINANCIAL TIMES OR REUTERS PLUS A RATE OF TWO (2) PERCENT PER ANNUM, ON ALL AMOUNTS REMAINING OUTSTANDING FOR THE PERIOD FROM THE DATE PAYMENT WAS DUE TO THE DATE OF THE SUCCESSFUL SUPPLIER'S/BIDDER'S RECEIPT OF PAYMENT.
- 2.9.8. FINAL UNIT PRICE FOR MURBAN CRUDE OIL SHALL BE EXPRESSED TO THREE DECIMAL PLACES BY ROUNDING UP THE THIRD DECIMAL PLACE IF THE FOURTH DECIMAL PLACE IS FIVE (5) OR GREATER.
- 2.9.9. THE "LATEST DATE OF SHIPMENT" IN THE L/C SHALL BE DETERMINE BY CEYPETCO BASED ON THE ESTIMATED AVERAGE SAILING TIME FROM JEBEL DHANNA, U.A.E. OR FUJAIRAH, U.A.E. UP TO THE PORT OF COLOMBO DURING THE AGREED DELIVERY LAYCAN. ANY SUBSEQUENT CHANGES PROPOSED FOR THE "LATEST DATE OF SHIPMENT" BY THE SUPPLIER TO THE L/C SHALL BE SUBJECTED TO THE LATE DELIVERY PENALTY IMPOSED AS PER THE CLAUSE REFERENCE 2.12.6 OF THIS TENDER DOCUMENT.
- 2.9.10. L/C ESTABLISHED BY CEYPETCO WILL CALL FOR THE FOLLOWING ORIGINAL DOCUMENTS.
- 2.9.10.1. MANUALLY SIGNED ORIGINAL COMMERCIAL INVOICE BASED ON THE NET B/L QUANTITY IN U.S. BARREL @ 60 °F (IN AIR).
- 2.9.10.2. FULL SET OF 3/3 ORIGINAL 'CLEAN ON BOARD' BILL OF LADING ISSUED OR ENDORSED TO THE ORDER OF BANK OF CEYLON/PEOPLE'S BANK, COLOMBO AND NOTIFY 'CEYLON PETROLEUM CORPORATION' AND SHOWING FREIGHT PAYABLE AS PER CHARTER PARTY. EACH ORIGINAL B/L TO BE MANUALLY SIGNED BY THE MASTER OF THE VESSEL OR OWNERS OR SIGNED ON BEHALF OF THE MASTER AS AGENTS.
- 2.9.10.3. CERTIFICATE OF QUANTITY AND QUALITY AT LOAD PORT ISSUED BY THE ABU DHABI NATIONAL OIL COMPANY (ADNOC) / ABU DHABI COMPANY FOR ONSHORE PETROLEUM OPERATIONS LTD. (ADCO), U.A.E.
- 2.9.10.4. CERTIFICATE OF QUANTITY AT LOAD PORT ISSUED OR ENDORSED BY THE INDEPENDENT INSPECTOR.
- 2.9.10.5. CERTIFICATE OF U.A.E. ORIGIN ISSUED BY THE ABU DHABI NATIONAL OIL COMPANY (ADNOC) / ABU DHABI COMPANY FOR ONSHORE PETROLEUM OPERATIONS LTD. (ADCO), U.A.E.

- 2.9.10.6. CERTIFICATE OF SHIP ARRIVAL QUANTITY AT DISCHARGE PORT, COLOMBO ISSUED OR ENDORSED BY THE INDEPENDENT INSPECTOR.
- 2.9.10.7. CERTIFICATE OF OUTTURN QUANTITY AT DISCHARGE PORT, COLOMBO ISSUED OR ENDORSED BY THE INDEPENDENT INSPECTOR.
- 2.9.10.8. THE NEGOTIATION OF LETTER OF CREDIT UPON PRESENTATION OF LETTER OF INDEMNITY (LOI) IN LIEU OF ABOVE ORIGINAL SHIPPING DOCUMENTS IS PERMITTED FOR THE SUCCESSFUL SUPPLIER/BIDDER, SUBJECT TO;
 - 2.9.10.8.1. PRESENTATION OF BENEFICIARY'S MANUALLY SIGNED ORIGINAL COMMERCIAL INVOICE.
 - 2.9.10.8.2. PRESENTATION OF SHIP ARRIVAL QUANTITY REPORT ISSUED BY THE INDEPENDENT INSPECTOR AT DISCHARGE PORT, COLOMBO.
 - 2.9.10.8.3. PRESENTATION OF OUTTURN QUANTITY REPORT ISSUED BY THE INDEPENDENT INSPECTOR AT DISCHARGE PORT, COLOMBO.
 - 2.9.10.8.4. OBTAINING PRIOR APPROVAL OF CEYPETCO FOR SUCH LOI FORMAT.

2.10 LOCAL AGENT

OFFER SHOULD INDICATE THE LOCAL AGENT'S NAME, ADDRESS AND QUANTUM OF COMMISSION PAYABLE TO LOCAL AGENT WHICH SHOULD BE INCLUDED IN THE PRICE QUOTED. THE LOCAL AGENT'S COMMISSION WILL BE DEDUCTED FROM THE INVOICE VALUE AND PAID IN SRI LANKA RUPEES DIRECTLY TO THE LOCAL AGENT.

