



South Aluminum Corporation (SALCO)

Bid Invitation

Date: October 14, 2025

No.: SALCO-TENDER-04-0034

Subject: Supply of Vibration Grinding Mill & Hydraulic Press

South Aluminum Corporation (SALCO) hereby invites all qualified suppliers to bid for supply of following products based on the below terms and conditions.

Description of Products are as follows:

Equipment	Model	Details
Vibration grinding mill	Herzog/HP-M 100P	1. Tungsten carbide vessel 100 ccm (no other vessels) 2. Spare parts or consumables such as vessel lid O-ring etc.
Hydraulic press	Herzog/HTP 60	1. Max. pressure 600 kN 2. Press tool for pressing in 40 mm steel rings (type 40/35) 3. Manual cleaning device for steel rings 4. Spare parts and consmables

Quantity: 1(one) Vibration Grinding Mill & 1 (one) Hydraulic Press

Delivery Terms: Delivery term shall be one of the followings. SALCO will choose the delivery terms, conditions, and method.

- 1- CFR Bandar Abbas, Iran, as per the Incoterms 2020.
- 2- CPT Bazargan, Iran, as per the Incoterms 2020.
- 3- CPT Imam Khomeini Airport (IKA), Iran, as per the Incoterms 2020.

Delivery Time: Within 8 (eight) months after payment of Advance Payment. If for any reason, attributable to the winner/supplier, Advance Payment is not paid, the above-mentioned delivery time shall be calculated from the date of Contract conclusion.

Manufacturer: Herzog Maschinenfabrik GmbH & Co. KG

Note 1: All Products shall only be supplied from HERZOG Maschinenfabrik GmbH & Co. KG as the manufacturer. Otherwise, the products shall be rejected by SALCO and the winner/supplier shall bear/compensate all related losses.

Payment Terms:

- **Payment Method:** In cash.
- **Advance Payment:** 50% (fifty percent) of the total price of Products shall be paid by SALCO as advance payment against a bank guarantee, issued by a reputable Iranian bank, equal to 130% (one hundred and thirty percent) of the amount of advance payment, in favor of SALCO and irrevocable, which can be collected unconditionally and without the need for judicial or administrative action, upon demand.

- If the winner cannot provide the advance payment bank guarantee, Winner can introduce a foreign currency account(s) payable in SALCO instead equal to 100% (one hundred percent) of the advance payment, if any, from which SALCO can freeze the advance payment guarantee amount.
- **Settlement Method:** 90% (ninety percent) of Total Price, after deduction of the advance payment, shall be settled/paid by SALCO against/after full delivery of the products. The balance 10% (ten percent) shall be paid by SALCO after completion of installation, commissioning, and test of the products.
- SALCO shall cover all the related cost for mandatory deduction and whole amount of contract should be paid as net for device and for installation.

Note 2: Payment of contract price shall be in USD, AED, and/or other foreign currencies, at SALCO 's choice. The base of exchange rates shall be XE.COM Websites 's exchange rate at the date of payment.

Other Conditions:

Note 3: In order to facilitate the procedure of invoicing and payment, if an Iranian company wins the contract, the winner shall introduce a third-party foreign company and accordingly enter into a tripartite contract/agreement. In case the Iranian winner company fails to introduce a third-party foreign company and enter into a tripartite contract/agreement, the contract award to the mentioned winner shall be considered null and void.

Note 4: An inspection will be carried out by SALCO or its nominated inspector at the manufacturer's factory (in the country of origin), before shipment. After completion of the inspection and confirmation of SALCO, shipment of Products shall be allowed.

Note 5: SALCO will not accept any broken, damaged, and defected Products in the place of delivery and the damaged or defected Products will be rejected by SALCO.

Note 6: For further information on submitting an offer, please study Annex I, Annex II, and Annex III.

Annex I. General Tender Information.

Annex II. Price Table (according to delivery term)

Annex III. Description of Products.

Note 7: All Interested bidders may obtain further information by contacting the following phone number:

Phone number: +98 21 53745000 Ext. 336

ANNEX I: General Tender Information

Validity: All offers should be valid at least for 90 (ninety) days after the deadline.

Deadline: All offers should reach to SALCO's Legal & Contracts Affairs Department at: No.35, 13th St., Seyyed Jamalluddin Asadabadi Ave, Tehran-Iran, Postal code: 1433673981, in a sealed envelope **no later than COB of November 15, 2025**

Note 8: All received offers by email or fax will not be considered.

