

CONTRACT DOCUMENTATION

for a public contract for

the “SUPPLY OF VALVES“

placed in accordance with Section 27 of Act No. 137/2006 Sb., on public procurement, as amended (hereinafter referred to as the „PPA“) by open award procedure.

This Contract Documentation has been issued in the Czech and English language versions. If there are any discrepancies between the above mentioned language versions, the Czech version shall prevail.

1. CONTRACTING ENTITY

The Contracting Entity for this public contract is RWE Gas Storage, s.r.o. having its registered office at: Prague 9, Prosecká 855/68, Postal Code 190 00, Identification No. 27892077, Tax Identification No. CZ 27892077, registered in the Commercial Register maintained by the Municipal Court in Prague, Part C, Insert 124711.

Bank connection: Československá obchodní banka a.s.

Account No.: 17805243/0300

IBAN: CZ9003000000000017805243

Swift Code: CEKOCZPP

Contact address:

RWE Česká republika a.s., Hradec Králové, Pražská 702, Postal Code 500 04

Contact person: Ing. Judita Kalábová

Telephone: + 420 602 578 404

E-mail: judita.kalabova@rwe.cz

The above contact person for the Contracting Entity mediates the suppliers and the Contracting Entity. Getting in touch with any other Contracting Entity's persons during the contract award procedure is not permitted.

2. SUBJECT MATTER AND TERMS OF THE SUPPLY

2.1. The subject matter of the supply is the ball valves (hereinafter referred to as the “BV”) for construction No. 7533 “Direct connection of SS1 and SS2 on the Dolní Dunajovice UGS” and remote control shut-off valves for the Central Area, the South and North Centre for construction No. 7501 “Reconstruction of emergency depressurisation of the Tvrdonice UGS. The valves and the actuators thereof, if any, must comply with the Technical Specification (hereinafter referred to as the “TS”) – Appendix No. 1 to this Contract Documentation.

2.2. The subject matter of the contract is divided into the following parts:

| Contract part | Description |
|---------------|--|
| 1 | Threaded BV with metal-to-metal sealing for the Dolní Dunajovice UGS |
| 2 | Threaded BV with combined sealing for the Dolní Dunajovice UGS |
| 3 | Safety shut-off valves for the Dolní Dunajovice UGS |

| | |
|---|---|
| 4 | Remote controlled valves with combined sealing and actuators for the Tvrdonice UGS |
| 5 | Remote controlled valves with combined metal-to-metal sealing and actuators for the Tvrdonice UGS |

- 2.3. The CPV code is 42130000-9 and 42131000-6.
- 2.4. The tenderers have the right to submit a bid for one, more or all parts of the contract.
- 2.5. The Contracting Entity assumes concluding a framework purchase contract with a single winning tender – supplier for each contract part separately.

3. COMMUNICATION

- 3.1. If the tenderers discover any inconsistency, ambiguity or discrepancy in this Contract Documentation or appendices thereto, they are obliged to inform the Contracting Entity forthwith of such fact in writing.
- 3.2. Any communication must take place in writing during the contract award procedure.
- 3.3. Any question relating to the award procedure must only be sent to the contact person named in Article 1 of this Contract Documentation. The tenderers have the right to communicate only with the above contact person.
- 3.4. To effectively respond to tenderers' questions which may arise during the preparation of the bids, the Contracting Entity undertakes to answer the tenderers' questions which must be put in writing by the tenderers. Any questions must be delivered to the Contracting Entity within no later than 6 business days before the expiration of the time limit for the submission of the bids.
- 3.5. The Contracting Entity reserves the right to supplement or specify any parts of the Contract Documentation by the end of the time limit for the submission of the bids at the latest. All supplements or specifications shall be made according to the Act. Any specific information will be sent by the Contracting Entity to all known tenderers in writing within a statutory period.