2.11 TITLE AND RISK

TITLE AND RISK/PROPERTY OF THE PRODUCTS SUPPLIED UNDER THE TERMS OF THIS TENDER SHALL PASS ON TO CEYPETCO AT THE DISCHARGE PORT WHEN PRODUCT PASSES THE SUCCESSFUL SUPPLIER'S/BIDDER'S VESSEL'S PERMANENT HOSE/DISCHARGING ARM CONNECTION.

2.12 CLAIMS, DISPUTES AND PENALTY FOR LATE DELIVERY AND DELIVERY OF LESSER QUANTITY THAN AGREED

- 2.12.1 ANY CLAIM WHATSOEVER ARISING UNDER AGREEMENT BY EITHER PARTY AGAINST THE OTHER SHALL BE LODGED IN WRITING WITHIN (60) SIXTY DAYS OF RECEIPT OF PRODUCT BY THE BUYER OR IN THE CASE THE CARGO IS NOT DELIVERED TO CEYPETCO WITHIN SIXTY (60) DAYS OF THE LAST DATE OF DELIVERY LAYCAN AS NOTIFIED BY THE CEYPETCO. OTHERWISE ANY SUCH CLAIM SHALL BE DEEMED TO HAVE BEEN WAIVED.
- 2.12.2 EVERY ENDEAVOUR SHALL BE MADE TO SETTLE ANY DIFFERENCE OR DISPUTE BETWEEN CEYPETCO AND THE SUCCESSFUL SUPPLIER/BIDDER ARISING FROM ANY TRANSACTION BY MUTUAL NEGOTIATIONS, FAILING WHICH SUCH DIFFERENCES OR DISPUTES SHALL BE SETTLED BY ARBITRATION.
- 2.12.3 THE VENUE OF ARBITRATION SHALL BE COLOMBO, SRI LANKA.

- 2.12.4 THE ARBITRATION SHALL FOLLOW UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW (**UNCITRAL**) PROCEDURES.
- 2.12.5 ARBITRATION SHALL BE A CONDITION PRECEDENT TO THE INSTITUTION OF ANY LEGAL ACTION BY EITHER PARTY AGAINST THE OTHER.
- 2.12.6 THE SUCCESSFUL SUPPLIER/BIDDER IS FULLY RESPONSIBLE TO DELIVER THE CARGO WITHIN THE AGREED UPON DELIVERY LAYCAN. FAILURE TO COMPLY WITH THE AGREED UPON DELIVERY LAYCAN WILL MAKE **THE SUCCESSFUL SUPPLIER/BIDDER LIABLE FOR LIQUIDATED DAMAGES OF 0.25% OF THE DES VALUE PER DAY FOR EACH DAY OF DELAY BEYOND THE MAXIMUM NUMBER OF TWO DAYS COUNTS OR PRO-RATA BASIS FROM 00:01 HRS. OF THE THIRD DAY AFTER THE LAST DAY OF AGREED DELIVERY LAYCAN TILL VESSEL TENDER NOR AT DISCHARGE PORT AT COLOMBO. SUCH DELAYS SHALL ONLY BE ENTERTAINED ON PRIOR APPROVAL OF CEYPETCO. IF THE DELAY EXCEEDS SEVEN DAYS AFTER THE LAST DATE OF THE AGREED DELIVERY LAYCAN WITHOUT OBTAINING PRIOR APPROVAL, CEYPETCO WILL RESERVE RIGHT TO TERMINATE THE TENDER.**
- 2.12.7 THE SUCCESSFUL SUPPLIER/BIDDER IS FULLY RESPONSIBLE TO DELIVER THE AGREED QUANTITY OF CARGO UNDER EACH SHIPMENT. FAILURE TO DELIVER THE QUANTITY AGREED UPON ADJUSTED TO THE TOLERANCE OF MINUS FIVE PERCENT (-5%) WILL MAKE THE SUCCESSFUL SUPPLIER/BIDDER **LIABLE FOR A PENALTY OF US\$ 10,000 PER 1,000 MT OR PART THEREOF FOR SHORT LOADING BELOW MINUS 5%.**
- 2.12.8 IF THE SUCCESSFUL SUPPLIER/BIDDER FAILS TO DELIVER ANY FULL SHIPMENT UNLESS AGREED FOR AN ALTERNATIVE, CEYPETCO WILL RESERVE THE RIGHT TO ENCASH THE BID SECURITY GUARANTEE.