Note 9: This tender will not be extended, unless through a further notice given by SALCO. In case of extension of the tender, SALCO will announce it via its official website at www.salcocomplex.com.

Note 10: All sealed envelopes should have followings:

1. Name of Supplier

2. Number of Tender

3. Stamp of Company

4. Specified Envelops A, B, and C

Currency: The requested currency is Euro.

Offer Terms: Your offer shall contain followings (Signed and Stamped in a sealed envelope):

Envelope "A" Guarantee:

- Tenderers who have representative office in Iran or originally Iranian companies shall provide SALCO with a bank guarantee issued by an Iranian bank for 16,650,000,000 Rials, in favor of SALCO and irrevocable, which can be collected unconditionally and without the need for judicial or administrative action, upon demand. Tenderers must put the original Bank Guarantee in envelope A. If tenderers cannot provide the guarantee by themselves or do not have representative office in Iran, a third-party company should provide this guarantee on behalf, in favor of SALCO or it can be frozen from the account(s) payable (if any) in SALCO's accounting books.
- For those tenderers who want to introduce a third-party company as guarantee provider, there should be the hard copy of a letter (signed and stamped on a letter head) inside the envelope A, addressing the third-party company as the guarantee provider of the tenderer, officially. Otherwise, the envelope C will not be opened.
- Those tenderers who are not able to provide guarantees issued by an Iranian bank, shall pay 15,000 USD (or equal to the mentioned amount in AED currency, based on XE.COM exchange rate at the date of payment) through bank payment to the bank account nominated by SALCO. If bidders are willing to pay by this method, an official email should be sent to SALCO (to: MIRAGHASI@SALCOCOMPLEX.COM) by them to get the bank account information from SALCO, at least 4 Iranian working days prior to the payment.
- The guarantee amount payment should be made by a company / corporation. It cannot be made by an individual.
- Above said guarantees will be returned to the tenderers (except the guarantees of the winner & the second-ranked bidder) after the Contract Award. The guarantees of the winner as well as the second-ranked bidder will be held by SALCO and will be released/returned after signing of Contract and submission of Performance Guarantee by the winner.

Envelope "B" (Qualification):

Envelope B should show relevant expertise, capability, knowledge, and experience of tenderers in supply of Tender Products, including the detailed resume of tenderers. Also, tenderers shall print out all pages of this tender document, and put them inside the envelope B, signed and stamped.

Note 11: Technical qualification of all tenderers including their work experiences and resume would be considered & evaluated by SALCO in this stage.

Note 12: If tenderers fail to pass this stage and their qualification is not approved by SALCO, they would be removed from tender process and the envelope C, submitted by them, would not be opened by SALCO in the next stage.

Envelope "C" (Commercial Offer):

Envelope C shall contain the commercial offer of tenderers **as per the price tables of Annex II**. Tenderers shall fill out both of the price tables of Annex II and put the filled-out tables inside the envelope C.

Additional Information:

Note 13: The Products will be inspected by SALCO or its nominated inspection company at the Manufacturer's Site in Germany or according to the note No. 14. So, the winner/supplier/manufacturer should cooperate fully with SALCO or its nominated inspector. If after inspection(s), the quality of Products is not confirmed, SALCO can reject the products and the guarantee(s) submitted by the winner will be seized by SALCO. In this case, all related costs or losses shall be borne by the winner.

Note 14: Please note that the inspection will be conducted at the factory of Herzog or any official dealer or branch of Herzog which its address has been mentioned on the Herzog's website at <https://www.herzog-maschinenfabrik.de>.

Final inspection will take place in SALCO Plant. Without approval of SALCO Technical Team the Products will be rejected.

Note 15: In case a tenderer wins the tender and refuses or fails to act according to its proposed offer and contractual obligations, that tenderer will not be allowed to participate in all future tenders of SALCO and SALCO will be entitled to remove that tenderer from SALCO's Approved Vendor List and immediately seize the guarantee(s) submitted by the winner. SALCO is also entitled to claim the related losses occurred by the said winner/supplier (like price increase which may affect SALCO's supply chain for the occurred delay).

Note 16: This invitation for a tender does not bind SALCO to purchase of such Products. SALCO reserves the right to cancel the above tender without assign any reasons and without any intimation from the bidders.

Note 17: All tender offers must be submitted in person to SALCO's Legal & Contracts Affairs Department in a closed and sealed envelope at the following address. Bidders shall get a delivery receipt from Legal & Contracts Affairs Department of SALCO for delivery of envelopes. **Offers received through email or fax shall not be considered.**

Address: No. 35, 13th St., Seyyed Jamalluddin Asadabadi Av., Tehran-Iran

Note 18: SALCO is permitted to set Quantity between the top offers. Number of accepted offers will be decided by SALCO.

