

CONTRACT AWARDING REGULATIONS - update of 22.10.2020.

Due to the fact that the Management Board of ArcelorMittal Poland S.A. decided to acquire funds as part of an available public aid both within domestic and EU operational programs and in consideration of the need to implement the projects which are covered by funding in accordance with the provisions of the programme guidelines, including in respect of the application of the principle of competitiveness of expenses, the Management Board of the Company decided to develop these regulations.

The purpose of this document is to ensure compliance of the undertakings with the program guidelines in respect of awarding of contracts in accordance with a principle of competitiveness.

These regulations cover both the undertakings for which the Company signed an agreement for co-funding as well as for those planned to be co-funded from European Union funds.

The update is made due to changes to the following documents:

1. Guidelines on the eligibility of expenditures under the European Regional Development Fund, the European Social Fund and the Cohesion Fund for 2014-2020 of August 22, 2019.
2. Regulation of Minister of Development of 16 December 2019 on the value of contracts and design contests imposing an obligation to submit the notices to the EU Publications Office.

The amount threshold for contracts awarded by contracting authorities other than contracting authorities from the public finance sector is EUR 214,000 - for supplies or services it is applicable, inter alia, to estimate the value of the contract and obligations to establish a 30-day deadline for submitting bids, resulting from section 6.5.2 point 10.

3. Regulation of the Prime Minister of 18 December 2019 on the average exchange rate of Polish zloty against Euro being the basis for converting the value of public contracts.

The new average exchange rate in force for 2020-2021 of the zloty to the euro is PLN 4.2693.

§ 1

PURPOSE AND SCOPE OF APPLICATION OF THE REGULATIONS

1. These regulations apply to the contracts which are executed by **ArcelorMittal Poland S.A.** (hereinafter: Company, Buyer) as part of the executed projects which are covered by funding from the European Regional Development Fund.
2. The purpose of these regulations is to define the procedures and rules for the awarding of a contract for selection of the best bid which ensures the acquisition of adequate qualitative requirements, time and terms of execution, guarantee conditions and/or an optimum price for the purchase of services and assets.
3. The Buyer is not obliged to apply the act - i.e. the Public Procurement Act, and while purchasing, as part of a Project, of one assortment from one supplier of goods, services or construction works, whose net value exceeds the net PLN equivalent of 50,000.00, he performs a purchasing operation based on the most economically beneficial bid, in consideration of the rules of fair competition, effectiveness, openness and transparency and moreover he is obliged to make every effort to avoid any conflict of interests which is understood as the absence of impartiality and objectivity.
4. The contracts shall be executed in accordance with the Principle of competitiveness which is specified in the *Guidelines on the eligibility of expenditures under the European Regional Development Fund, the European Social Fund and the Cohesion Fund for 2014-2020*, as well as the Guidelines on the eligibility of expenditures under the Smart Growth Operational Programme for 2014 – 2020.

§ 2

DEFINITIONS

Contract - a written paid agreement / contract , concluded between the Buyer and the selected Bidder, whose subject matter includes services, supplies or construction works awarded in accordance with the principle of competitiveness.

Buyer – ArcelorMittal Poland S.A. with its registered office in Dąbrowa Górnicza.

Principle of competitiveness – the selection of a Bidder based on:

- a. the most economically and qualitatively beneficial bid,
- b. the bid evaluation criteria specified in the content of the request for quotation,
- c. the observance, in the selection of the Bidder and the performance of expenses, of the EC and domestic law e.g. the rules in respect of the assurance of the rule of transparency, openness, protection of fair competition, free movement of capital, products, goods and services as well as the equal opportunities of Bidders on the market of bids,
- d. doing one's best to avoid a conflict of interest which is understood as the absence of impartiality and objectivity in the selection, by the Company, of a Bidder for the execution of services and deliveries.

The best bid – a bid which was selected and accepted as a result of a procedure specified in these Regulations, based on the criteria and requirements specified for a given contract.

