

Dear Sir/Madam,

In connection with the fact that the performance of contract for design, manufacture, delivery (DDP INCOTERMS 2010), installation, assembly, testing, technical acceptance and commissioning of the VTD vacuum treatment system under the project called *"Innovative high-silicon steel with controlled low content of impurities and non-metallic inclusions of controlled morphology and appropriate level of AIN inhibitor, intended for high-quality transformer plates"* co-financed from the European Union funds, the bidding procedure requires taking into account the requirements imposed on the Company by the guidelines of the Operational Programme Intelligent Development, sub-measure 1.1.1 *"Industrial research and development work implemented by enterprises"* and requirements of the contract for project co-financing.

Detailed description of the procedure, along with the rights and obligations of the Buyer and the Bidder, has been included in Contract Awarding Regulations and in the Request for Quotation with its attachments.

Due to the above, the procedure requires that the following rules are introduced:

1. The first stage of the procedure was to estimate the preliminary value of the contract. The procedure of estimating the contract value was aimed at establishing the estimated amount of contract performance.
2. Description of the subject-matter of the contract included in the Request for Quotation is an abbreviated version. Please read carefully the text of the Request for Quotation and its attachments because they contain very detailed information on the requirements and the rules of further proceeding, including the content of the agreement that will be signed with the selected Bidder.
3. Due to the fact that the full description of the subject-matter of the contract is a company's secret, the Buyer will provide the full description of the subject-matter of the contract after the Confidentiality Statement is signed and returned by the Bidder. The Confidentiality Agreement is attached to the Request for Quotation.
4. The date of the visual inspection shall be arranged after the Confidentiality Statement is signed and returned by the Bidders. The Bidders will be entitled to one visual inspection. In connection with the fact that the deadline for submission of bids proposals (hereinafter: offer, bid) is on the 4th of June at 16:00 Polish time, Bidders are kindly requested to follow the rules for preparation of proposals and to meet the date and time of their submission.
5. The criteria and methodology of evaluation of the proposals have been specified in the Request for Quotation. The evaluation of proposals that will have been received will consist of two parts:
 - Verification of Bidders' compliance with the conditions of access, both as regards formal and technical aspects. A failure to fulfil these requirements by the Bidder will mean that the bid will be rejected and will not be subject to further evaluation. The verification will be carried out based on a checklist indicated in the content of the Request for Quotation.
 - The evaluation of offers within the scoring criteria, including: price and technical conditions.
6. All Bidders who will have been positively verified in terms of access requirements, will be invited to negotiate the criteria that are scored. This means that the negotiations will be conducted in terms of the price and technical conditions. After the negotiations, the Bidders will be asked to submit the updated offer in respect of the parameters indicated above.
7. The results of the procedure will be announced and sent by email to all Bidders after all the members of the Supplier Selection Committee will have signed the proposals evaluation protocol.

In case of any doubts regarding the content of documents please contact the AMP representatives indicated in the Request for Proposals by email.

Yours sincerely,

VTD Project Team

| Item | Stage of the procedure | Estimated time limits | Key aspects for the Bidder |
|------|---|---|--|
| 1 | Estimation of value | Completed | Not applicable |
| 2 | Collecting the offers based on the Request for Quotation | 30 days from the announcement of the Request for Quotation | <ol style="list-style-type: none"> 1. Signing the confidentiality declaration will allow obtaining by Bidders a detailed technical specification together with attachments. 2. Site inspection 3. Submission of a proposal |
| 3 | Evaluation of the Offers that have been submitted | approx. 75 days after the lapse of the time limit for submission of proposals | <ol style="list-style-type: none"> 1. Formal evaluation/completeness of the offer and attachments 2. Verification of Bidders' compliance with the conditions of access (formal and technical aspects) 3. Initial evaluation of offers 4. Negotiations with the Bidders 5. Possibility to submit revised offer based on negotiation 6. Final scoring of the offer |
| 4 | Selection of a Contractor and announcement of the results of the bidding process | approx. 14 days after submission of proposals after negotiations | <ol style="list-style-type: none"> 1. Announcement of information concerning the results of the bidding procedure |
| 5 | Signing the contract | Approx. 14 days after announcement of the results of bidding process | <ol style="list-style-type: none"> 1. Signing the contract with a successful Bidder. |