4. TIME AND PLACE OF PUBLIC CONTRACT PERFORMANCE

- 4.1 The time of the contract performance: starting from the contract conclusion by 31 January 2018; the delivery times will be specified in individual orders.
- 4.2 The place of the contract performance: the Dolní Dunajovice and Tvrdonice UGSs.

5. TIME LIMIT FOR SUBMISSION OF BIDS AND ENVELOPE MARKING AND SECURITY REQUIREMENTS

The tenderers may submit their bids by registered mail by no later than 28.7.2015 by 10:00 a.m. to the address of RWE Česká republika a.s., Judita Kalábová, Prosecká 855/68, 190 00 Prague, Czech Republic or by personal service at the same address to the filing room or the contract persons on business days from 07:00 a.m. to 03:00 p.m. The decisive shall be deemed the moment of delivery or takeover of the bids. The bids must be submitted in writing, in a single sealed envelope bearing the tenderer's seal and signature on the sealed edges and marked clearly with the inscription:

PUBLIC TENDER – "Supply of valves" DO NOT OPEN

The bids must be prepared in 3 counterparts (1 original + 2 copies) in writing. The original bid must be marked as "Original".

The text part of each bid (any documents excepting those issued by third parties) will at the same time be submitted in electronic form, e.g. on a flash disk or a CD which will be put in the envelope with the bid.

Each tenderer may submit only one bid for each part of the contract. The envelope with the bid must contain a return address to which the Contracting Entity's notification will be sent in the event of late delivery in terms of Section 71 Subsection 5 of the PPA.

The bids must meet all terms and requirements contained in the Contract Documentation.

Date and venue of opening of envelopes

The envelopes containing the bids shall be opened on 28.7.2015 at 10:00 a.m. in meeting room No. C.8.31 at the address of RWE Gas Storage, s.r.o., Prosecká 855/68, 190 00 Prague. The representatives of the tenderers whose bids have been delivered to the Contracting Entity within the time limit for the submission of bids have the right to take part in the opening of envelopes (max. 2 persons). The tenderers' representatives are obliged to submit their authorisations.

6. LANGUAGE OF BIDS

- 6.1 The bids must be prepared in the English or Czech languages.
- 6.2 The documents which are not in the English or Czech language must be submitted together with their English or Czech translation. In the event of any discrepancy between the original language and the English or Czech translation, the English or Czech version shall be considered as the prevailing version.
- 6.3 The Contracting Entity does not request that the above translations be officially certified.

7. PERIOD OF VALIDITY OF BIDS

The tenderers shall be bound by their bids for a period of 90 days from the deadline of the submission of the bids. Such period starts running on the day following the deadline of the submission of the bids.

8. MANNER OF EVALUATION OF BIDS

- 8.1. The compliance with the qualification requirements will be evaluated first. The evaluation of the compliance with the qualification will take place for each part of the contract separately. In the event the tenderer fails to comply with the qualification requirements specified in the Contract Documentation, the tenderer will be excluded by the Contracting Entity from the participation in the particular part of the contract. The Contracting Entity's right to request further documents and information within the meaning of Section 59 Subsection 4 of the PPA shall not be prejudiced by such fact.
- 8.2. The bids complying with the qualification criteria will thereafter be evaluated according to a single criterion, namely the lowest total bid price of the supply of valves for the relevant part of the contract as specified in Appendix No. 2 "Evaluation Table".

9. OFFER PRICE REQUIREMENTS

- 9.1. In Appendix No. 2 – Evaluation Table, the tenderers must indicate their binding offer unit prices in CZK exclusive of VAT for all items stated in the table for the relevant part of the contract multiplying the prices with the indicated quantity. The total price in CZK exclusive of VAT for the particular part of the contract will be indicated below the table.
- 9.2. The offer prices must be indicated as maximum permissible prices. The offer prices must include any and all tenderer's costs and risks associated with the contract preparation and accomplishment. All offer prices must contain also the costs associated with the transportation of the goods to the point of destination DAP Dolní Dunajovice and DAP Tvrdonice under Incoterms 2010, respectively.
- 9.3. The Contracting Entity subsequently aims to conclude a framework purchase contract for the supply of the particular part of the public contract with the winning tenderer offering the lowest total price for the particular part of the contract.