§ 3

CONTRACT AWARDING PROCEDURES

1. The procedure for the awarding of contracts of a net amount exceeding PLN 50,000.00 is **the procedure which is consistent with the principle of competitiveness.**
2. For the procedure for the awarding of contracts of the net value from PLN 20,000.00 to PLN 50,000.00 as well as in case of contracts whose net value exceeds PLN 50,000.00, for which the procedure consistent with the principle of competitiveness is not applied, it is permissible to use a **simplified procedure – the examination of the market.**

3. The contracts with a net value below PLN 20,000.00 will be governed by the rules specified in these regulations, which ensure the maintenance of fair competition and equal treatment of the bidders – **the price comparison procedure.**

§ 4 GENERAL RULES FOR THE AWARDING OF CONTRACTS

1. During the procedure for the awarding of a contract the following rules are applied:
 - a. **openness** - in particular understood as posting of a request for quotation with attachments in a publicly available competitiveness database being an internet database of the offers, containing announcements of the beneficiaries and on the Internet website of the Buyer,
 - b. **non-discriminative description of the contract subject matter** - in particular understood as a prohibition to include provisions in the description which could be preferential towards specific Bidders as well as, in case of a need to point out to specific trademarks, patents or origin, the obligatory admission of equivalent solutions,
 - c. **equal access for the economic entities from all member states** - in particular understood as a prohibition to make requirements causing discrimination against the Bidders from other member states. For example there will be no requirements imposing:
 - the possession, by the Bidder, of experience in the execution of a contract in Poland,
 - the possession, by the Bidder, of experience in the execution of contracts co-funded from public funds,
 - d. **mutual recognition of diplomas**, certificates and other documents confirming the possession of qualifications in accordance with the Polish law,
 - e. **adequate deadlines** - in particular understood as the allocation of deadlines for the placement of bids which would allow the Bidders to acquaint themselves with the description of the contract subject matter, prepare and place a bid,
 - f. **transparent and objective approach** - in particular understood as an obligation to exclude, on part of the beneficiary, from preparation and running of a tender, of people with regard to whom premises exist as in Art. 17 section 1 of the act on Public procurement law.
2. The Buyer allows for the possibility of submitting of one bid by several entities who, for the purpose of execution of the contract, concluded an understanding / consortium (hereinafter: 'Consortium members'). In case of a joint procurement of a Contract, the Buyer requires that:
 - a. the Consortium members conclude and submit to the Buyer, together with a written bid, an agreement between them governing the rights and obligations of the Consortium members. The said agreement must include, among other things, the following provisions:
 - i. provisions introducing a joint and several liability of the Consortium members towards the Buyer, for the execution of the Contract subject matter,
 - ii. provisions concerning the distribution of tasks among the Consortium members as part of the Contract subject matter,
 - iii. provisions appointing one of the Consortium members to become a proxy for their representation in a Contract awarding procedure and conclusion of a Contract-related agreement.
 - b. Together with the bid, the Consortium members are required to submit to the Buyer a joint declaration, in a written form and under the sanction of nullity, about the assumption of a joint and several liability for the due execution of the Contract.
 - c. Should the request for quotation point out that the specific documents and information is rendered available by the Buyer after the submission, by the Bidders, of a declaration on the obligation to maintain confidentiality (signing of a confidentiality

agreement / declaration), such agreement or declaration must be signed by all Consortium members.

The Buyer may define the conditions for execution of the contract by the Consortium members in a different manner than in case of individual Bidders if this is justified by the nature of the Contract and proportionate.

