**REGULATIONS FOR ACCEPTING REQUESTS**

**FOR OIL PRODUCTS PURCHASE OF**

**KC ENERGY GROUP LLP**

1. **General Provisions**

These Regulations for Accepting Requests for Oil Products Purchase (hereinafter the Regulations) establish the procedure and terms of accepting by KC Energy Group LLP (hereinafter the Partnership) Requests for Oil Products Purchase (hereinafter the Request) from market entities, qualification requirements for market entities, and the procedure for the conclusion of Contracts for Oil Products Sale and Purchase at the domestic market of the Republic of Kazakhstan.

* 1. The goals of these Regulations are as follows:

- streamline the process of submitting the Requests by market entities;

- streamline the process of accepting by the Partnership the Requests from market entities;

- establish qualification requirements for market entities;

- ensure transparency and uniformity of approaches to oil products wholesale by the Partnership for Counteragents, regulatory authorities, and other parties concerned;

- prevent violations of the existing laws of the Republic of Kazakhstan;

* 1. These Regulations have been developed subject to the requirements of:

- Entrepreneurial Code of the Republic of Kazakhstan No.375-V dated October 29, 2015 (hereinafter the EC of the RoK);

- Law of the Republic of Kazakhstan No.463-IV dated July 20, 2011 “On State Regulation of Some Oil Product Types Production and Turnover” (hereinafter the Law on State Regulation of Some Oil Product Types Production and Turnover);

- Order No.15 dated June 13, 2022 of the Chairman of the Agency for Protection and Development of Competition of the Republic of Kazakhstan “On Approval of the Rules of Equal Access to Key Capacity” (hereinafter the Rules of Equal Access to Key Capacity);

- other regulatory legal acts adopted in pursuance of the above mentioned regulatory legal acts;

- Charter of the Partnership;

- other acts of the Partnership.

* 1. Under oil products shall be understood gasoline, diesel fuel and jet fuel being sold.
1. **Procedure for Accepting Requests for Oil Products Purchase**
	1. The Partnership sells oil products (gasoline, jet fuel and diesel fuel) produced at the refineries of the Republic of Kazakhstan: PetroKazakhstan Oil Products LLP (Shymkent), Pavlodar Petrochemical Plant LLP (Pavlodar), Atyrau Oil Refinery LLP (Atyrau), and also imported oil products and oil products produced outside the Republic of Kazakhstan.
	2. The sale of oil products shall be carried out in compliance with the following principles:

- equal access and equal (non-discriminatory) terms of transactions for all market entities in accordance with the existing laws of the Republic of Kazakhstan;

- the pricing procedure common for all market entities;

- transparency of the activities;

- compliance with the requirements of the Law on State Regulation of Some Oil Product Types Production and Turnover.

The Requests specifying the delivery basis FCA-Departure Station (INCOTERMS-2020) (wagon supply), the current delivery period, names of departure stations, names of destination stations, a region of supply, type of transportation and purpose of the purchase, as well as the nomenclature and volume of oil products shall be sent by market entities and accepted by the Partnership from the 1st to the 20th day of the month preceding a month of delivery via the website [www.kceg.kz](http://www.kceg.kz);

To fill out the Request on website www.kceg.kz in section "For Buyers", it is necessary to select <https://cabinet.contract.kmg.kz/> and then follow the attached instructions.

The Requests specifying the delivery basis EXW-Oil Base (customer pickup) (INCOTERMS-2020), the current delivery period, a region of supply, type of transportation and purpose of the purchase, as well as the nomenclature and volume of oil products shall be sent by market entities and accepted by the Partnership from the 1st to the 20th day of the month preceding a month of delivery to the following email addresses of the Partnership:

**pkop@kceg.kz PetroKazakhstan Oil Products LLP;**

**pnhz@kceg.kz Pavlodar Petrochemical Plant LLP;**

**anpz@kceg.kz Atyrau Oil Refinery LLP.**

* 1. The Request shall be made and sent as per the instructions posted on the official website of the Partnership <https://kceg.kz/buyers>/ and contain full information in accordance with the form (where applicable). The form of the Request shall also provide for submission of data on retail sales (leakage) of market entities for the last 12 months or for the whole period of their retail sale if it is less than 12 months, confirmed by copies of respective declarations in the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan (hereinafter the SRC of the MoF of the RoK). In sale by a market entity of several grades of gasoline, the data on its retail sales (leakage) shall be provided broken down by each grade of gasoline. The Partnership assumes that the information submitted by market entities on breakdown of gasoline sales (leakage) volumes for each grade is reliable, relevant and complete.
	2. Days of the Requests acceptance:

- from the 1st to the 20th day of the month preceding a month of delivery;

- the Requests received after the 20th day of the current month shall be considered in the next month, except for the cases of the free volume availability.