2.13 AWARD OF TENDER

- 2.13.1. CEYPETCO RESERVES TO ITSELF THE RIGHT TO CANCEL THE TENDER OR TO REJECT ANY PART OF THE TENDER OR REJECT THE TENDER WITHOUT ASSIGNING ANY REASON WHATSOEVER. IN SUCH AN EVENT CEYPETCO SHALL NOT BE LIABLE TO ANY COMPENSATION OR DAMAGES ARISING THEREFROM.
- 2.13.2. SELECTION OF EITHER OPTION - 1 (PAYMENT IN 30 DAYS) OR OPTION - 2 (PAYMENT IN 90 DAYS) OF THE TENDER AT ITS SOLE DISCRETION OF THE SSCAPC.
- 2.13.3. WHERE THE TENDER IS AWARDED SUCH AWARD SHALL BE IN ACCORDANCE WITH THESE TERMS AND CONDITIONS NOTWITHSTANDING ANY VARIATION IN THE OFFER THEREFROM UNLESS EXPRESSLY AND SPECIFICALLY PROVIDED FOR OTHERWISE IN THE COMMUNICATION OF THE AWARD.
- 2.13.4. THE SUCCESSFUL SUPPLIER/BIDDER, ON RECEIPT OF THE AWARD, SHALL FORTHWITH ACKNOWLEDGE AND CONFIRM ACCEPTANCE OF SAME BY FAX/E-MAIL AND PROCEED TO TAKE ALL STEPS THAT ARE NECESSARY TO ENSURE PERFORMANCE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE TENDER.
- 2.13.5. THE SUCCESSFUL SUPPLIER/BIDDER, ON RECEIPT OF THE AWARD, SHALL FORTHWITH ACKNOWLEDGE AND CONFIRM ACCEPTANCE OF SAME BY FAX/E-MAIL AND PROCEED TO TAKE ALL STEPS THAT ARE NECESSARY TO ENSURE PERFORMANCE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE TENDER.

2.14 DELIVERY OF MURBAN CRUDE OIL AT SPBM 1 COLOMBO

- 2.14.1. THE SUCCESSFUL SUPPLIER/BIDDER SHALL BE GIVEN TWO DAY NARROWED DOWN DELIVERY LAYCAN WHICH WILL BE INFORMED BY CEYPETCO TO THE SUCCESSFUL SUPPLIER/BIDDER **THIRTY (30) DAYS** PRIOR TO THE DELIVERY DATE OF THE FIRST DAY OF THE SAID DELIVERY LAYCAN. IT IS IMPERATIVE THAT THE SHIPMENT IS DELIVERED IN COLOMBO DURING THE TWO DAY DELIVERY LAYCAN NOTIFIED BY CEYPETCO IN ONE TANKER IN ONE LOT.
- 2.14.2. THE DELIVERY OF MURBAN CRUDE OIL SHOULD BE MADE ON **DES COLOMBO BASIS (INCOTERMS 2000)** IN CARGO SIZE OF 700,000 BBLS +/- 5% AT THE TWO DAY DELIVERY LAYCAN SPECIFIED BY CEYPETCO TO THE SUCCESSFUL SUPPLIER/BIDDER, THIRTY (30) DAYS BEFORE THE FIRST DAY OF THE DELIVERY LAYCAN.

2.15 LAYTIME FOR DISCHARGE AT SPBM 1 COLOMBO

- 2.15.1. LAYTIME FOR DISCHARGE AT SPBM COLOMBO SHALL BE 72 HRS AND THE COMMENCEMENT OF LAYTIME SHALL BE DETERMINED IN THE FOLLOWING MANNER.
- 2.15.2. NOTICE OF READINESS (NOR) SHOULD BE TENDERED BETWEEN 0600 HRS AND 1500 HRS DURING DELIVERY LAYCAN AGREED UPON.
- 2.15.3. IF NOR IS TENDERED AFTER 1500 HRS FOR ALL PURPOSES IT WILL BE CONSIDERED THAT NOR HAS BEEN TENDERED AT 0600 HRS ON THE FOLLOWING DAY AND LAYTIME SHALL COMMENCE 06 HRS THEREAFTER OR AT THE TIME OF COMPLETION OF MOORING, WHICHEVER IS EARLIER UNDER NORMAL WEATHER/SEA CONDITIONS. IF NOR IS TENDERED BEFORE THE COMMENCEMENT OF THE DELIVERY LAYCAN AGREED UPON, FOR ALL PURPOSES IT WILL BE CONSIDERED THAT NOR HAS BEEN TENDERED AT 0600 HRS ON THE FIRST DAY OF THE LAYCAN. LAYTIME SHALL IN SUCH CASE COMMENCE 06 HRS THEREAFTER OR AT THE TIME OF MOORING, WHICHEVER IS EARLIER.
- 2.15.4. IF THE VESSEL IS MOORED PRIOR TO THE DELIVERY LAYCAN AGREED UPON, AT THE REQUEST OF THE SELLER, LAYTIME SHALL COMMENCE AT 0600 HRS ON THE FIRST DAY OF THE LAYCAN.
- 2.15.5. IF NOR IS TENDERED AFTER 1500 HRS ON THE LAST DAY OF THE DELIVERY LAYCAN AGREED UPON, LAYTIME SHALL COMMENCE AT THE TIME OF COMPLETION OF MOORING, AND ALL DEMURRAGE COSTS AT THE SPBM TO BE FOR THE ACCOUNT OF SELLER.
- 2.15.6. BERTHING AND MOORING OF TANKERS AT SPBM COLOMBO IS GOVERNED BY THE BUILDERS' (IMODCO, USA) RECOMMENDATIONS SPECIALLY WITH REGARD TO THE SAFETY LIMITS OF WEATHER/SEA CONDITIONS. THE BUYER UNDERTAKES TO CLEAR WITH IMODCO OTHER VESSELS THAT MEET THE REVISED SPBM RESTRICTIONS AND SHARE THESE FINDINGS WITH THE SELLER.
- 2.15.7. ANY DELAYS IN BERTHING DUE TO WEATHER AND/OR SEA CONDITIONS TO BE COUNTED AS HALF LAYTIME (CONOCO WEATHER CLAUSE).