3. In case of the awarding of a partial contract (due to economic, organizational, intention-related reasons), the value of the contract shall be established as a joint value of its individual parts. The estimated value of the contract is a net value, i.e. without the goods and services tax (VAT).
4. The contract for a delivery should cover all similar products planned to be purchased over a short time period i.e. normally (in a standard offer) available at the number of contractors which ensure competition and intended for the same purpose.
5. Due to business or economic reasons, the Buyer may award a contract in parts or allow for the placement of partial bids; however the value of the contract shall at that time be the joint value of the individual parts, whereas the contracting procedure should be adequate to the joint value of those contracts.
6. The Buyer may not purchase the products or services from entities which are related to him by person or capital. The capital or personal relationship is understood as relations between the Buyer or persons authorized to incur liabilities on behalf of the Buyer or persons performing on behalf of the Buyer activities related to the preparation and conduct of the tender procedure and the Bidder, consisting in particularly in:
 - a). participation in a company as a partner of a general partnership or a partnership,
 - b). possession of at least 10% of shares or stock,
 - c). performing the function of a supervisory or management authority, legal proxy or representative,
 - d). being married, in a direct kinship or relationship, kinship of the second degree or secondary relationship of the second degree, in relation to the adoption, care or guardianship.
7. In a special situation, pursuant to the provisions of specific requests for quotation, the Buyer may allow the submission of partial bids by the Bidders.
8. The selection criteria shall at all times be specified in the content of the request for quotation.
9. In the content of the request for quotation the Buyer forms the access criteria/conditions which are binding during a given procedure (evaluated as 0/1) as well as the bids selection criteria, the meeting of which is evaluated based on points as well as in a system of weights.
10. The Buyer is obliged to assign a weight to each criterion, i.e. specify what meaning shall be attributed to a given criterion during evaluation. It is established as a percentage number for each of the criteria under the assumption that all criteria jointly constitute 100%.
11. The criteria should thus be denumerable and transparent, allowing the preparation of a ranking of bids in points, established based on the sum of points for the individual partial assessments, multiplied by the weight of each criterion.
12. The access conditions as well as the evaluation criteria of the submitted bids may be different for each procedure. The access conditions as well as the evaluation criteria of the submitted bids must be adequate to the scope, specifics as well as the size of the contract subject matter. The Buyer will not apply excessive access conditions or criteria which may result in a limited competition.
13. The description of the contract subject matter shall be supplemented with names and codes specified in the Common Procurement Vocabulary, which is mentioned in the directive (EC) no. 2195/2002 of the European Parliament and Council of 5th November 2002 on the Common Procurement Vocabulary (CPV) (Journal of Laws of the EC L 340 of 16.12.2002, page 1, as amended; Journal of Laws of the EU Polish special edition chapter 6, vol. 5, page 3).
14. The Common Procurement Vocabulary is available e.g. under the following addresses: <http://kody.uzp.gov.pl>, <http://simap.ted.europa.eu/pl/web/simap/cpv>

15. The contract subject matter is described with the use of objective technical and qualitative features, without the indication of specific products, application of generic or trade names, catalogue numbers, model numbers, specific producer's names, patents or trade marks. The description of the contract subject matter may not contain features (parameters, functions), which is typical of a specific contract.
16. A description of the characteristic features of a product or service should not refer to a specific good or source, specific procedures or trade marks, patents, types or specific origin, unless such reference is justified by the contract subject matter and are accompanied with the words '*or equivalent*'.
17. A description of the contract subject matter must be explicit and exhaustive so as to allow the Bidders to specify all of their obligations and risk as well as a responsible calculation of the price and other elements of the bid.
18. Due to the need to protect the secret of the Buyer's enterprise, the Buyer may limit the scope of description of the Contract subject matter. The Buyer shall send to the potential Bidder supplementary data of the excluded description of the contract subject matter after signing, by the potential Bidder (in case of a consortium - by all Consortium members), of a confidentiality obligation with regard to the presented information, within a deadline which allows for the preparation and submission of a bid.
19. The assessment criteria must refer to a given contract subject matter and not to the Bidder's properties, and his economic, technical or financial reliability in particular. As part of the assessment criteria for the bids, points will not be granted e.g.: for the Bidder's experience.
20. The description of the contract subject matter, which is used in the content of the request for quotation, containing any possible trade marks, trade names, producers' names, specific standards or certificates, shall constitute an approximate description and shall not impose on the bidder the obligation to apply the indicated solutions and inform solely about the minimum parameters and standards. The use of certain types of solutions shall not be obligatory, but solely exemplary. The indications with regard to the expected technical parameters as well as the indications with regard to the specified types and producers' names shall be general and refer solely to exemplary indications of equivalent products and shall not constitute the only acceptable solution. On this basis the Buyer allows for equivalent solutions.
21. The contract subject matter is described in an explicit and exhaustive manner, with the use of sufficiently exact denotations, taking into account the requirements and circumstances which could have an impact on the preparation of a bid.
22. The bid may be delivered personally or by electronic mail or courier mail or by post, unless the content of the request for quotation specified otherwise.
23. The bids which are delivered after the specified deadline shall be rejected. The date and hour indicated in the request for quotation, shall be decisive.
24. The bid should be prepared acc. to the guidelines presented in the request for quotation. The bids which do not comply with the requirements specified by the Buyer shall be rejected.
25. Unless specified otherwise in the request for quotation, the bids submitted in the Polish language shall be binding.
26. In justified cases and at any time before the lapse of the deadline for bids submission, the Buyer may:
 - a. modify or supplement the content of the request for quotation in respect of a description of the contract subject matter,or
 - b. change the procedure's conditions.