10. BUSINESS CONDITIONS ,TERMS OF PAYMENT AND CONTRACTUAL SANCTIONS

The business conditions, terms of payment and the contractual sanctions are detailed in the draft contract making Appendix No. 2 to this Contract Documentation.

11. TERMS OF CONTRACT PERFORMANCE

- 11.1. The tenderers are obliged to submit in their bids the filled in contract making Appendix No. 2 to this Contract Documentation which contract will be signed by the authorised person. The authorised person is a person stated in the Commercial Register as a person authorised to represent the tenderer or a person holding such affidavit. A certified or original copy or the affidavit must be enclosed to the contract. The tenderers are not entitled to change or amend the contract in any way except for marked places.
- 11.2. In the event, the contract is not contained in the bid, is not signed by the authorised person or is changed by the tenderer, the tenderer will be excluded from the contract award procedure pursuant to the PPA.**
- 11.3. The tenderers are not authorised to claim any compensation for the preparation or submission of their bids.
- 11.4. No variant solution, technical or price one, shall be accepted by the Contracting Entity.
- 11.5. Bids delivered after the deadline for the submission of bids will not be evaluated.
- 11.6. The Contracting Entity informs in compliance with the long-term objectives and principles of the business conduct that the companies of the RWE Group in the Czech Republic undertake voluntarily to follow the "RWE Code of Conduct" obliging these entities to observe clear rules forming the framework of their entrepreneurial activities and corporate behaviour. To oversee the observance of the above principles, the companies of the RWE Group in the Czech Republic have established an institution of ombudsman. More information about the "RWE Code of Conduct" and the activity of the ombudsman is available here: <http://www.rwe.cz/cs/4415/> (the Czech version) and <http://www.rwe.cz/en/fraud-prevention-program/> (the English version).
- 11.7. The Contracting Entity requires of the tenderers to provide tender security to ensure the fulfilment of their obligation consequential on their participation in the selection procedure in the amount of CZK 50,000 (in words: Fifty thousand Czech crowns) for each part of the contract they submit their bids for. The tender security will be provided by the tenderers by way of depositing the pecuniary amount to the Contracting Entity's account (hereinafter referred to as the "pecuniary security") or by way of a bank guarantee or guarantee insurance. The pecuniary security must be deposited to the Contracting Entity's account no later than two business days before the day which is the last day for the submission of the bids. The tenderers will state in the note for the recipient of the payment "Tender – Supply of Valves". In the event of the provision of the security by way of a bank guarantee of guarantee insurance, the "Document on security provision" (written declaration of the bank in the original wording) or the insurance policy must make part of the bid. The bank guarantee must be valid by no less than the end of the period during which the tenderers are bound by their bids.
- 11.8. The Contracting Entity will release the pecuniary security for the winning tenderer within 5 business days from the contract conclusion, for excluded tenderers immediately and for other tenderers within 5 business day of the day of delivery of the notice on the selection of the most suitable bid.

13. QUALIFICATION REQUIREMENTS

- 13.1 In their bids, the tenderers demonstrate the meeting of the professional qualification criteria by means of a copy of an entry in the Commercial Register (plain copy) not dated older than 90 days as at the deadline of the submission of the bids.
- 13.2 In their bids, the tenderers demonstrate the meeting of the professional qualification criteria by furnishing evidence of possession of authorisation to pursue business activities

(a plain copy of an entry in the Trade Register) within the scope corresponding to the subject matter of the contract.