2.16 NOTICE OF ARRIVAL AT COLOMBO

MASTER OF VESSEL SHOULD ADVISE ESTIMATED TIME OF ARRIVAL (ETA) AT COLOMBO 3/2/1 DAYS IN ADVANCE TO THE COMMERCIAL MANAGER, CEYLON PETROLEUM CORPORATION TEL NOS. +94-115664649 FAX +94-115455406/5455400 E-MAIL: cm@ceypetco.gov.lk, THE OPERATIONS MANAGER AT OIL FACILITIES OFFICE, CPSTL, COLOMBO TEL NO. +94-112422388/ FAX 94-112434273, THE OPERATIONS MANAGER (BULK MOVEMENTS AND BULK PRODUCTS) CPSTL, COLOMBO TEL/FAX NO. 94-112572324 AND THE REFINERY MANAGER, CPC TEL NO. +94-112400433/2400432 FAX NO.94-112400436 VIA VESSEL AGENT AT COLOMBO.

2.17 VESSEL REQUIREMENTS

2.17.1. REQUIREMENTS OF TANKERS FOR DISCHARGING OF PRODUCT VIA SPBM 1 COLOMBO

VESSEL NOMINATED

2.17.1.1. SHOULD MEET FOLLOWING COLOMBO PORT RESTRICTIONS:

- | | | |
|-----------------------|---|---------------------------|
| (A) LENGTH | - | UPTO ABOUT 298.70 M |
| (B) BEAM | - | UPTO ABOUT 43.89 M |
| (C) MOULDED DEPTH | - | UPTO ABOUT 22.56 M |
| (D) DRAFT | - | 18.90 M |
| (E) FORWARD DRAFT | - | 3.28 M MIN. WHILST AT SPM |
| (F) SUMMER DEADWEIGHT | - | 180,000 DWT MAX. |
| (G) TYPE OF HULL | - | DOUBLE HULL |

NOTE:

IN ORDER TO ESTABLISH A BETTER CONTROL OF TANKER MOVEMENT AROUND SPM, MINIMUM 2/3 PROPORTION OF CARGO QUANTITY VS. DEADWEIGHT WOULD BE PREFERRED BY CHARTERER.

2.17.1.2. SHALL NOT EXCEED 20 YEARS OF AGE. UNDER NO CIRCUMSTANCES VESSELS OVER 20 YEARS OF AGE WILL BE ACCEPTED. ACCEPTABLE CAP RATING OF THE VESSEL IS **0** OR **1** FOR HULL AND MACHINERY.

2.17.1.3. **MANIFOLD**

- | | | |
|------------------------|---|---|
| A) MANIFOLD LOCATION | - | MIDSHIP (PORT SIDE) |
| B) MANIFOLD CONNECTION | - | ONE 12 INCH STUDDED CAMLOCK FLANGE ANSI CLASS 150 |

2.17.1.4. **DETAILS OF DERRICK AT MANIFOLD LOCATION**

DERRICK SHOULD HAVE MINIMUM SAFE WORKING LOAD OF 10 MT AND SHOULD BE IN GOOD OPERATIONAL CONDITION.

2.17.1.5. **MOORING EQUIPMENT, MOORING AND TOWING ARRANGEMENT**

TANKER SHOULD BE FITTED WITH A CENTRAL BOW STOPPER (CHAIN STOPPER) OF FOLLOWING CAPACITY FOR OCIMF CHAFE CHAIN "B".

TANKERS UPTO 100,000 DWT - 100 TONNES SWL
TANKERS OVER 100,000 DWT - 200 TONNES SWL

- 2.17.1.6. TANKER SHOULD BE FITTED WITH A CENTRAL BOW FAIR LEAD (BULL RING) MEASURING AT LEAST 600 MM X 450 MM.
- 2.17.1.7. POSITION OF PEDESTAL ROLLER FAIRLEAD/WINCH DRUM
 - (a) SHOULD BE A CONTINUATION OF THE DIRECT LEAD LINE BETWEEN THE BOW FAIRLEAD (BULL RING) AND BOW CHAIN STOPPER.
 - (b) SHOULD BE NOT LESS THAN 4.5 METRES DIRECTLY BEHIND THE BOW CHAIN STOPPER.
 - (c) SHOULD BE AT SUCH A HEIGHT THAT FAIRLEAD ROLLERS WILL ENABLE AN UNRESTRICTED LINE PULL TO BE ACHIEVED.
- 2.17.1.8. PEDESTAL FAIRLEAD SHOULD BE FITTED FOR LEAD TO WINCH/WINDLASS.
- 2.17.1.9. SHOULD HAVE A MESSENGER LINE OF CIRCUMFERENCE 4 INCH/5 INCH X 500 FT. LONG, ONE END CONNECTED TO AN EMPTY MOORING ROPE WINCH DRUM.
- 2.17.1.10. TANKER SHOULD HAVE A "PANAMA" LEAD RIGHT AFT ON ITS CENTRE LINE.
- 2.17.1.11. A GOOD TOW ROPE (POLYPROPYLENE) OF 10" CIRCM OR ABOVE IN SIZE AND LENGTH (APPROX. 650 FT.) TO BE KEPT READY AT THE STERN. IF NECESSARY, TWO ROPE COILS MAY BE JOINED TO OBTAIN LENGTH OF 650 FT.
- 2.17.1.12. MOORING MASTERS SHOULD HAVE FREE ACCESS TO NAVIGATIONAL CHARTS AND EQUIPMENTS REQUIRED FOR MOORING OPERATION.
- 2.17.1.13. WHEEL HOUSE TO BE KEPT OPEN THROUGHOUT THE PERIOD THE TANKER MADE FAST TO THE BUOY.
- 2.17.1.14. A FORE-CASTLE WATCHMAN TO BE MADE AVAILABLE BY THE TANKER THROUGHOUT THE PERIOD THE TANKER MADE FAST TO THE BUOY.
- 2.17.1.15. ALL TOOLS REQUIRED FOR CONNECTION/DISCONNECTION OF CARGO HOSE TO BE SUPPLIED BY THE TANKER.
- 2.17.1.16. CONNECTION/DISCONNECTION OF HOSE IS THE RESPONSIBILITY OF SHIP'S STAFF UNDER THE SUPERVISION OF A SHIP'S OFFICER ON THE INSTRUCTIONS OF CEYPETCO OFFICIALS ON BOARD THE TANKER.
- 2.17.1.17. TANKER'S MAIN ENGINE SHOULD BE KEPT READY THROUGHOUT THE PERIOD OF STAY AT THE BUOY FOR MANOEUVRING PROMPTLY ON NOTICE.