The change made based on point a) or point b) above shall be communicated by the Buyer in all of the manners specified as a form of publication of the request for quotation. In case of significant changes in the request for quotation or in the proceeding conditions the Buyer shall extend the bids submission deadline.

27. The Bidder may ask the Buyer to explain the content of the request for quotation, within the time specified in the request for quotation. The Buyer shall provide explanations before the lapse of the bids submission deadline.
28. The content of the questions with explanations of the Buyer is published in the same way in which the request for quotation was published.
29. The Bidder may place only one bid for one contract.
30. The period for submission of a bid shall not be shorter than 7 calendar days as of the date of announcement of a request for quotation in case of supplies and services, or 14 calendar days as of the date of announcement of a request for quotation in case of construction works.
31. In case of contracts with an estimated value equal or exceeding net value EUR 5,225,000 in case of contracts for construction works, net value EUR 209,000 in case of contracts for supplies and services (in PLN = 901,145.30 net / acc. to the Euro exchange rate for 2018-2019: PLN / EUR 4.3117), the period for submission of bids shall not be shorter than 30 calendar days.
32. The period for submission of bids shall be counted as of the day following the publication of the request for quotation and ends as of the end of the last day.
33. If the end of the period falls on a Saturday, Sunday or a national public holiday, then the period shall lapse on the day following the day or days off work.
34. During the evaluation of the bids the Buyer may request from the Bidders the provision of explanations and supplements to the content of their submitted bids.
35. In case of the Bidders' failure to deliver the declarations confirming the fulfilment of the conditions for participation in a contract awarding procedure, the Committee may specify an additional deadline for their submission.
36. The agreement with the Bidder shall be concluded in a written form.
37. If a selected Bidder withdraws from signing of an agreement with the Buyer, it is possible to sign an agreement with another Bidder who in the contract awarding procedure obtained the next highest number of points.
38. In case of announcements about a contract which falls before the signing of an agreement for Project co-funding under the condition of receiving of co-financing, which shall cover the contract subject matter specified in the request, the requests for quotation together with its appendices shall be visualized in accordance with the binding regulations on promotion as at the day on which the agreement for co-funding is signed.
39. In case of announcements about a contract which falls after the signing of an agreement for Project co-funding, the content of the request for quotation shall include a reference to the fact of co-funding of the project from EU funds as part of the European Regional Development Fund.

§ 5

RULES FOR AWARDING CONTRACTS BASED ON THE PRINCIPLE OF COMPETITIVENESS

1. The procedure for awarding contracts of a net amount exceeding PLN 50,000.00 is **the procedure which is consistent with the principle of competitiveness.**
2. The request for quotation in the competitive procedure, shall include in particular:
 - a. the name and address of the Company (Buyer),
 - b. a description of the Contract subject matter (together with indication of the CPV¹ codes and their names),

¹ Pursuant to the Commission Regulation (EC) no. 213/2008 of 28th November 2007 amending the Regulation (EC) no. 2195/2002 of the European Parliament and of the Council on the Common Procurement Vocabulary (CPV) and the Directives 2004/17/EC and 2004/18/EC of the European Parliament and the Council on public procurement procedures as regards the revision of the CPV

