



LIETUVOS KARIUOMENĖS KARINIŲ ORO PAJĖGŲ
AVIACIJOS BAZĖ

LITHUANIAN AIR FORCE AIR BASE

Lakūnų str. 3, LT-77103 Siauliai, tel +370 41 592104, fax. +370 41 592192

TO: INSTITUTE OF AVIATION MEDICINE PRAGUE
Generála Píky 1, Prague 6-Dejvice
160 60 Czech Republic

No IS-SK-66
5 of July, 2016

Attention: Mr. Brunclík Štefan
Representative Institute of aviation medicine Prague

REQUEST FOR THE L-39 AND GYRO IPT II SIMULATORS TRAINING

Siauliai Air Force Base has an intention to buy L-39 and GYRO IPT II simulator training and accomodation (hereinafter referred to as the training) service for pilots.

Offer price table:

No.	Name of request	Duration of the course	Period	Price for one pilot training EUR	Remarks
1.	L-39 and GYRO IPT II simulator training (no VAT applicable)	9 flight hours per pilot.		2277	The number of pilots depending on available funding. Preliminary number of pilots is seven.
2.	Accomodation (VAT included)		8 days	0	
The total training price				2277	

Offer for training service should be send by fax +370 41 592 192 or email to [REDACTED] until **21th June 2016 10.00 (L)**. Subsequently received offers will not be considered and negotiated.

1. The offer will be selected based on the lowest price for training.
2. Offer's price should include all fees, taxes and pays which might have influence on total service price.
3. Training course consisting of a classroom theory preparation and training flights on a flight simulators TL-39 and GYRO IPT II (9 hours per person).
4. The **Provider** should present the copies of certificates, which proves that **Provider** has appropriate qualification perform training with simulator service.
5. The **Provider** shall be paid after the completion of training service, within 30 (thirty) calendar days from receipt of invoice (invoice shall be also sent by e-mail).
6. Delayed financing from the budget shall be deemed the grounds for absolute release of **the Purchaser** from civil liability and payment of default interest on overdue payment.
7. **Purchaser** has rights to:
 - 7.1. Negotiate with **Provider**, who meets the qualification and requirements. The price of the offer is the main subject for negotiation. Negotiation will be carried out by the telephone (conference call). The result of negotiation will be formalized with the protocol, which will be

signed by the representatives of both **Parties** (PDF format or such act, with the signatures, sending/receiving to indicated e-mail).

7.2. Reject offers in case they do not comply with the qualification requirements or survey procedures.

7.3. Reject offers due to price, which is not acceptable for **Purchaser**;

7.4. Decrease/increase the amount of training means to be procured depending on available funding.

8. The Contracting Authority shall offer to the **Provider**, whose tender will be recognized as a winner, to sign a procurement contract for training service. Procurement contract shall be awarded in two parts – general and special one.

9. Draft of the Contract for the purchase and sale of services you will find in annex 1, 12 pages.

For designated Point of Contact (POC) for procurement procedures is Giedrius Staponkus phone No. [REDACTED], for technical questions is Vytautas Požėla phone No. [REDACTED], during working hours from 8.00 am to 17.00 pm.

Colonel Marius Matulaitis
Air Base Commander

Organizer reference (Giedrius Staponkus, [REDACTED])
Original will not be send

Annex 1

I. CONTRACT FOR THE PURCHASE AND SALE OF SERVICES NO.

SPECIAL PART

2016-07-05

Šiauliai

The Air Force Air Base of the Lithuanian Armed Forces, represented by the Commander of the Air Base Marius Matulaitis, acting in accordance with Air Base Regulations (hereinafter referred to as **the Purchaser**), and (*the Supplier*), represented by (*position, name, surname*), acting in accordance with (*documentary basis for acting in the afore-mentioned position*) (hereinafter referred to as **the Supplier**), (*in the event of a group of economic operators, relevant details on each partner shall be specified*) hereinafter in this contract for the purchase and sale of services referred to as the “**Parties**” and each individually as the “**Party**”, acting in accordance with the Law on Public Procurement of the Republic of Lithuania have entered into the present contract for the purchase and sale of services, hereinafter referred to as the “Contract”, and agreed upon the terms and conditions set forth hereunder.