Note 19: If within 7 (seven) days after sending a written contract award by SALCO, the winner of the tender does not sign the contract or refuses to accept contractual terms and conditions, SALCO has the right to disqualify the winner, cancel the contract award, seize/withdraw the tender guarantee submitted/paid by the winner, and awards the contract to the second-ranked bidder.

Note 20: The documents of delivered offers of the tender will be destroyed after 30 days from the date of opening the offers' envelopes.

Note 21: The winner of the tender is obliged to provide the Products based on the order codes and brands, inserted in the documents as well as attachments.

Note 22: With the same conditions and prices, SALCO can increase or decrease the quantity of required Products up to 25% (twenty-five percent). In this case, the winner of the tender will be informed through a letter by SALCO, and is obliged to act according to SALCO's announcement.

Note 23: Participation in this tender constitutes acceptance of all above-mentioned terms and conditions.

Annex II

Table 1

	Item	Quantity	Subtotal Price (USD)
1	Vibration Grinding Mill Herzog/HP-M 100P	1	
2	Hydraulic Press Herzog/HTP 60	1	
3	Freight (CFR Bandar Abbas or CPT Bazargan)		
Total Price (CFR Bandar Abbas or CPT Bazargan)			

Table 2

	Item	Quantity	Subtotal Price (USD)
1	Vibration Grinding Mill Herzog/HP-M 100P	1	
2	Hydraulic Press Herzog/HTP 60	1	
4	Freight (CPT IKA)		
Total Price (CPT IKA)			

- Both of the above tables shall be filled out. Price of both shipment methods shall be proposed separately in the related table.

Annex III

Description of Products

Equipment	Model	Details	Comments
Vibration grinding mill	Herzog/HP-M 100P	1. Tungsten carbide vessel 100 ccm (no other vessels) 2. Spare parts or consumables such as vessel lid O-ring etc.	
Hydraulic press	Herzog/HTP 60	1. Max. pressure 600 kN 2. Press tool for pressing in 40 mm steel rings (type 40/35) 3. Manual cleaning device for steel rings 4. Spare parts and consmables	according to pictures



Press tool for 40 mm steel ring



Manual cleaning device for steel rings 40 mm

IN THE NAME OF GOD

Purchase Contract

No.:

Purchase of Vibration Grinding Mill & Hydraulic Press

Between

SOUTH ALUMINUM COMPANY (SALCO)

&

Dated:

This Contract (hereinafter referred to as “Contract”) is made and entered into force on by and between:

SOUTH ALUMINUM COMPANY (SALCO)

Address: No. 35, 13th St., Seyyed Jamaluddin Asadabadi Av., Tehran- Iran Postal Code: 1433673981

Tel: +982153745000

Fax: +982188720140

Email address: info@salcocomplex.com

Authorized signatories: Mr. Mehdi Zahmatkesh as Managing Director and Mr. Ali Abdollahnejad as Board member

Hereinafter referred to as “Buyer” in this Contract

And

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Hereinafter referred to as “Seller” in this Contract

The parties agree as follows:

1. PRODUCTS

Purchase of Vibration Grinding Mill & Hydraulic Press as per the attachments which are integral parts of the contract.

2. SCOPE OF THE CONTRACT

The seller shall supply the products as per the provisions of this contract. The buyer shall make payment under the article No. 10.

Note: The seller shall submit the original copies of all shipping documents to the buyer, including bill of lading (BL), certificate of origin, packing list, commercial invoice, and proforma invoice (PI).

3. QUANTITY

1(one) Vibration Grinding Mill & 1 (one) Hydraulic Press.

4. QUALITY

As per the attachments which are integral parts of the contract.

5. PRICE

Unit price:

Total Price:

6. MANUFACTURER

Herzog Maschinenfabrik GmbH & Co. KG

Note: All Products shall only be supplied from Herzog as the manufacturer. Otherwise, the Products shall be rejected by the buyer and the seller shall bear/compensate all related losses.

7. DELIVERY TERM

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8. DELIVERY TIME

All Products shall be delivered by the seller within 8 (eight) months after payment of Advance Payment.

Note: If for any reason, attributable to the seller, Advance Payment is not paid, the above-mentioned delivery time shall be calculated from the date of Contract conclusion.