2.17.1.18. **INERT GAS SYSTEM**

TANKER SHOULD HAVE AN OPERATIONAL INERT GAS PLANT CAPABLE OF MAINTAINING TANK ATMOSPHERE OF LESS THAN 8 PCT. OXYGEN CONTENT AND POSITIVE PRESSURE IN CARGO TANKS WITHIN SAFE LIMITS AT ALL STAGES OF DISCHARGE.

2.17.1.19. **COMMUNICATION EQUIPMENT**

TANKER SHOULD HAVE VHF CHANNEL 09,16,68,71 FACILITIES FOR COMMUNICATION WITH SHORE FACILITY. TANKER'S CARGO CONTROL ROOM SHOULD HAVE FACILITY TO MAINTAIN A CONTINUOUS WATCH ON VHF CHANNEL 71 FOR OPERATIONAL REQUIREMENTS.

2.17.1.20. **ACCOMMODATION/MEALS**

FOLLOWING PERSONNEL WOULD STAY ON BOARD THROUGHOUT THE PERIOD OF TANKER MADE FAST TO THE BUOY.

- (a) TWO MOORING MASTERS
- (b) TWO LOADING MASTERS
- (c) ONE SAMPLE COLLECTOR (CREW)
- (d) TWO INDEPENDENT INSPECTORS (JUNIOR OFFICERS)

2.17.1.21. PROPER ACCOMMODATION ON OFFICERS DECK SHOULD BE ARRANGED FOR THE MOORING MASTERS, LOADING MASTERS AND INDEPENDENT INSPECTORS.

2.17.1.22. MEALS FOR MOORING MASTERS, LOADING MASTERS AND INDEPENDENT INSPECTORS SHOULD BE SERVED IN OFFICERS' DINING SALOON AT THE OWNERS EXPENSE.

2.17.1.23. **RATE OF DISCHARGE**

TANKER SHOULD BE EQUIPPED WITH CARGO DISCHARGE PUMPS CAPABLE OF DISCHARGING THROUGH THE MANIFOLD AS MENTIONED IN CLAUSE 3.2 ABOVE WHILE MAINTAINING A PRESSURE OF 8.5 KG /9.5 KG. MINIMUM AT THE MANIFOLD OR AS ADVISED BY THE MOORING MASTERS.

NOTE : WHEN PUMPING TO REFINERY (22 KM DISTANCE) AVERAGE RATE 1500 MT/HR. AT 9.5 KG.

WHEN PUMPING TO TANK FARM (12 KM DISTANCE) AVERAGE RATE 2500 MT/HR. AT 8.5 KG.

2.17.1.24. **CRUDE OIL WASHING**

COW SHOULD BE CARRIED OUT ONLY UPTO MARPOL 25% WHILE DISCHARGING CRUDE OIL WITHOUT INTERRUPTION TO DISCHARGE OPERATION.

IMPORTANT

IT IS IMPERATIVE THAT THE CARGO IS DELIVERED AT SPBM COLOMBO IN ONE LOT ON THE DELIVERY LAYCAN AGREED UPON. SHOULD YOU FAIL TO DELIVER THE CARGO AT DISCHARGE AT SPBM COLOMBO IN ONE LOT ON THE DELIVERY LAYCAN AGREED UPON, YOU WOULD BE HELD LIABLE FOR HEAVY PENALTIES AND ALL CONSEQUENTIAL LOSSES.

2.18. LINE FLUSHING AT SPM 1, COLOMBO

THE VESSEL NOMINATED BY THE SUCCESSFUL SUPPLIER/BIDDER SHOULD BE CAPABLE OF FLUSHING THE 13 KM LENGTH, DISCHARGE LINE (36 INCH SUBMARINE LINE REDUCED TO 24 INCH) WITH MINIMUM OF 5.0 KG/CM² PRESSURE AT MANIFOLD, WITH APPROX. 8,000 M³ OF SEA WATER, AS AND WHEN REQUIRED.