<p>1. The Object of the Contract The Provider shall provide and the Purchaser shall buy: 1.1. Training courses consisting of a classroom theory preparation and training flights on a flight simulators TL-39 and GYRO IPT II (9 hours per person) (hereinafter referred to as the training).</p>	<p>2. Service rates 2.1. Service rates are provided in Annex 1 “Service Pricing Table” to the Contract; 2.2. Service pricing applicable with the procedure is set forth in Clause 2.2. and 2.4. of the General Part of the Contract. Customer reserves the right to reduce/ increase quantity of services purchased.</p>
<p>3. Place, term and conditions for the delivery of Services The Services will be provided at Seller’s location. Training periods will be arranged in advance based on mutual agreement between Parties.</p>	<p>4. Payment Procedure 4.1. Advance payment is not provided. 4.2. The Provider shall be paid when the object of the Contract in conformity with the requirements established in the Contract and the annex(s) hereto is delivered to the Purchaser upon signing the Delivery-Acceptance Certificate by both Parties within 30 (thirty) days of signing the Delivery-Acceptance Certificate and receipt of the invoice. 4.3. Payment basic – the invoice shall be sent by electronic means. 4.4. Delayed financing from the budget shall be deemed the grounds for absolute release of the Purchaser from civil liability and payment of default interest on overdue payment.</p>
<p>5. If the Provider delays to provide the services more than 3 days considering to Annex 1 indicated dates, the Purchaser shall be entitled to terminate the Contract in accordance with the procedure established in the General Part of the Contract.</p>	<p>6. The quality of the services shall meet the training course requirements that are mentioned in the Annex 2. After completion of recurrent training program for pilots the Provider should give the course completion certificate.</p>

<p>7. Warranty period for the services (goods/works) provided by the Provider - not applicable.</p>	<p>8. Obligation fulfilment control – not applicable</p>
<p>9. Other Provisions: 9.1. Annex 1 to the Contract “Service Pricing Table”. 9.2. Annex 2 to the Contract “technical specification of L-39 aircraft and flight spatial disorientation simulators”. 9.3. The value of liquidated damages specified in Clause 11.4 of the General Part of the Contract shall be EUR 1200 (one thousand two hundred EUR 00 cents). 9.4. The Purchaser has rights to: 9.4.1. Decrease / increase the amount of services to be procured depending on available funding; 9.4.2. Change training period upon mutual agreement of the parties. 9.5. The Provider will provide the training in English language.</p>	<p>10. The Contract shall be effective until the complete discharge of the contractual obligations.</p>
<p>11. Purchaser’s Details Armed Forces of the Republic of Lithuania, Air Force Air Base Code: 300058177 Address: Lakūnų st. 3, Šiauliai Tel.: (+370 41) 592 144 Fax: (+370 41) 592 192 Payer: Armed Forces of the Republic of Lithuania Code: 188732677 Address: Sv. Ignoto 8/29, LT-01144 Vilnius Bank AB SWEDBANK A. s. [REDACTED] POC: [REDACTED] mobile [REDACTED]</p>	<p>12. Provider’s Details Company name Company code address tel. fax. bank A. s. [REDACTED] SWIFT [REDACTED] POC: [REDACTED] mobile [REDACTED]</p>

PURCHASER

LAF Air base
Commander

L.S.

PROVIDER

Institute of Aviation Medicine
Prague director

L.S.

SERVICE PRICING TABLE

No.	Name of request	Duration of the course	Period	Price for one pilot training EUR	Remarks
1.	L-39 and GYRO IPT II simulator training (no VAT applicable)	9 flight hours per pilot.	 	2277	The number of pilots depending on available funding. Preliminary number of pilots is seven.
2.	Accommodation (VAT included)	 	8 days	0	
The total training price				2277	

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L.S.

L.S.

TECHNICAL SPECIFICATION OF L-39 AIRCRAFT AND FLIGHT SPATIAL DISORIENTATION SIMULATORS

1. Requirements for the course

Simulator shall be of L-39 aircraft, additionally spatial disorientation in flight training shall be provided on separate dedicated simulator.

2. Course content:

2.1. Course shall be conducted by qualified instructors. Instructors' fee must be included in the price of course;

2.2. Course participants – Air Base L-39 personnel. Number of participants may vary depending on funding provided;

2.3. Planned duration of the course – 9 flight hours per pilot. 7,5 flight hours shall be conducted on L-39 simulator and 1,5 hours on spatial disorientation simulator.