13.3 The Contracting Entity requests of the tenderers to demonstrate their technical qualification by furnishing a list of similar deliveries during the last 3 years showing the scope and time of the deliveries. The list of the deliveries must contain at least the following:

- business name and address of the seat of the customer
- customer's contact details (name of the contact person, telephone number, e-mail)
- type and scope of the delivery and the time of the delivery.

Such criterion shall be deemed met if the deliveries accomplished during the last 3 years for gas industry corresponding with the requirements stated in the Technical Specification (hereinafter referred to as the "TS") making Appendix No. 1 and in other Appendices to this Contract Documentation are proved with at least 1 pc for each of the below dimensions:

for the 1st part of the contract: threaded BV with metal-to-metal sealing – the metal of pressure class PN 63: DN 50 – 1 pc;

for the 2nd part of the contract: threaded BV with combined sealing of pressure class PN 63 with primary metal-to-metal sealing: DN 50 - 1 pc, DN 400 – 1 pc, DN 500 – 1 pc, DN 600 – 1 pc, DN 700 – 1 pc and threaded BV of pressure class PN 160 with combined sealing, with primary metal-to-metal sealing: DN 400 – 1 pc;

for the 3rd part of the contract: safety shut-off valves;

for the 4th part of the contract: BV with combined sealing and pneumatic actuators of pressure class PN 160 DN 150, 200, 250, 300 and 500.

for the 5th part of the contract: BV with metal-to-metal sealing with a pneumatic actuator of pressure class PN 160 DN 25, 50 and 80.

The tenderers will put the requested data into the table as per Appendix No. 3 to this Contract Documentation where they can enlarge the places for their responses as necessary. Should there be any doubts about the conformity of the BV with the TS, the burden of proof shall lie with the tenderers. The tenderers will furnish a scanned cover page of inspection certificate 3.1 as per EN10204 to each reference (the scanned documents will be furnished only in electronic form on an enclosed flash disc or a CD). Should any tenderer give untrue data relating to the references, the Contracting Entity shall have the right to exclude such tenderer from the contract award procedure.

13.4 The Contracting Entity requests from the tenderers to demonstrate their financial and economic capability by furnishing a document on insurance (insurance policy) of the supplier's liability for damage incurred to third parties for at least CZK 5,000,000 (in words: Five million Czech crowns) per each individual case; such document must be valid during the whole term of the public contract performance. The tenderers may also demonstrate such capability by means of an affidavit signed by the tenderers' authorised persons. In such affidavit, the tenderers undertake to conclude the insurance policy within the meaning of this section before concluding the contract at the latest only after becoming the winning tenderer. The failure to fulfil such duty is deemed to be the tenderer's failure to provide collaboration within the meaning of Section 83 Subsection 4 of the PPA.

13.5 In their tenders, the tenderers will furnish the certificate of the product (including its use in the environment with a hazard of explosion of flammable gases and vapours) issued for the offered BV by the authorised person in terms of Section 11 of Act No. 22/1997 Coll., on technical requirements for products, as amended, and, further, the attest on meeting the fire resistance requirement for the BV fire test.

13.6 The tenderers will submit an attest demonstrating the results of the wear-out test for the BV meeting the TTA parameters as per TPG 93501.

13.7 In their applications, the tenderers will submit a certificate on the implementation of the quality management system at least under EN ISO 9000 or any other similar certificate.