2.19. DEMURRAGE

2.19.1. ALL CLAIMS FOR DEMURRAGE SHALL BE ACCOMPANIED BY THE RESPECTIVE CHARTER PARTY. CEYPETCO SHALL NOT BE BOUND BY THE TERMS AND CONDITIONS OF THE CHARTER PARTY EXCEPT TO THE EXTENT SUCH TERMS AND CONDITIONS HAVE BEEN COMMUNICATED TO CEYPETCO AND EXPRESSLY AGREED TO BY CEYPETCO.

2.19.2. IN CASE OF VESSEL ARRIVING OUTSIDE LAYCAN AGREED UPON, LAYTIME TO START COUNTING FROM THE TIME OF BERTHING AS PER SUB CLAUSE 2.15.4. & SUB CLAUSE 2.15.5.

2.19.3. IF THE TOTAL LAYTIME TO COMPLETE THE ENTIRE CARGO DISCHARGE EXCEEDS THE LAYTIME ALLOWED AS PER CLAUSE 2.15. CEYPETCO WILL BE LIABLE TO PAY THE DEMURRAGE TO THE SUCCESSFUL SUPPLIER/BIDDER.

2.19.4. HOWEVER IN THE EVENT THE SUCCESSFUL SUPPLIER'S/BIDDER'S VESSEL ARRIVES LATE AND IS BERTHED ON ARRIVAL WHICH AFFECTS BERTHING OF VESSEL OR VESSELS WHICH ARE ARRIVING ON SCHEDULE, THEN THE SUCCESSFUL SUPPLIER'S/BIDDER'S VESSEL WILL BE UN-BERTHED (WAITING TIME SHALL NOT BE COUNTED AS USED LAYTIME) TO ACCOMMODATE THE VESSEL OR VESSELS ARRIVING ON SCHEDULE OR CONTINUE TO DISCHARGE THE CARGO OF SUCCESSFUL SUPPLIER'S/BIDDER'S VESSEL PROVIDED THAT THE SUCCESSFUL SUPPLIER'S/BIDDER'S SHALL AGREE TO BEAR THE DEMURRAGE ON THE SUBSEQUENT TWO VESSELS THAT ARRIVE ON SCHEDULE AND GETS DELAYED DUE TO PRESENCE OF SUCCESSFUL SUPPLIER'S/BIDDER'S VESSEL ON BERTH. LIABILITY FOR DEMURRAGES ON SUBSEQUENT VESSELS MENTION HEREIN ARE IN ADDITION TO THE PENALTY IMPOSED UNDER SUB CLAUSE 2.12.6. PENALTY FOR DELIVERY TO COMPLY WITH AGREED DELIVERY LAYCAN.

2.19.5. DEMURRAGE RATE OF THE NOMINATED VESSEL SHALL BE DECLARED BY THE SUCCESSFUL SUPPLIER / BIDDER AT THE TIME OF VESSEL NOMINATION FOR EACH CARGO.

2.20 FORCE MAJEURE

THE SUCCESSFUL SUPPLIER / BIDDER OR THE CEYPETCO SHALL NOT BE LIABLE FOR ANY LOSS, CLAIM OR DEMANDS OF ANY NATURE WHATSOEVER, OR BE DEEMED TO BE IN A BREACH OF THIS AGREEMENT BECAUSE OF ANY DELAYS OR FAILURE IN OBSERVING OR PERFORMING ANY

OF THE CONDITIONS OR PROVISIONS HEREOF IF SUCH DELAY OR FAILURE WAS CAUSED BY OR AROSE OUT OF ANY CIRCUMSTANCES WHATSOEVER BEYOND THE SUCCESSFUL SUPPLIER'S / BIDDER'S OR CEYPETCO'S CONTROL INCLUDING (BUT WITHOUT LIMITING THE GENERALITY OF THE FOREGOING) DECLARED OR UNDECLARED WAR, SABOTAGE, BLOCKADE, PIRACY OR PIRATICAL SEIZURE OF VESSEL, REVOLUTION, POLICE ACTION, RIOT OR DISORDER, EMBARGO OR TRADE RESTRICTION OF ANY SORT GOVERNMENT OR QUASI GOVERNMENT ACTION, ACT OF GOD, FIRE, FLOOD, EARTHQUAKE, STORM, TIDE OR TIDAL WAVE, EXPLOSION, ACCIDENT, RADIATION, STRIKE, LOCKOUT OR OTHER LABOUR DISPUTE.

2.21 OTHER REQUIREMENTS

THE BID SHALL BE GOVERNED BY THE "TERMS & CONDITIONS OF TRADE FOR TENDERERS REGISTERED WITH THE COMMERCIAL FUNCTION OF "CEYPETCO" AND A COPY OF THE SAME MUST BE MADE AVAILABLE TO ALL BIDDERS.

2.22. SUBMISSION OF OFFERS

- (A) FAX/E-MAIL QUOTATIONS ARE NOT ENTERTAINED.
- (B) BIDDERS ARE REQUESTED TO SUBMIT THE OFFERS **WITH THEIR BID/PERFORMANCE BONDS** THROUGH THEIR RESPECTIVE LOCAL AGENTS AND THOSE WHO DO NOT HAVE LOCAL AGENTS MAY SUBMIT THEIR OFFERS THROUGH COURIER SERVICE TO FOLLOWING ADDRESS.