9. PACKING

Seller shall put the products in suitable box(s) or packing(s). The box(s) or packing(s) shall be well enough to protect the products against any damage during carriage or shipment.

Note: Seller shall be responsible for any damage or loss of products, due to inappropriate or improper packing.

10. TERMS OF PAYMENT

10.1. Payment Method: In cash to the seller 's Nominated Account.

10.2. Advance Payment: 50% (fifty percent) of the total price of the contract shall be paid by SALCO as advance payment against a bank guarantee which shall be provided by the seller according to the Article No. 15.

10.3. Settlement Method: 90% (ninety percent) of Total Price, after deduction of the advance payment, shall be settled/paid by SALCO against/after full delivery of the products. The balance 10% (ten percent) shall be paid by SALCO after completion of installation, commissioning, and test of the products.

Note 1: Payment of contract price shall be in USD, AED, and/or other foreign currencies, at SALCO 's choice. The base of exchange rates shall be XE.COM Websites 's exchange rate at the date of payment.

Note 2: SALCO shall cover all the related cost for mandatory deduction and whole amount of contract should be paid as net for device and for installation.

11. SUPERVISORY BODY

The supervisory body for this contract is the Commercial Deputy of the buyer. The seller shall perform contractual obligations as per this contract, under supervision of the supervisory body.

12. INSPECTION

12.1. The Products will be inspected by the buyer or its nominated inspection company at the Manufacturer's Site in Germany or according to the below note. So, the seller/manufacturer should cooperate fully with the buyer or its nominated inspector. If after inspection(s), the quality of Products is not confirmed, the buyer can reject the products and the guarantees mentioned in the article No. 15. will be seized by the buyer. In this case, all related costs or losses shall be borne by the seller.

Note: Please note that the inspection will be conducted at the factory of Herzog or any official dealer or branch of Herzog which its address has been mentioned on the Herzog's website at <https://www.herzog-maschinenfabrik.de>.

12.2. The seller shall introduce its contact person for inspection arrangements.

12.3. Final inspection will be carried out at SALCO Plant. Without confirmation of the buyer 's Technical Team, the cargo will be rejected.

13. NON-CONFORMITY

The seller undertakes to guarantee the quality of total products of the contract and their conformity with the standard specifications and descriptions. All products must be new, original, high quality, standard, without any defect or damage. If during the inspection(s) or delivery, defects or non-conformities are observed in the delivered products, Buyer has the right to reject the defected, damaged, or nonconforming products to the seller. Accordingly, equivalent to the price of such rejected nonconforming products shall be deducted by the buyer from the total price of the contract and/or shall be withdrawn by the buyer from the guarantees mentioned in the article No. 15.

14. TERMINATION

14.1. If at any time the seller fails to conduct and observe any of the contractual terms and conditions as well to comply with its obligations, especially if the seller fails to supply the products from Herzog Maschinenfabrik GmbH & Co. KG Ltd., the buyer has the right to terminate the contract unilaterally and seize the guarantees mentioned in Article No. 15, and/or claim through other legal means.

14.2. In case the seller fails to fulfill any of contractual obligations that results in termination of the contract by the buyer, the seller is obliged to refund the received advance payment, in the currency paid by the buyer. If the seller does not refund the amount, the buyer can withdraw the advance payment amount from the account(s) payable in SALCO or seize the advance payment bank guarantee in his favor.

14.3. In case of seizure of Advance Payment Guarantee by the buyer, to cover the currencies rates fluctuation, the exchange rate of to Iranian Rial shall be calculated and announced by the buyer based on <https://www.tgju.org/currency> on the date of seizure of Advance Payment Guarantee.

14.4. If for any reason, the seller fails to refund the advance payment or the buyer cannot collect it through the advance payment guarantee, the buyer shall have the right to claim through legal means.

15. GUARANTEES

15.1. Advance Payment Guarantee:

A bank guarantee, issued by a reputable Iranian bank, equal to 130% (one hundred and thirty percent) of the amount of

advance payment, which shall be calculated in Iranian Rial and informed by the buyer, shall be submitted by the seller as Advance Payment Guarantee.

The mentioned bank guarantee shall be in favor of the buyer, irrevocable, with a validity period of 12 (twelve) months, and extendable which can be collected unconditionally and without the need for judicial or administrative action, upon demand. Releasing of the mentioned guarantee by the buyer is subject to delivery of all products and reduction of whole advance payment amount. The advance payment bank guarantee shall be submitted to the buyer at the same time as the contract is signed and exchanged.