3. Additional material

Upon successful completion of course, service provider must issue pilot's course completion certificate.

II. CONTRACT FOR THE PURCHASE AND SALE OF SERVICES

GENERAL PART

1. Definitions

1.1. For the purposes of this Contract, the following definitions shall apply:

1.1.1. Contract shall mean the General Part and the Special Part of this Contract for the Purchase and Sale of Services and the annexes to the Contract for the purchase and sale of services.

1.1.2. Parties shall mean the **Purchaser** and the **Supplier**:

1.1.2.1. **Purchaser** shall mean the Party with the details specified in the Contract which purchases the Services under the terms and conditions laid down in this Contract;

1.1.2.2. **Supplier** shall mean the Party with the details specified in the Contract which provides the Services under the terms and conditions laid down in this Contract.

1.1.3. Third Party shall mean any natural person or legal entity (including the state, public authorities, municipality, municipal authorities), which is not a party to this Contract.

1.1.4. Licences shall mean all the licences, patents and/or permits required for the performance of the Contract.

1.1.5. Object of the Contract shall mean the services and the goods, corresponding to the requirements indicated by the Purchaser and relating to the provision thereof agreed by the Parties in the Special Part of the Contract.

1.1.6. Liquidated Damages shall mean an undisputable amount established in the Contract or calculated under the procedure set forth in the Contract which the **Supplier** undertakes to pay to the **Purchaser** in the event of non-performance or improper performance of the obligation.

1.1.7. Rules of Marketing shall mean the price determined in the Contract or the rules of calculation and correction of the contract price.

1.1.8. Goods shall mean the goods used in the provision of services, purchased along with services or produced in the provision of services.

1.1.9. Consignment of Goods shall mean the quantity of goods delivered at one time.

1.1.10. Lot of Goods shall mean consignments of goods manufactured from the same lot of material.

1.1.11. Lot of Materials shall mean a certain amount of material produced from the same raw materials obtained from the same **Supplier** following the same technology and under the same terms and conditions. Conformity assessment certificate or certificate of conformity shall be considered a proof of the quality of a lot of material concerned.

1.2. Minimal losses agreed by the Parties in advance shall be calculated from the day following the date of this Contract liabilities settlement term and shall be finished to calculate after the Party fulfils its obligations (the last date of estimations shall be the obligations fulfilment date).

1.3. The headings of the parts and articles of the Contract are for convenience only and may only be used in the interpretation of the Contract as an additional tool.

1.4. Unless otherwise set out in the Contract, the duration and other terms of the Contract shall be calculated in calendar days.

1.5. Should the payment term or term of fulfillment of obligations coincide with public holidays and days-off in the Republic of Lithuania, the payment term and term of fulfillment of obligations under the Contract shall be the following workday.

1.6. If required by the context, words in the singular may include the plural and vice versa.

1.7. Where the meaning expressed in words differs from the meaning expressed in numbers, the verbal meaning shall prevail.

2. Contract Price/Rates/Rules of Marketing

2.1. Contract price/rates shall mean the amount that the **Purchaser** undertakes to pay to the **Supplier** in accordance with the procedure and terms stipulated in the Contract.

2.2. Contract price/rates are stable and shall not be changed throughout the validity period of the Contract, unless the VAT rate applicable to the services and the goods related to the provision

thereof changes after signing the Contract. The recalculated price/rates shall be executed by a written agreement of the Parties and applicable to those services and the goods relating to the provision thereof which will be provided after the day of entry into force of such agreement signed by the Parties (*if the Special Part provides for such a condition*).

2.3. The rates of services shall be changed in accordance with the rules of marketing established in the annex to the Contract. The recalculated price/rates shall be executed by a written agreement of the Parties and applicable to those services and the goods relating to the provision thereof which will be provided after the day of entry into force of such agreement signed by the Parties (*if the Special Part provides for such a condition*).

