SOUTH ALUMINUM CORPORATION (SALCO)

INVITATION TO BID (TENDER DOCUMENT) – EXPORT SALE OF ALUMINUM INGOTS

Date: 28 November 2026
Bid Submission Deadline: 01 December (**COB**)
Tender No.: SAL/ALEXP32/DEC/2026
Subject: Export Sale of Aluminum Ingots (**Splittable Tender**)

SALCO hereby invites eligible companies to submit sealed bids for the purchase of Aluminum Ingots under the following terms and conditions.

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1) COMMODITY & SPECIFICATION

1. **Product:** Aluminum Ingots
2. **Minimum Alloy/Grade:** 1020-1015
3. **Sizes:** 50 P – 1000 P
4. **Quality & Packing:** SALCO standard quality control and packing (as per SALCO internal procedures).
    - Certificate of Analysis (COA) and shipment documents shall be issued by Seller as per standard practice.

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2) QUANTITY, LOT STRUCTURE & DELIVERY CAPACITY

1. **Total Tender Quantity:** Up to 10,000 MT (metric tons), structured as follows:
    - **Firm Awarded Quantity – 5,000 MT:** Shall be awarded to the primary winning bidder meeting all technical, financial, and qualification criteria.
    - **Optional / Additional Quantity – Up to 5,000 MT (Upon Request):** An additional quantity of up to 5,000 MT is subject to the bidder's written request and mutual agreement, and may be released at SALCO's sole and absolute discretion either granted to the primary winning bidder or allocated to other qualified bidders matching the winning premium, as detailed in Section 4.

2. **Splittable Tender:** SALCO may award the firm quantity and/or the optional quantity to one or more bidders, at its sole discretion.
3. **Bid Quantity Range:** Each bidder may propose any quantity not less than 5,000 MT.
4. **Weekly Delivery / Take-Off Requirement:**
    - **Seller's capability:** SALCO is capable of delivering 250 to 5,000 MT per week.

Buyer's obligation: The successful bidder(s) shall take delivery of at least 250 MT to 5,000 MT per week (for the awarded quantity), subject to a mutually agreed weekly loading schedule and issuance of Sales Orders (Havaleh).

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3) DELIVERY TERMS

1. **Incoterm: FCA – Lamerd Special Economic Zone (SEZ), Fars Province, Iran (Incoterms® 2020)**
2. **Delivery Point:** SALCO warehouse / loading point at Lamerd SEZ, Fars Province, Iran.
3. **Weighing & Final Weight:** Lamerd Special Economic Zone weighbridge certificate at the delivery point shall be final and binding for invoicing purposes.
4. **Weight Tolerance: ±5%** at Seller's option per Sales Order / release (unless otherwise agreed in writing).

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4) PRICE & AWARD CRITERIA

1. **Price Basis:** Bidder shall quote a fixed premium (USD/MT) over LME as per the pricing mechanism defined in Section 5.
    - In case of delivering aluminum ingot with higher grades (namely 0507 & 0610), for per MT, **5** USD will be added to the unit price of aluminum ingots.
2. **Award Principle:** The best offered premium may win the bid only if all other tender requirements are met and the bidder satisfies SALCO's qualification criteria.
3. **SALCO Rights:** SALCO reserves the right to reject any or all bids, cancel the tender, or extend the deadline without incurring any liability.
4. **Allocation of Remaining Quantity:** With respect to any balance of the optional 5,000 MT not allocated to the primary winning bidder, SALCO reserves the sole and exclusive right, at its absolute discretion, to:

    (a) award all or part of the optional quantity to the primary winner upon request and mutual consent; and/or

    (b) allocate all or part thereof to one or more other eligible bidders, provided that such bidders agree in writing to match the winning bidder's offered price/premium and are subject to SALCO's final approval.

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5) PRICING MECHANISM (QP) – PROVISIONAL & FINAL INVOICING

To eliminate ambiguity, pricing shall be determined as follows **per each Sales Order (Havaleh)**:

5.1 Provisional / Proforma Invoice Price (for 100% prepayment)

For each Sales Order, the Provisional (Proforma) Invoice unit price shall be calculated based on:

- **LME Reference:** Average of 3 LME working days immediately prior to the Proforma Invoice issuance date, plus
- **Bid Premium:** The awarded premium (USD/MT) for the relevant ingot size.

5.2 Final Invoice Price (QP after First Export Shipment)

- The Final Invoice unit price for the relevant Sales Order shall be calculated based on the average LME Cash Settlement prices for five LME working days **commencing from the day immediately following** the date on which the weighbridge ticket and exit waybill are issued for the first export carrier at the designated customs border crossing. The Final Invoice shall be issued based on such average price, plus the awarded Bid Premium (USD/MT).
- **LME Reference:** Average of 5 LME working days after the date of the first truck loading under that Sales Order, plus
- **Bid Premium:** The awarded premium (USD/MT).

5.3 Price Adjustment (Final vs. Provisional)

Any difference between the Provisional Invoice value and Final Invoice value shall be settled through a debit/credit note or other settlement method determined by Seller. The settlement mechanism, timing, and offsetting shall be detailed in the sales contract.

(Note: LME.com (Cash Settlement) shall be referenced in the contract.)