Note 1: In case of increase in to Iranian Rial exchange rate, more than 10% (ten percent), the seller undertakes to provide a bank guarantee to cover the mentioned exchange rate increase.

Note 2: If the seller fails to provide the advance payment guarantee within 20 (twenty) days from the contract conclusion date, the delivery time shall be calculated from the date of contract conclusion.

Note 3: If the seller cannot provide the advance payment bank guarantee, Seller can introduce a foreign currency account(s) payable in SALCO instead equal to 100% (one hundred percent) of the advance payment, if any, from which the buyer can freeze the advance payment guarantee amount.

15.2. Performance Guarantee:

In order to ensure the good performance of the products, the seller shall provide the Buyer with a bank guarantee equal to 5 % (five percent) of the total price of the contract, in Iranian Rial. with a validity period of 12 (twelve) months. The amount of the mentioned bank guarantee shall be calculated, in Rial, and informed by Buyer. If the seller cannot provide the bank guarantee, 5 % (five percent) of Total Price of Contract shall be frozen by the buyer from the account(s) payable introduced by seller in SALCO, instead. The performance guarantee shall be released/refund by the buyer after full delivery of Products by Seller and confirmation of Buyer on quantity, quality, and conformity of Products. The performance guarantee shall be submitted/paid by the seller when Contract is signed and exchanged.

16. PENALTY CLAUSE

16.1. In case the seller delays in delivery of the products, as per the article No. 8 of the Contract, the seller shall pay 3% (three percent) of the Total Price of the contract for each month of delay in delivery of the Products. The penalty (if any) shall be deducted by the buyer from Total Price of Contract and/or shall be withdrawn/collected by the buyer from the guarantees mentioned in the article No. 15.

16.2. The delay shall not be more than 2 (two) months. In case of delay more than 2 (two) months, the buyer can terminate the contract unilaterally and seize the guarantees mentioned in Article No. 15, and/or claim through other legal means.

17. FORCE MAJEURE

Neither buyer nor seller shall be liable for delay or failure in performing all or any part of this contract, to the extent that it has been obstructed, due to cases of Force Majeure of any kind, including strikes, lockouts, floods, act of God, war, civil commotion and other causes, beyond the reasonable control of buyer or seller. Sanction and currency fluctuation are not included in force Majeure. In case if force majeure happens, the buyer/seller shall inform this matter in written not later than 3 working days. Either party declaring Force Majeure shall promptly give documentary evidence such as a certificate from the chamber of commerce or any other competent authority proving the Force Majeure.

18. SETTLEMENT OF DISPUTES

All disputes or claims arising out of or in connection with this contract, including any question regarding its existence, validity, termination, breach or interpretation, shall be referred to and finally resolved by arbitration administered by the Arbitration Center of Iran Chamber (ACIC) in accordance with the Arbitration Rules of the Arbitration Center of Iran Chamber (ACIC Rules). This arbitration clause shall be treated as an agreement independent of this contract and shall in any case be binding.

19. GOVERNING LAW

This Contract shall be interpreted, enforced, governed by and construed in accordance with the laws of Islamic Republic of Iran.

20. WAIVERS

No amendment, modification or waiver of any provision of this Contract or of any right, power or remedy shall be effective unless made expressly and in writing, and acceptable by the parties of this Contract.

21. CHANGE OF MANAGEMENT/OWNERSHIP

Any change in the Management, Ownership, or Leadership of the buyer or seller shall not affect this contract or any of its provisions, rights or terms. No amendment, modification, change, or waiver in this contract is allowed by new Management, Ownership or Leadership in Buyer or Seller.

22. NUMBER OF COPIES

This Contract is written and signed with 22 (twenty-two) Articles in pages and in 3 (three) copies with the same validity.

For SOUTH ALUMINUM COMPANY (SALCO)	
Mr. Mehdi Zahmatkesh Managing Director	Mr. Ali Abdollahnejad Board Member
For	
.....	

Attachment No. 1

Description of Products

Equipment	Model	Details	Comments
Vibration grinding mill	Herzog/HP-M 100P	1. Tungsten carbide vessel 100 ccm (no other vessels) 2. Spare parts or consumables such as vessel lid O-ring etc.	
Hydraulic press	Herzog/HTP 60	1. Max. pressure 600 kN 2. Press tool for pressing in 40 mm steel rings (type 40/35) 3. Manual cleaning device for steel rings 4. Spare parts and consumables	according to pictures



Press tool for 40 mm steel ring



Manual cleaning device for steel rings 40 mm