CHAIRMAN,
SPECIAL STANDING CABINET APPOINTED PROCUREMENT COMMITTEE (SSCAPC),
3RD FLOOR,
CEYLON PETROLEUM CORPORATION,
NO. 609, DR. DANISTER DE SILVA MAWATHA,
BASELINE ROAD, COLOMBO 09,
SRI LANKA.

- (C) OFFERS CLOSE AT **1200 HRS. SRI LANKA TIME ON WEDNESDAY 03RD MAY 2017** ND SHOULD BE HELD VALID FOR **72 HRS**, THEREFROM.

NOTE

- (i) BIDDERS ARE REQUESTED TO INDICATE AUTHORISED SIGNATURE ON EACH PAGE OF OFFERS.
- (ii) WHEN OFFERS ARE SUBMITTED THROUGH YOUR LOCAL REPRESENTATIVE, BIDDERS ARE REQUESTED TO SUBMIT A LETTER FROM THE PRINCIPALS THAT THEIR LOCAL AGENT IS AUTHORISED TO SUBMIT THE OFFER ON BEHALF OF THEM.
- (iii) PLEASE ALSO NOTE THAT ONLY THOSE WHO HAVE SUBMITTED OFFERS (OR THEIR LOCAL AGENTS) COULD BE PRESENT AT THE TIME OF OPENING OF TENDERS. NO LOCAL AGENT IS PERMITTED TO BRING MOBILE PHONES.



COMMERCIAL MANAGER/CEYPETCO/CE/0033

FORMAT FOR BID SECURITY GUARANTEE

*[This Bank Guarantee form shall be filled in accordance with the instructions indicated in brackets]
 [insert issuing agency's name and address of issuing branch or office]*

Beneficiary : **CEYLON PETROLEUM CORPORATION**

Date : *[insert (by issuing agency) date]*

BID GUARANTEE NO : *[insert (by issuing agency) number]*

We have been informed that [insert (by issuing agency) name of the Bidder; if a joint venture, list complete legal names of partners] (hereinafter called "the Bidder") has submitted to you its bid dated [insert (by issuing agency) date] (hereinafter called "the Bid") for execution / supply [select appropriately] of [insert name of contract] under Invitation for Bids No. [insert IFB number] ("the IFB")

Furthermore, we understand that, according to your conditions, Bids must be supported by a Bid Guarantee.

At the request of the Bidder, we *[insert name of issuing Bank]* hereby unconditionally and irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount in figures]* *[insert amount in words]* upon receipt by us of your first demand in writing accompanied by a written statement stating that the Bidder is in breach of its obligation(s) under the bid conditions.

This Guarantee shall expire: (a) if the Bidder is the successful bidder, upon our receipt of copies of the Contract signed by the Bidder and of the Performance Security issued to you by the Bidder; or (b) if the Bidder is not the successful bidder, upon the earlier of (i) our receipt of a copy of your notification to the Bidder that the Bidder was unsuccessful, otherwise it will remain in force up to *[insert date]*

Consequently, any demand for payment under this Guarantee must be received by us at the office on or before that date

[signature(s) of authorized representative(s)]

FORMAT FOR PERFORMANCE SECURITY GUARANTEE

..... *[issuing Agency's Name and Address of issuing Branch or Office]*
.....

Beneficiary : **CEYLON PETROLEUM CORPORATION**

Date : *[insert (by issuing agency) date]*

PERFORMANCE SECURITY GUARANTEE NO :

We have been informed that *[name of supplier]* (hereinafter called "the Supplier") has entered into contract No. *[reference number of the contract]* dated with you, for the supply of *[name of contract and brief description of works]* (hereinafter called "the Contract")

Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Supplier, we *[name of Bank]* hereby unconditionally and irrevocably undertake to pay you any sum or sums not exceeding in total an amount of US\$..... *[amount in figures]* (United States Dollars.....) *[amount in words]*, upon receipt by us of your first demand in writing accompanied by a written statement stating that the Supplier is in breach of its obligation(s) under the Contract, without your needing to prove or to show grounds for your demand or the sum specified therein.

This Guarantee shall expire, no later than the day of, 20.... *[insert date one month beyond the scheduled contract completion date]* and any demand for payment under it must be received by us at this office on or before that date.

.....
[Signature(s)]

FORM OF BID

The Chairman, Special Standing Cabinet Appointed Procurement Committee,
3rd Floor, Ceylon Petroleum Corporation, No. 609,
Dr. Danister De Silva Mawatha,
Colombo 09, Sri Lanka.

Dear Sir,

BIDDING FOR THE SUPPLY OF A CARGO OF 700,000 BBLs +/-5% OF MURBAN CRUDE OIL FOR DISCHARGE AT SPBM 1 COLOMBO, SRI LANKA

(TENDER REF. CR/08/2017)

NAME AND ADDRESS OF THE BIDDER :

.....

.....

I/We the undersigned read and fully acquainted myself / ourselves with the contents of the Conditions of the terms and Contract and all other Conditions pertaining to the above Bid do hereby undertake to supply the Murban Crude Oil with the specifications and quantity as specified in the tender.