* 1. The minimum and multiple norm of the sales volume for conclusion of a contract must be the wagon norm. The minimum norm of the volume of the Request from oil bases shall be no less than 4 tons.
	2. In case of a change in the Oil Products Supply Plan approved by the authorized body in the field of production of petroleum products, the Partnership reserves the right to adjust contractual volumes of oil products.
	3. In oil products domestic sales, in compliance with the requirements of the Law on State Regulation of Some Oil Product Types Production and Turnover, and also in order to avoid the occurrence of social tension and ensure uninterrupted supply, the Partnership as a matter of urgency shall satisfy: the Operators appointed by the executive bodies of the Republic of Kazakhstan based on the Supply Plans approved by the Ministry of Energy of the Republic of Kazakhstan (no Requests are required to be submitted from this category).

1) Agricultural producers on the terms and in the procedure established by Article 24 of the Law on State Regulation of Some Oil Product Types Production and Turnover;

2) Heat supply organizations.

* 1. Sending the Requests and conclusion of Contracts for Sale and Purchase (hereinafter the Contracts) shall mean unconditional acceptance of and adherence of the parties to the transaction to the Standard Terms of Sale of the Partnership.
	2. The Contracts shall be concluded by the Partnership with the Counteragents who meet the qualification requirements provided for by Section 3 of these Regulations, if there are economic and technological capabilities of supplying oil products due to, among other things, volumes of production of oil products by the refineries, the need to comply with the frequency and uniformity of shipments from the refineries, and taking into account the break-even operation and the availability of logistical conditions for shipment of oil products.
	3. The Contracts provide for a delivery basis, quantity and assortment of oil products, terms of delivery and payment, terms of oil products transportation. All other terms of oil products sale and purchase transactions shall be subject to the Standard Terms of Sale posted on the Partnership’s official website. The possibility of delivery is determined by volumes of production of oil products by the refineries, the need to comply with the frequency and uniformity of shipments from the refineries, and taking into account the current logistical capabilities and other conditions. The requirement to comply with the frequency of oil products shipments from the refineries is caused by the risk of overstocking of storage tanks and, accordingly, production shutdown.
1. **Requirements for Counteragents**
	1. Any legal entity or individual entrepreneur that has passed registration and verification for compliance with the qualification requirements established by these Regulations may become a Counteragent of the Partnership.
	2. The Contracts shall be concluded on equal and non-discriminatory terms with Counteragents meeting the following qualification requirements:

- for legal entities, if they are registered as a legal entity in the established procedure in accordance with the norms of the applicable law;

- for individuals, if they are registered as an individual entrepreneur in accordance with the norms of the applicable law.

For legal entities and individuals, it is necessary to be registered as a taxpayer carrying out individual types of activities (in sale of gasoline, diesel fuel);

Full correspondence of the legal address on the E-GOV state portal and in the ‘Taxpayer's Webroom’ state electronic system;

Absence of legal proceedings related to the risk of bankruptcy;

If the Counteragent is a resident of the Republic of Kazakhstan, it must be absent from the list of persons in relation to whom there is a court judgement declaring them bankrupt and persons in relation to whom the bankruptcy procedure has been completed (Web resource: <http://kgd.gov.kz/ru/content/spiski-nesostoyatelnyh-dolzhnikov-0>). Otherwise, the Counteragent must submit documents stating that liquidation was not carried out and documents on the absence of a court judgement declaring Counteragent a bankrupt issued by the relevant authorities. If the Counteragent is a resident of the Republic of Kazakhstan, it must be absent from the list of persons declared inactive and fake companies (Web resource: <http://kgd.gov.kz/ru/content/spisok-nalogoplatelshchikov-priznannyh-bezdeystvuyushchimi> http://kgd.gov.kz/ru/content/spisok-nalogoplatelshchikov-snyatyh-s-registracionnogo-ucheta-vkachestve-platelshchikov-1).