- c. the conditions for participation in the procedure as well as a description of the manner in which the evaluation of their fulfilment should be made, however the provision of conditions for participation is not obligatory,
 - d. the criteria for evaluation of bids,
 - e. an information about the point or percentages weights assigned to the individual evaluation criteria of a bid,
 - f. a description of the manner of granting of points for the fulfilment of a given bid evaluation criterion,
 - g. an information about the performance bond requested by the Buyer - if the Buyer demands such guarantee,
 - h. the place and deadline for submission of bids (the period for the submission of a bid shall not be shorter than 7 calendar days as of the next day from the date of announcement of a request for quotation in case of supplies and services, and 14 calendar days as of the next day from the date of announcement of a request for quotation in case of construction works; in case of contracts of an estimated value equal or exceeding:
 - i. since January 2020: net value EUR 5,350,000 in case of contracts for construction works, net value EUR 214,000 in case of contracts for supplies and services, and net value EUR 750,000 in case of contracts for social services, the period shall not be shorter than 30 days as of the next day from the date of publication of the request for quotation),
 - j. information about the scope of exclusion (with reference to related entities) as well as any additional reservations,
 - k. a definition of the conditions for amendment of the agreement which was concluded as a result of the contract awarding procedure, provided that it is permissible to amend such agreement,
 - l. an information about the place, rules for receiving of detailed documents if they constitute an element of the request for quotation,
 - m. the provision for a possibility to change the conditions or cancel the procedure without the selection of a bid,
 - n. a clause about the possible closing of the procedure without the selection of any of the bids or its cancellation without any reason,
 - o. the required deadline for execution of the Contract,
 - p. the bid validity period, taking into account the provision from § 9 section 6g) of these Regulations,
 - q. indication of the place where the regulations, based on which the procedure is being performed, is made available,
 - r. the information concerning the possibility of execution of a visual inspection,
 - s. the information concerning necessity of signing of the agreement or the confidentiality declaration in accordance with the template specified by the Buyer and with the purpose of receiving of a full content of the contract subject matter,
 - t. the information concerning the need of signing of the Work Health & Safety Agreement according to the Buyer's template,
 - u. the scope as well as the conditions for possible negotiations,
 - v. the information concerning the means of legal protection available to the Bidders,
 - w. the conditions and deadlines for any possible supplementing of bids by the Bidders.
3. The template of the request for quotation is included in **Appendix no. 1** to the present Regulations.
 4. The request for quotation in a competitive procedure is subject to publication through:
 - a. posting of the request for quotation on the competitiveness database and in case of suspension of database activity confirmed by the relevant announcement of the minister for regional development – placing of the request for quotation on the internet website indicated in the funding agreement by the institution being the party to the funding agreement,

- as well as
- b. posting on the Company's website,
as well as
 - c. through its sending to at least 3 potential bidders,
5. If despite proper publication of the request for quotation in a competitive procedure:
- a. only one non-rejectable bid is received – then the principle of competitiveness shall be regarded as fulfilled,
 - b. no bid is received – it is permissible to conclude an agreement with the selected Bidder without following the procedure which is specified in this paragraph, provided that the original conditions of the contract were not significantly changed, whereby the conclusion of an agreement with the related entity which is referred to in these Regulations, is admissible solely upon the consent of a relevant institution which is a party to the agreement as well as when the related entity meets the conditions set by the Buyer in the procedure.
6. The bids evaluation protocol is a document confirming the correct selection of the Bidder in accordance with the principle of competitiveness and it should at least contain:
- a. the information about the manner of publication of the request for quotation,
 - b. the information as to which at least three potential Bidders have been sent a request for quotation or the information that there are no three potential Bidders on the market together with a justification pointing out to the objective premises that confirm this fact,
 - c. the list of bids which were received by the Buyer in reply to the request for quotation together with an indication of the date of bid submission to the Buyer as well as an indication of those data from the bids which constitute a response to the bids evaluation criteria,
 - d. the information about meeting the conditions concerning relations between entities, that are mentioned in these Regulations,
 - e. the information about meeting the conditions for participation in the procedure by the Bidders, provided that those conditions were set,
 - f. the information about the point or percentage weights assigned to the individual evaluation criteria, the manner of granting of points for the fulfilment of a given criterion,
 - g. pointing out to the selected bid together with a justification of the selection,
 - h. the date of protocol's preparation and signature by the Buyer or person authorized by the Buyer to undertake activities on his behalf,
 - i. the protocol should include the following appendices:
 - a confirmation of the publication of the request for quotation (e.g. a printout of a screenshot, a printout of a photo),
 - the submitted bids together with declarations of the Bidders about the absence of capital or personal relations,
 - a declaration about the absence of personal and capital relations with the selected Bidder / Bidders,
 - a declaration about impartiality signed by each of the Suppliers Selection Committee members stating the absence of premises specified in Art. 17 of the act on Public procurement law.

§ 6

RULES FOR AWARDING CONTRACTS BASED ON MARKET EXAMINATION

1. In case of expenses of a net value from PLN 20,000.00 up to the net value of PLN 50,000 inclusively, i.e. without the goods and services tax (VAT), as well as in case of contracts, for which the procedures for selection of a Bidder which are specified under § 5 are not applied, there is an obligation to perform and document the **market examination**.

