

Auction Rules

1. Basic Terms and Definitions

- **Supplier** - a registered user of the OnlineTender.sk system entitled to participate in the bid submission in an electronic auction room for procurement published by a contracting entity; in the process of signing up for the procurement and bidding in the electronic auction room, for the supplier the term bidder is defined;
- **Contracting entity** - a registered user of the OnlineTender.sk system entitled to publish procurement;
- **Bidder** - a registered user of the OnlineTender.sk system with the defined role of a supplier declaring his interest to participate in the electronic auction, and for this purpose he has signed up for the procurement, i.e. has requested the contracting entity to assign him to the published procurement, or has been assigned to the procurement by the contracting entity, and may submit bids in the electronic auction room according to the terms and conditions specified by the contracting entity;
- **Provider** - a person operating the OnlineTender.sk system by a person authorized;
- **Administrator** - an authorized person supervising the course of the electronic auction, managing the system users and setting system parameters;
- **Electronic Auction** - a dynamic purchasing OnlineTender.sk system serving for the automated evaluation of submitted bids; during the electronic auction involved bidders may directly submit their bids or multiple bids for the procurement items demanded by the contracting entity in a specified time;
- **Electronic Auction Room** - an electronic space reserved for submission of bids or multiple bids by bidders in order to offer for procurement items by changing the criterion of price or another criterion as defined by the contracting entity;
- **Procurement Items** - goods or services demanded by the contracting entity, to which bidders submit their bids;
- **Procurement Item Criteria** - individual procurement item parameters (price, goods or services delivery time, and the like, for which the contracting entity has determined a relative weight and a method for evaluating the submitted bids);
- **Entering Round** - part of the electronic auction with the defined date (day, month, year) and time (hour, minute) of the beginning and end of the round, in which bidders may test the method of bid submission in the electronic auction room;
- **Bidding Round** - part of the electronic auction with the defined date (day, month, year) and time (hour, minute) of the beginning and end of the round, in which bidders submit their real binding bids in the electronic auction room.

2. Contracting entity

The contracting entity undertakes that his declared interest in obtaining the demanded procurement items is real.

Creating Procurement and Electronic Auction Room

The contracting entity shall create the procurement and pertaining electronic auction room in the OnlineTender.sk electronic auction.

Assigning Bidders to Electronic Auctions

The contracting entity shall assign, to the electronic auction, the bidders who have asked for the assignment or the bidders whom it has called for the participation in the electronic auction.

Inviting Bidders to Electronic Auctions

The contracting entity shall send electronic invitations to e-mail addresses of suppliers. Electronic invitations shall be sent automatically after assigning bidders to the electronic auction and final approval of the electronic auction.

Actual Course of Electronic Auctions

The contracting entity shall ensure access to the electronic auction room for all invited bidders and enable them to submit their bids in accordance with the terms and conditions laid down in the procurement. In case of unexpected complications during the electronic auction, bidders may contact the administrator at the published phone number.

Evaluation of Electronic Auctions

The contracting entity shall ensure notification of the results of the electronic auction based on the automated and comprehensive evaluation of the bids submitted by the bidders.

Disqualification of Bidders

The bidder shall be disqualified from the process of evaluation, particularly if he:

- has not participated in the electronic auction;
- has participated in the electronic auction but has not submitted any bid;
- acts contrary to the General Business Terms and Conditions and / or the Auction Rules.

3. Supplier

By signing up for the electronic auction the supplier undertakes that his declared intention to provide the contracting entity the procurement items is genuine and agrees with the terms and conditions of the procurement.

Signing up for Electronic Auctions

The bidder agrees with the terms and conditions of the procurement by his request to be assigned to the electronic auction. After approval of the assignment by the contracting entity, the bidder shall be sent an e-mail invitation as a call for participation in the electronic auction.

Inviting to Electronic Auctions

The bidder shall also confirm his consent after invitation to the electronic auction before the actual submission of bids for the procurement items.

Bid Submission

The bidder shall submit his bids in the form of price proposals adjusted downwards, multiple bids adjusted downwards, changes in values of criteria up or down, repeated changes in criteria values up or down, or their possible combinations. The bidder shall submit bids for all procurement items as a whole, unless the contracting entity determined otherwise.

Bindingness of Bids

The supplier agrees that if he is notified by the contracting entity of the selection of his bid, he shall enter into a contract with the contracting entity in accordance with the terms and conditions of the procurement. The supplier may be the submitter of a winning bid for all procurement items as a whole, unless the contracting entity determined otherwise.