* 1. To conclude the Contract with the Partnership, the Counteragent shall be requested the following documents:

**List of documents required to conclude the Contract for legal entities:**

- copy of the Charter;

- copy of the certificate on the registered legal entity from EGOV.kz (as of the current date);

- copy of the document certifying the identity of the CEO;

- copy of the Order and Resolution on appointment of the CEO;

- copy of the power of attorney for the person authorized to sign contracts, the Resolution on appointment of the CEO, or other document confirming the authority of the person signing the power of attorney or contracts;

- copy of the VAT registration certificate (if any);

- copy of the bank certificate specifying the bank details;

- relevant contact telephone numbers and email address of the Counteragent;

- data on the actual address of a legal entity if it differs from the legal address;

- form “Registration Data of the Taxpayer” from the ‘Taxpayer’s Webroom’ system of the SRC of the MoF of the RoK;

- confirmation of the presence of taxable objects on the register (related to taxation) by individual types of activity, except for final consumers;

- copy of the certificate of the absence (presence) of debt, which is recorded in the state revenue authorities, obtained through the EGOV.kz portal;

- ID of the Counteragent’s virtual delivery warehouse/storehouse, name of the Counteragent’s virtual delivery warehouse/storehouse;

- copy of an extract certified by the Counteragent’s seal from the ‘Taxpayer's Webroom’ software of the SRC of the MoF of the RoK on the number of gas filling stations and/or other confirmation of the Counteragent's ownership of a gas filling station (for Owners of gas filling stations);

- copy of an extract certified by the Counteragent’s seal from the ‘Taxpayer's Webroom’ software of the SRC of the MoF of the RoK and/or other confirmation of the Counteragent's ownership of an oil base(s) and/or tank(s) for oil products storage (for Owners of oil bases and/or tanks);

- copy of an extract certified by the Counteragent’s seal from the analytical register of wholesale suppliers posted on the portal of the Authorized Body confirming the presence of the Counteragent in this register (for Owners of oil bases and/or tanks);

- copy of a declaration of the SRC of the MoF of the RoK with data on retail sales (leakage) of respective owners of gas filling stations for the last 12 months or for the whole period of their retail sales if it is less than 12 months.

**List of documents required to conclude the Contract for Oil Products Sale and Purchase for individual entrepreneurs:**

− copy of the certificate of an individual entrepreneur;

− copy of the Identity Card or passport of an individual entrepreneur;

− copy of the VAT registration certificate (if any);

− copy of the bank certificate of account availability;

− relevant contact telephone numbers and email address of an individual entrepreneur;

− form “Registration Data of the Taxpayer” from the ‘Taxpayer’s Webroom’ system of the SRC of the MoF of the RoK;

− confirmation of the presence of taxable objects on the register (related to taxation) by individual types of activity, except for final consumers;

− ID of the Counteragent’s virtual delivery warehouse/storehouse, name of the Counteragent’s virtual delivery warehouse/storehouse;

− copy of the certificate of the absence (presence) of debt, which is recorded in the state revenue authorities, obtained through the EGOV.kz portal;

− copy of an extract certified by the Counteragent’s seal from the ‘Taxpayer's Webroom’ software of the SRC of the MoF of the RoK on the number of gas filling stations and/or other confirmation of the Counteragent's ownership of a gas filling station (for Owners of gas filling stations);

− copy of an extract certified by the Counteragent’s seal from the ‘Taxpayer's Webroom’ software of the SRC of the MoF of the RoK and/or other confirmation of the Counteragent's ownership of an oil base(s) and/or tank(s) for oil products storage (for Owners of oil bases and/or tanks);

− copy of an extract certified by the Counteragent’s seal from the analytical register of wholesale suppliers posted on the portal of the Authorized Body confirming the presence of the Counteragent in this register (for Owners of oil bases and/or tanks);

− copy of a declaration of the SRC of the MoF of the RoK with data on retail sales (leakage) of respective owners of gas filling stations for the last 12 months or for the whole period of their retail sales if it is less than 12 months.