2. The market examination procedure shall be run with due diligence, with observance of the principle of equality, openness, competitiveness and transparency.
3. The request for quotation in the market examination procedure, shall include in particular:
 - a. the name and address of the Company (Buyer),
 - b. the contract subject matter (together with indication of the CPV² codes),
 - c. the criteria for evaluation of bids,
 - d. an information about the point or percentages weights assigned to the individual evaluation criteria of a bid,
 - e. a description of the manner of granting of points for the fulfilment of a given bid evaluation criterion,
 - f. the place and deadline for bids submission.
4. In the market examination procedure the bid evaluation criteria refer only to its price.
5. The request for quotation in the market examination procedure is subject to publication through:
 - a. posting on the Company/ Project's website as well as
 - b. its sending to 3 potential bidders.
6. The contracts shall be concluded in a written form.
7. The bids evaluation protocol is a document confirming the correct selection of the Bidder in accordance with market examination, it should at least contain:
 - a. an indication of the number of bids together with a specification of the names of bidders and points granted to the individual bids as well as
 - b. an indication of the best bid together with a justification of its selection.

§ 7

RULES FOR AWARDING CONTRACTS IN THE PRICE COMPARISON PROCEDURE

1. The contracts with a net value below PLN 20,000.00 will be governed by the rules specified in these Regulations, which ensure the maintenance of fair competition and equal treatment of the bidders – the price comparison procedure.
2. The price comparison procedure consists in the comparison of at least three valid bids.
3. The bids may be obtained:
 - a. through the acquisition of a reply from a bidder in the form of a bid / letter or the printout of an e-mail,
 - b. if allowed by the contract subject matter - through the printing out of the pricelists from the website,
4. The memo from the performed interview is not treated as an evidence for the price comparison procedure.
5. The selection which is based on the comparison of prices shall be documented based on a bids evaluation protocol or a selection memo.
6. Due to the fact that the costs should be incurred with observance of impartiality, the bids evaluation protocol / memo will be supplemented by the Buyer's declaration about the absence of capital and personal relations with the selected Supplier / Bidder.

² Pursuant to the Commission Regulation (EC) no. 213/2008 of 28th November 2007 amending the Regulation (EC) no. 2195/2002 of the European Parliament and of the Council on the Common Procurement Vocabulary (CPV) and the Directives 2004/17/EC and 2004/18/EC of the European Parliament and the Council on public procurement procedures as regards the revision of the CPV

7. In case of the possession of only one valid bid, the price comparison procedure shall be valid under the condition of publication as in case of market examination.
8. The comparison of prices is made in order to confirm the market price, whereby this does not refer to the purchase of a product or service made in accordance with the act of 29th January 2004 – Public procurement law or the principle of competitiveness specified in the Guidelines.
9. In case of the goods or services for which the comparison of prices is impossible, the Buyer shall select the Bidder in accordance with a procedure binding for the principle of competitiveness or market examination.
10. The Buyer shall describe the product or service with the highest diligence taking into account all criteria which could influence the price.
11. The flow of the price comparison process, inclusive of the justification that there are no three potential bidders is documented by the Buyer.
12. Taking into account the principle of effective management of finances, the Buyer shall make all expenses within the project in accordance with the principle of effective management of finances, i.e. in a rational and effective manner this means that in consideration of the confidence about the correct execution of the contract, the price will not always constitute the only criterion in the price comparison procedure.

§ 8 SUPPLIERS SELECTION COMMITTEE

1. The internal body authorized to organize and run the procedure with regard to the awarding of contracts for construction works, services is the Suppliers Selection Committee.
2. The Suppliers Selection Committee is appointed under the Organizational Arrangement signed by two Members of the Management Board of the Company.
3. The members of the Suppliers Selection Committee are obliged to maintain the business and trade secrets.
4. The Suppliers Selection Committee must consist of at least 3 members.
5. The Suppliers Selection Committee shall make final decisions including as to the cancellation of the procedure, taking into account the conditions specified in the Request for quotation.
6. The sequence of activities performed by the Supplier Selection Committee in cooperation of the individual departments of the Buyer is as follows:
 - a. Definition of the contract subject matter – made by Investment Office – drafting of the technical specification,
 - b. Preparation of a request for quotation, including in particular the definition of the conditions of participation in the procedure as well as the bids evaluation criteria – made by Purchasing Office (EPO – European Purchasing Organization) in cooperation with Investment Office and European Projects Office,
 - c. Verification of the submitted bids regarding the fulfilment of the terms of participation in the procedure - made by Investment Office in cooperation with a Production Plant and Purchasing Office (EPO – European Purchasing Organization),
 - d. Execution of the initial assessment of the submitted bids in accordance with evaluation criteria – made by Purchasing Office (EPO – European Purchasing Organization) and Investment Office,
 - e. Execution of negotiations with regard to the submitted bids (inclusive of the preparation of a protocol from negotiations) – made by Purchasing Office (EPO – European Purchasing Organization) in cooperation with Investment Office and Production Plant – if concerned in a given proceedings,