A. PRODUCT / PRICE / INTEREST

| Product | Contractual cargo quantity (Bbls +/- 5%) | Delivery laycan at SPBM 1 Colombo, Sri Lanka | Contractual cargo quality | Premium/ Discount (US\$ per Bbl) | | Interest Rate (Per Annum) |
|------------------|--|---|---------------------------|----------------------------------|----------------------|---------------------------|
| | | | | Option – 1 (30 days) | Option – 2 (90 days) | |
| Murban Crude Oil | 700,000 | 24 th June 2017 – 28 th June 2017 | Annex 'D' – | | | |

B. TERMS & CONDITIONS

| BID DOCUMENT CLAUSE REFERENCE | COMPLIANCE | REMARKS |
|---|------------|---------|
| 1.8. Bid Security Guarantee (Annex – 'A') | | |
| 1.9. Performance Security Guarantee (Annex – 'B') | | |
| 2.2. Contractual cargo quantities | | |
| 2.3. Delivery | | |
| 2.4. Quality | | |

| | | |
|---|--|--|
| 2.5. Source of supply | | |
| 2.6. Mode of Loading | | |
| 2.7.1. Inspection at Load port | | |
| 2.7.2. Inspection at Discharge port | | |
| 2.7.3. Penalty for unacceptable quality | | |
| 2.8. Out-turn loss | | |
| 2.9. Price / Payment / interest | | |
| 2.9.1. DES Colombo price for Murban Crude Oil calculation method under Option -1 | | |
| 2.9.2. DES Colombo price for Murban Crude Oil calculation method under Option -2 | | |
| 2.10. Local Agent & Local Agency Commission (US\$) | | |
| 2.11. Title and Risk | | |
| 2.12. Claims, disputes & Penalty | | |
| 2.13. Award of tender | | |
| 2.14. Delivery of Murban Crude Oil at SPBM 1, Colombo | | |
| 2.15. Laytime for discharge at SPBM 1, Colombo | | |
| 2.16. Notice of arrival at Colombo | | |
| 2.17. Vessel requirements | | |
| 2.18. Line flushing at SPBM 1, Colombo | | |
| 2.19. Demurrage | | |
| 2.20. Force Majeure | | |
| 2.21. Other requirements | | |
| 2.23. Validity of the offer | | |

- I/We confirm that the bid shall remain open for acceptance as mentioned above under validity of bid and that it will not be withdrawn or revoked prior to that date.

- I/We attach hereto the following documents as part of my/our Bid (If any);

.....
.....
.....

- I/We understand that you are not bound to accept the lowest or any other Bid and that you reserve the right to reject any or all Bids or to accept a Bid in full or in part without assigning any reasons therefore.

- I/We undertake to deliver the quantity of Murban Crude Oil referred to above.

Yours Faithfully,

Authorized signature & the official seal of the Bidder :

Name of the Bidder :
.....

Address :
.....
.....
.....

Telephone No. :

Fax No. :

E-mail :

Date :

ANNEXURE - D

| | | Crude MURBAN | | | TBP | | | | | |
|------------------------------------|-------|---------------------|----------------------|----------|--------------|-------|-------|-----|-------|-------|
| | | Country | United Arab Emirates | | DISTILLATION | | | | | |
| | | | | | °C | wt% | vol% | °C | wt% | vol% |
| Density at 15°C, kg/m ³ | 822.4 | | | | 080 | 8.09 | 10.36 | 460 | 80.91 | 83.54 |
| °API | 40.5 | | | | 090 | 9.54 | 12.05 | 480 | 83.49 | 85.87 |
| Bbl/mt | 7.660 | | | | 100 | 11.19 | 13.94 | 500 | 85.78 | 87.92 |
| Acidity, mg KOH/g | 0.05 | | | | 120 | 15.06 | 18.27 | 520 | 87.79 | 89.70 |
| Sulphur, wt% | 0.743 | | | | 140 | 19.48 | 23.11 | 540 | 89.53 | 91.24 |
| Hydrogen Sulphide, mg/kg | 0 | | | | 160 | 24.15 | 28.11 | 560 | 91.04 | 92.56 |
| Mercaptan Sulphur, mg/kg | 56 | | | | 180 | 28.80 | 33.01 | 580 | 92.36 | 93.71 |
| Viscosity, cSt at 10 °C | 6.5 | | | | 200 | 33.37 | 37.77 | | | |
| Viscosity, cSt at 50 °C | 2.5 | | | | 220 | 37.90 | 42.43 | | | |
| Pour Point, °C | -9 | | | | 240 | 42.34 | 46.93 | | | |
| Total Nitrogen, wt% | 0.042 | | | | 260 | 46.50 | 51.09 | | | |
| Wax, wt% | - | | | wt% vol% | 280 | 50.32 | 54.85 | | | |
| Wax Appearance Temperature, °C | - | | | | 300 | 54.08 | 58.49 | | | |
| RVP at 37.8 °C, kPa | 39 | Ethane | 0.00 | 0.01 | 320 | 58.22 | 62.45 | | | |
| Water, vol% | - | Propane | 0.17 | 0.28 | 340 | 62.69 | 66.68 | | | |
| NaCl, mg/kg | - | Iso-Butane | 0.19 | 0.28 | 360 | 65.76 | 69.57 | | | |
| Nickel, mg/kg | 1.6 | n-Butane | 0.69 | 0.97 | 380 | 68.46 | 72.10 | | | |
| Vanadium, mg/kg | 2.4 | | | | 400 | 71.62 | 75.04 | | | |
| Iron, mg/kg | - | | | | 420 | 74.89 | 78.06 | | | |
| Mercury, µg/kg | - | | | | 440 | 78.03 | 80.93 | | | |