4. Electronic Auctions

Creating Electronic Auctions

The electronic auction shall be created and published by the contracting entity as part of the procurement. The contracting entity may create the unlimited number of electronic auctions.

In addition to administrative/general information on the procurement the contracting entity shall:

- determine electronic auction parameters;
- create procurement items and define their parameters;
- establish criteria for procurement items;
- define the times of particular rounds;
- determine input values of bids.

Assigning and Inviting Bidders to Electronic Auctions

One of the parameters of the electronic auction on the OnlineTender.sk auctions is its character. According to the character selected by the contracting entity, there are two ways of assigning bidders to the electronic auction:

Open Electronic Auction

The method is suitable for the contracting entity which has published procurement with using the electronic auction and written submission of bids has not taken place.

Any registered bidder may sign up for the open electronic auction. The contracting entity shall be notified of signing the bidder up for the procurement created by the contracting entity in the form of a notification e-mail. The contracting entity shall allow/ refuse signing the bidder up for the electronic auction by his assignment/ non-assignment to the electronic auction, and the bidder shall be informed about the assignment/ non-assignment by e-mail notification.

Close Electronic Auction

The method is suitable for the contracting entity which has published procurement with using the electronic auction and written submission of bids has taken place.

Bidders can not sign up for the close electronic auction. The contracting entity shall assign the bidders by selecting from a list of registered suppliers and provide them with bid input values.

In both cases, after creating the procurement (by assigning all required bidders) e-mail invitations to participate in the electronic auction shall be generated automatically.

Actual Course of Electronic Auctions

Invited bidders may submit their bids in the electronic auction room in two rounds:

- test round;
- bidding round.

The electronic auction room shall be made accessible according the times of the round (CET) specified in the invitation to the electronic auction.

In the test round bidders may submit their testing non-binding bids and in the bidding round their actual binding bids according to the terms and conditions defined by the contracting entity.

The automated system for evaluating shall, at any moment, notify the bidder of:

- time remaining until the end of round,
- the last value of item criteria entered by him;
- the best value of item criteria;
- the relative position in particular items;
- the total relative position in the electronic auction as a whole (only the procurement not divided into parts).

If contracting entity enters identical initial offer values for several tenderers, their relative position or total position will depend on initial values insertion time into the system OnlineTender.sk. Position of tenderer, whose initial values of criteria were entered earlier, will be evaluated more favourably.

The bidder shall be indicated the time limit to the end of the round as the Time to Round End. The round end shall occur at the time changing to the value of 0:00:00:00 (day : hour : minute : second) and by notifying "FINISHED". By this value the bidders may submit their bids.

Note that the system shall record the bids no later than three (3) seconds after their entering (limited by the Internet connection speed). To have the last bid recorded, it is recommended to enter the bid in time not less than three (3) seconds to the round end.

Bids shall be submitted according to the rules:

- by entering new value of criterion in the respective box and **press ENTER key to confirm;**
- rules for the criteria:

Minimum increment - a minimum value by which the bidder must modify the value of his last bid to have his new value of the criterion accepted.

Maximum increment - a maximum value by which the bidder must modify the value of the best bid to have his new value of the criterion accepted.

Criterion: Unit price (without VAT)

- the new entered value of the criterion must be lower, at least by the selected minimum increment and at the most by the selected maximum increment.

Other Criteria

- the new entered value of criteria must be lower/higher, at least by the selected minimum increment and at the most by the selected maximum increment.

Equality of Bids - it is not allowed to balance the bid of another bidder who is in first place.

Auction Completion

The electronic auction shall be completed in the following ways:

- without the extension possibility;
- with the extension possibility.

Without the extension possibility - the opportunity to submit bids by the bidders shall end by the lapse of the fixed time of the round end. The electronic auction room shall close by the lapse of the specified time.

With the extension possibility - the contracting entity shall define the extension time limit and number of repetitions of the extension as well as the time in which the automatic extension can be carried out.

Evaluation of Auctions

Immediately after the electronic auction has been completed, the automated evaluation system shall draw up a list of bids ranked in descending order from the most advantageous bid. The evaluation shall be sent to the contracting entity in the form of annex to the e-mail notification.

5. Force and Effect of the Auction Rules

These Auction Rules for the OnlineTender.sk electronic auction in this wording shall enter into force and effect on 15 June 2011 and shall be binding on all registered contracting entities and suppliers.

The contracting entity and the supplier shall give their consent to the Auction Rules by filling in the registration form and confirming the registration.