- f. Execution of a final evaluation of the submitted bids after negotiations, in accordance with the evaluation criteria – made by Purchasing Office (EPO – European Purchasing Organization) in cooperation with Investment Office,
 - g. Preparation of a protocol from the evaluation of bids - made by Purchasing Office (EPO – European Purchasing Organization),
 - h. Archiving of documents concerning the performed procedure - European Projects Office.
7. The Committee cooperates with the Company's Legal Department through consultation of the procedure-related legal issues with it.
 8. The evaluation of the submitted bids which was performed by the Committee shall be documented in the content of the bids evaluation protocol. The protocol shall be signed by all Committee members.
 9. The negotiations performed by the Committee shall be documented in the content of the protocol from negotiations. The protocol shall be signed by all Committee members.
 10. A template of the bids evaluation protocol is included in **Appendix no. 2** to these Regulations.
 11. A template of the protocol from negotiations is included in **Appendix no. 3** to these Regulations.

§ 9

SELECTION OF APPLICATIONS AND SELECTION OF A BID

1. With the end of the submission period for bids being a reply to a request for quotation concerning the selection of a Bidder in accordance with the principle of competitiveness or in the market examination procedure, the Committee makes a formal verification and qualification of the bids in terms of the criteria specified in the Request for quotation.
2. The Buyer reserves itself the right to call the Bidders to supplement or explain the contents of the submitted bids.
3. The details concerning the necessary supplementary data and/or additional information in this scope, among others: the scope of supplementary data, the date and the manner of submitting the supplements, will be included in the content of the Buyer's call forwarded to the Bidders.
4. The calls shall be provided to the Bidders via electronic mail to the Bidder's e-mail address specified in the content of the submitted bid.
5. The absence of submission of the required supplementary data in the prescribed period shall result in a rejection of the bid.
6. The Buyer reserves itself the right to undertake negotiations with all Bidders, who submit a bid that meets the access conditions specified in the content of the request for quotation. The negotiations shall be run according to the following rules:
 - a. after lapse of the bids submission deadline, the Buyer shall notify all of the Bidders who submitted their non-rejectable bids about the possible execution of negotiations and shall invite those Bidders for negotiations, whereby the meeting dates shall be arranged individually with each Bidder,
 - b. the negotiations shall solely cover those parameters which constitute the bids evaluation criteria,
 - c. the flow of the negotiations shall be documented in the form of a written protocol signed by the negotiation teams of the Buyer and of the Bidder,
 - d. within the deadline determined by the Buyer, the Bidder submits a modified bid which takes into account the arrangements from negotiations.
 - e. in case the Bidder refuses to take part in the negotiations, the negotiations fail to lead to binding arrangements or the Bidder fails to submit a modified bid, then the originally submitted Bidder's bid shall be subject to evaluation,

- f. The Buyer shall evaluate the bids and select the Bidder whose bid is the best. In justified cases, the period of evaluation of the bids may change,
 - g. The Buyer may ask the Bidders to give their consent to an extension of the bid validity period for a period indicated by the Buyer.
7. If a bid is submitted whose selection would lead to the generation of a tax obligation for the Buyer in accordance with the regulations on the goods and services tax within a scope concerning the intra-Community acquisition of goods, then in order to evaluate such bid the Buyer shall add to the price specified in it the goods and services tax which he would be obliged to pay in accordance with the binding provisions.
8. If as part of the purchase of services and supplies necessary to perform a Project the Buyer shall select from among several bids which are the most beneficial from the economic viewpoint, the Buyer shall select the bid which is better in terms of its impact on the environment and climate (e.g. smaller energy consumption, smaller consumption of water, use of materials from recycling etc.).
9. If, taking into account the aforementioned provision, in the contract awarding procedure in which price is the only bids evaluation criterion, it is impossible to select the best bid due to the fact that bids with the same price have been submitted, the Buyer shall ask the Bidders, who submitted those bids, to submit additional bids by the deadline specified by the Buyer.
10. The Bidders, when making additional bids, cannot offer prices higher than the ones offered in the submitted bids.
11. In case if none of the submitted bids meets the criteria specified in request for quotation, the contract awarding procedure shall be cancelled.
12. The Buyer reserves the right to cancel the awarding procedure without selection of any offer.
13. **It is possible not to apply the procedures set out in this sub-chapter when awarding contracts in the following cases: (i) when the procedure has not resulted in any bid being submitted, (ii) when only bids subject to rejection have been received, (iii) when all bidders have been excluded from the procedure or not met the conditions for participation in the procedure, provided that the original terms of the contract were not significantly changed.**