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6) PAYMENT TERMS

1. **Payment Method:** Cash or Telegraphic Transfer (T/T) to Seller's nominated bank account.
2. **Payment Requirement:** Buyer shall pay 100% of each Proforma/Provisional Invoice amount prior to release of the goods from Seller's warehouse at Lamerd SEZ.
3. **Settlement Currency:** All invoices shall be calculated in USD.
    - **AED and EUR** payments may be accepted only upon Seller's written approval.
    - Exchange rate reference for information purposes shall be **XE.COM** on the Proforma Invoice issuance date; however, settlement shall be based on net funds received in Seller's account and Seller's final determination.
4. **Bank Account Details:** Bidder shall send an official email to **commercial@salcocomplex.com** and **y.hashemi@salcocomplex.com** to obtain SALCO's nominated bank account details.

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7) BANK CHARGES & FINANCIAL COSTS

1. **All bank charges** and transaction costs related to any payment between Buyer and SALCO shall be borne solely by the Buyer, without exception.
2. Buyer must instruct its bank to remit payments OUR (all charges on remitter) so that SALCO receives the full invoiced amount without deductions.
3. In case SALCO refunds or releases any guarantee amounts, SALCO may deduct any

applicable bank charges incurred during the refund process from the refundable amount.

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8) TENDER GUARANTEE (BID BOND) – USD 100,000

1. **Amount:** Each participant shall provide SALCO a tender guarantee of USD 100,000 (or its equivalent in Iranian Rials as described below).
2. **Iran-based / Iranian companies:**
    - Shall provide an Iranian bank guarantee equal to USD 100,000 in IRR.
    - Exchange rate shall be calculated based on the Second Hall effective rate on the tender publication date.
    - The original bank guarantee shall be enclosed in Envelope A.
3. **Non-Iran-based bidders without a representative office in Iran:**
    - A qualified third-party company may provide the above guarantee on behalf of the bidder.
4. **Cash guarantee option (USD 100,000):**
    - If a bidder intends to deposit USD 100,000 in cash as guarantee, it must send an official email to SALCO at least 5 Iranian working days prior to payment to receive bank account details and instructions.
    - The payment must be made by a **company/corporation**; payments by individuals are not acceptable.
5. **Mandatory authorization letter (when guarantee is provided by a representative/third party):**
    - Envelope A must include a hard copy letter, signed and stamped on company letterhead, officially introducing the representative/third-party company as the guarantee provider for the bidder; otherwise Envelope B shall not be opened.
6. **Accounts receivable as guarantee (if applicable):**
    - Any account receivable from SALCO as of the bid submission deadline may be used as guarantee, subject to SALCO confirmation, and will be frozen in SALCO's accounts. Supporting signed/stamped letter must be enclosed in Envelope A.
7. **Return / Release of Tender Guarantee:**
    - For non-winning bidders: the tender guarantee will be returned after the winner(s) sign the contract(s).
    - For winning bidder(s): the tender guarantee will be retained until contract signing and may be released upon arrangements determined by SALCO in the contract.
8. **Forfeiture:** If a winning bidder refuses or fails to act according to its offer and contractual obligations, SALCO may confiscate the tender guarantee immediately, remove the bidder from SALCO's approved business partners/customers list, and claim proven losses.

9) SUBMISSION INSTRUCTIONS (SEALED ENVELOPES)

1. **Submission Method:** All offers must be submitted **in person** in a closed and sealed package to SALCO Legal & Contracts Department at:**No. 35, 13th Ave., Seyyed Jamaluddin Asadabadi St., Tehran, IranPostal Code: 1433673981** Bidders shall receive an official receipt of delivery.
2. **No Email/Fax Submission:** Offers received via email or fax will not be considered.
3. **Deadline:** Offers received after the deadline will be rejected.

10) ENVELOPES CONTENT

10.1 Envelope A – Administrative & Guarantee Documents

- Full Company Name
- Registration No.
- Country of Registration
- Company Address
- Tel / Fax
- Email Address
- Official letter introducing the person in charge in Iran on behalf of the company (if applicable)
- Tender Guarantee documents and related letters as per Section 8

10.2 Envelope B – Financial Offer

Envelope B must include four (6) pages of the current tender document, duly signed and stamped, plus the completed price offer table below (or a formal price letter with these signed/stamped pages as annexes).

11) PRICE OFFER TABLE (TO BE COMPLETED BY BIDDER)

Delivery Term: FCA – Lamerd SEZ (Incoterms® 2020)

Delivery Term	Price Offer (USD)
FCA-LAMERD	LME+ …

12) DISPUTE RESOLUTION (ARBITRATION)

Any dispute, controversy, or claim arising out of or relating to this tender and/or the resulting contract(s) shall be finally settled by arbitration at the **Chamber of Commerce, Industries, Mines and Agriculture of Iran**, in accordance with its arbitration rules. Seat and language of arbitration shall be as specified in the contract.

13) IMPORTANT NOTES

1. SALCO reserves the right to reject any or all offers, cancel the tender, or extend the deadline.
2. In case the offer is accepted, SALCO will notify the winner(s) via official email.
3. Currency exchange ratio reference for non-USD payments, if approved, shall be according to **XE.COM** on the issuance date of each Proforma Invoice, subject to Seller's final determination and net receipt.