- 13.8 In their tenders, the tenderers will submit an affidavit signed by the tenderers' authorised persons saying that the goods meet all conditions and requirements specified in the Contract Documentation and the Appendices thereto, they undertake to ensure warranty and post-warranty service for the offered and supplied BV during the whole service life thereof and that all data and documents in their bids are true.
- 13.9 The tenderers will submit the documents on the meeting of the basic qualification by means of an affidavit as per Appendix No. 5 to this Contract Documentation including requested certificates.
- 13.10 If unable to demonstrate the meeting of certain professional, financial or technical qualifications, the tenderers will be entitled to demonstrate the meeting of the qualification in the missing scope through their sub-suppliers.
- 13.11 For bids assuming the contract performance with the help of sub-suppliers (e.g. manufacturers) demonstrating part of the qualification instead of the tenderers, the tenderers must submit in their bids a copy of an extract from the Commercial Register or any other sub-supplier's register not dated older than 90 days as at the deadline of the submission of the bids and, at the same time, the contract concluded with the sub-supplier from which the sub-supplier's obligation to provide the supply designated for the public contract performance by the tenderer or to provide things or rights the tenderer will have available within the public contract performance within at least the scope in which the sub-supplier has demonstrated the qualifications for the tenderer. The tenderers will also submit a sub-supplier's affidavit within the meaning of Section 53 Subsection 1 Paragraph j) of the PPA.
- 13.12 In their bids, the tenderers will include a list of all sub-suppliers (even those not demonstrating the qualification instead of the tenderer) showing their business name, identification number and description of their activities in relation to the subject matter of the contract including the percentage portion of their financial participation in the accomplishment of the public contract.
- 13.13 The supplier that has submitted his bid in this award procedure may not at the same time be a sub-supplier of another suppliers in the same award procedure through whom the supplier demonstrates the qualification in the same award procedure.
- 13.14 Foreign suppliers demonstrate the meeting of the qualifications in their bids in a manner required by the legal order applicable in the country of their residence, place of business or residence within the scope required by the Contracting Entity. Where a certain document is not issued under the legal order applicable in the country of the residence, place of business or residence of a foreign supplier, the foreign supplier is obliged to demonstrate the meeting of such part of the qualification by means of an affidavit. Where the duty whose fulfilment is to be demonstrated within the qualification is not laid down in the country of the residence, place of business or residence of the foreign supplier, the foreign supplier will make an affidavit of such fact. The foreign suppliers submit the documents demonstrating the meeting of the qualifications in the original language with a plain translation into the Czech language (no officially certified translation is required) unless otherwise provided by the Contracting Entity in the contract award conditions or any international treaty that the Czech Republic is bound by.
- 13.15 The tenderers will submit any documents to demonstrate the qualifications in a plain copy.

14. QUALIFICATION REQUIREMENTS – MATERIAL PART

- 14.1 The tenderers are obliged to make it possible for the Contracting Entity examining the tenderers' qualification to perform the technical audit of the quality of manufacture and supply and of the ability to meet the Technical Specification in all manufacturing plants where the products which are subject matter of the tenderers' bids are manufactured. In the event of a foreign manufacturer, the tenderer will arrange for an interpreter who will be duly interpreting technical terminology during the audit.

15. WAY AND METHOD OF EVALUATION OF BIDS, SETTING TENDERERS ORDER

- 15.1. The tenderers giving untrue information relating to their qualifications will be excluded from the award procedure by the Contracting Entity.
- 15.2. The outcome of the evaluation of the meeting of the qualification will be the statement saying that the tenderer **meets/does not meet** the requirements of the Contract Documentation.
- 15.3. The evaluation of bids shall be made for each part of public contract separately, based on criterion of the lowest tender price according to Section 78 (1) (a) of the Act. For the purpose of evaluation the tenderers shall fill in the Appendix No 2 of this Contract Documentation for each part of the public tender, for which they submit a bid.
- 15.4. The winning tenderer will be obliged to furnish the requested documents in either original copies or duplicate copies with the official certification of their authenticity within 5 days from being called to do so by the Contracting Entity at the latest. If he fails to fulfil such duty, it shall be deemed to be failure to provide collaboration for the contract conclusion. The tenderers may fulfil such duty as early when submitting of their bids. All the documents must be kept valid during the whole term of the contract performance.
- 15.5. The Contracting Entity is going to make use of his authority in terms of Section 100 Subsection 4 of the PPA and not to favour any bids in terms of Section 100 Subsection 3 of the PPA if upon accepting such bid he would have to procure any equipment with technical parameters different from those of his existing equipment which would result in incompatibility or technical troubles during the operation of maintenance or disproportionate costs.