§ 10 COMPLETION OF THE PROCEDURE

1. The procedure shall be completed after selection of the best bid or after completion of the procedure without selection of a bid.
2. In case the Buyer allows the submission of partial bids, the procedure may end with the selection of a few Bidders.
3. The agreement as well as the bids evaluation protocol must be made in writing. The remaining correspondence between the Buyer and the Bidders must be maintained in a manner specified in the content of the request.
4. The bids evaluation protocol shall include an appendix containing a declaration about impartiality signed by each of the Suppliers Selection Committee members stating that:
 - a. They do not apply for the awarding of this contract,
 - b. They are not married, in direct kinship or relation, in secondary kinship or relation of the second degree or they are not related through adoption, care or guardianship with the Bidder, his legal successor or members of the management bodies or supervisory bodies of the Bidders who apply for awarding of contract,
 - c. before the lapse of 3 years as of the day of initiation of the contract awarding procedure, they were not in a work relationship or mandate relationship with the Bidder or they were not members of the management or supervisory bodies of the Bidders applying for the awarding of contract,

- d. they are not in such a legal or actual relationship with the Bidder which could evoke justified doubts as to the impartiality of those people,
 - e. they were not convicted with a lawful decision for any crime committed in relation to the contract awarding procedure, for the crime of bribery, for a crime against the economic turnover or other crime committed in order to obtain material benefits.
5. The information about the result of the procedure is made public in the same manner in which the request for quotation was made public.
 6. The information about the result of the procedure shall be:
 - a. posted on the competitiveness database and in case of suspension of database activity confirmed by the relevant announcement of the minister relevant for regional development – placed on the internet website indicated in the funding agreement by the institution being the party to the funding agreement,
 - b. sent to each Bidder who submitted a bid,
 - c. posted on the Buyer's website,
 - d. posted in the EU Official Journal if the request for quotation was included in the EU Official Journal (if applicable)
 7. The information about the result of the procedure shall at least contain the name of the selected Bidder, his seat and the contract price.
 8. The purchasing documentation shall be stored by the Buyer for a period specified in the provisions of the Agreement for co-funding.
 9. In respect of awarding of contracts as part of investments performed under Operational Programmes, which are covered by these Regulations, the Buyer has the right to make changes which result directly from the programme guidelines of a given Operational Programme as well as the detailed provisions included in the agreement for co-funding.
 10. In case the value of the contract reaches the total net amount not higher than PLN 20,000.00 it is permissible to conclude cooperation based on the written orders sent to the Bidder by e-mail in the form of scans, without the conclusion of a written Agreement.
 11. The Buyer may ask the Bidder to provide a performance bond, hereinafter referred to as 'the bond'. A detailed description of the requested bonds is included in the request for quotation.
 12. The bond is used in particular to satisfy the claims for non-performance or undue performance of the agreement or the Buyer's claims for a return of the advance payment which was paid to the Contractor. If the Contractor is a guarantor at the same time, the bond is also used to cover the claims related to a quality guarantee.
 13. Means of legal protection: The Bidder, whose bid was not selected, has the right to lodge a protest to the Management Board of ArcelorMittal Poland S.A. The said protest should contain a justification and should be lodged in writing within 7 days as of the day of publication of the information about the selection of the Bidder by the Buyer. The lodging of a protest does not suspend any activities of the Buyer, including the signing of an agreement with a Bidder. The decision of the Management Board of ArcelorMittal Poland S.A. is final.
 14. The documentation regarding procedure concerning the selection of Bidders could be prepared in Polish and English language. In case of discrepancies in the contents of the indicated documentation, the Polish version of the mentioned documentation shall be binding.
 15. The remaining issues which are not included in the content of these Regulations shall be governed by the programme documents concerning a given Project.

LIST OF APPENDIX TO THE CONTRACT AWARDING REGULATIONS:

Appendix no. 1 – Template of the Request for quotation

Appendix no. 2 – Template of the Bids evaluation protocol

Appendix no. 3 – Template of the Protocol from negotiations