16. CONDITIONS AND OTHER REQUIREMENTS

- 16.1 In their bids, the tenderers will indicate their possibilities in securing deliveries and warehousing. They will also give brief information about the manufacturer of the BV which are subject matter of the contract and describe his relationship with the relevant manufacturer. The relevant manufacturer must continually comply with the conditions of BV delivered for the gas industry of the CR within the meaning of the TS making Appendix No. 1 and other Appendices to the Contract Documentation (the BV must comply with applicable legislation, i.e. Act No. 22/1997 Coll., on technical requirements for products, as amended, and government regulation No. 163/2002 Coll., defining technical requirements regarding selected construction products, as amended). Analogously, the tenderers will provide such information about the manufacturers of actuators, spindle extensions and special presses to seal up the BV).
- 16.2 The Contracting Entity requires a warranty period of no less than 2 years from the installation and 30 months from the delivery and a post-warranty service during the whole service life (30 years).
- 16.3 In their bids, the tenderers will furnish the technical description of the BV and the actuator, attested documentation, results of tests, PED, data-sheet of the BV, actuator and instrumentation and the BV dimensional drawing including the actuator, where applicable, with plotted dimensions and footing for the anchoring of the foundation.
- 16.4 In their bids, the tenderers will give the weight of the complete BV including the actuator as well as the weight of the parts (the BV and the actuator separately) and indicate special requirements regarding the installation on site (tying regulation, foundation design requirements, etc.)
- 16.5 In their bids, the tenderers will indicate their possibilities regarding the service provision, especially its availability within 48 hours.
- 16.6 The tenderers shall state if the offered BV require specialised service provided by the manufacturer or a specialised service organisation. If so, the tenderers will state the service interval and conditions including the price conditions for the provision of such service. If not so, the tenderers will state if any specialised service if provided by another organisation will have any impact on the warranty.

16.7 The tenderers will be obliged to provide specialised attendance and maintenance training for the Dolní Dunajovice and Tvrdonice UGS staff and the supplier's staff, if necessary for the assembly or commissioning, and/or to ensure the general construction work by the manufacturer of the BV. The tenderer will undertake to do so in the draft contract for the public contract performance.

17. CLOSING PROVISIONS

17.1 Any tenderer who failed to furnish the qualification data and information within the scope defined by the Contracting Entity including the documents required under the relevant provisions of the PPA or who provided the qualification data and information including the documents required by the Contracting Entity which data, information or documents are incomplete or untrue, failed to comply with the qualification and will be excluded by the Contracting Entity. The Contracting Entity's right to request additional documents or information to prove the qualification in terms of Section 59 Subsection 4 of the PPS shall not be prejudiced by such fact.

17.2 The Contracting Entity shall forthwith inform such tenderers that they have been excluded from the contract award procedure.

17.3 The bids must adequately be safeguarded against any handling with individual sheets including appendices (each sheet should best be numbered in uninterrupted sequence and signed by the tenderer, and the total number of sheets should be indicated)

17.4 The Contracting Entity reserves the right to cancel the public contract award procedure.

Appendices:

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| Appendix No. 1 | Technical Specification |
| Appendix No. 2 | Evaluation Table – Price List |
| Appendix No. 3 | List of similar contracts |
| Appendix No. 4 | Bid Form [Form of Tender Offer] |
| Appendix No. 5 | Affidavit - property |
| Appendix No. 6 | Affidavit - acceptance |
| Appendix No. 7 | Affidavit in terms of Section 68 Subsection 3 of the PPA |
| Appendix No. 8 | Draft contract |

Done in Prague on 28.5.2015

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Andreas Frohwein
Managing Director
RWE Gas Storage, s.r.o.

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Ing. Lubor Veleba
Managing Director
RWE Gas Storage, s.r.o.