2.4. The Contract price shall include the price of services, all costs and taxes relating to the provision of services. The rates of services shall include all costs and taxes relating to the provision of services (*applicable if the Contract does not provide for the Contract Price*). The **Supplier** shall count all costs relating to the provision of services into the Contract price/rates of services, including but not limited to:

2.4.1. Costs of logistics (transportation);

2.4.2. Packing, loading, transit, unloading, unpacking, check-up, insurance and other costs relating to the provision of services;

2.4.3. All costs relating to the issue and provision of the documents required by the **Purchaser**;

2.4.4. Costs relating to the purchase or rent of the means, tools, equipment and technical devices required for the provision of services, as well as the maintenance costs of the afore-mentioned equipment and technical devices;

2.4.5. Costs of providing the use & maintenance guides stipulated in the Technical Specification;

2.4.6. Warranty repair costs.

2.5. The risk of foreign currency fluctuations and changes in manufacturers' prices shall be assumed by the **Supplier**.

3. Terms and Conditions of the Provision of Services

3.1. The services shall be provided in accordance with the terms and procedure provided for in the Special Part of the Contract (or the annex(s) to the Contract).

3.2. The **Supplier** shall provide the services at its own risk without any additional payment. The services duly provided shall be handed over and accepted upon signing the Delivery and Acceptance Certificate by both Parties which shall only be signed in case the services are provided in a quality manner and comply with the requirements set forth in the Contract and the annex(s) hereto (*if signed*). If the provided services are qualitative and corresponds to the requirements stated in the Contract and annex(s) hereto (*if signed*) the Delivery and Acceptance Certificate shall be signed within 30 days.

4. Terms and Conditions of Payment

4.1. The **Supplier** shall be paid when the object of the Contract in conformity with the requirements established in the Contract and the annex(s) hereto is handed over to the **Purchaser** upon signing the Delivery and Acceptance Certificate by both Parties (*if signed*) within 30 (thirty) days of signing the Delivery and Acceptance Certificate (*if signed*) and receipt of the invoice (the invoice shall be also send by electronic means). If another payment terms are determined they shall be indicated in the Special Part of the Contract.

4.2. Where the **Purchaser** shall make advance payment indicated in the Special Part of the Contract, the **Supplier** shall undertake to submit a bank guarantee or security bond from an insurance company for advance payment for the amount of the advance payment paid by the **Purchaser** (the guarantee shall be valid 2 (two) months longer than the term for the provision of services) and an invoice for advance payment within 5 (five) business days of receipt of the notice.

4.3. Record certifying that the guarantor shall irrevocably and unconditionally undertake to pay the **Purchaser** an amount not exceeding the amount indicated in the bank guarantee/ security bond by transferring the money to the **Purchaser's** account within 14 (fourteen) days after receipt of written

notice from the **Purchaser**, confirming termination of the Contract, shall be written in the bank guarantee or in the security bond.

4.4. It cannot be stated that the guarantor is liable only for compensation of direct damages. Any terms or conditions which would oblige the **Purchaser** to prove the guarantee or surety bond issuing company that the Contract with the **Supplier** was terminated legally or otherwise shall allow the guarantee or surety bond issuing company not to pay (or delay payment) the amount secured by the guarantee or surety bond, cannot be specified.

4.5. Advance payment bank guarantee or insurance company surety bond not corresponding to the requirements stated in the Articles 4.2-4.4 of the General Part of the Contract shall not be accepted. In this case, it will be assumed that the **Supplier** failed to provide an advance payment bank guarantee or surety bond from the insurance company Article 4.1 of the Contract shall be applied.

4.6. The **Purchaser** shall pay the advance payment within 10 (ten) days from receipt of a bank guarantee for advance payment or surety bond from the insurance company and an invoice for advance payment (*if the Special Part provides for such a condition*).

5. Quality of Services

5.1. The services shall comply with the requirements set forth in the Contract and the annex(s) hereto.

5.2. Should the **Purchaser** upon the inspection of the quality of the provision of services during the period of the provision of services identify any defects in the provision of services or the fact of delay of the provision of services, the failure to provide the services or the breach of other contractual obligations, the inspection report shall be issued and signed by the authorised representatives of the **Purchaser** and the **Supplier**, and the **Supplier** shall be subject to contractual liability (should the **Supplier's** representative refuse to do it, the inspection report shall be signed by the **Purchaser's** representative only).

5.3. If a conflict over the quality of services and their compliance with the requirements stated in the Contract and annex(s) hereto cannot be resolved by mutual agreement of the Parties, the Parties shall reserve the right to invite independent experts. All costs relating to the work of experts shall be borne by the non-prevailing Party.

5.4. The **Supplier** shall ensure the required conditions for the **Purchaser's** representative to carry out the quality control of the provision of services in the process of production, inspect auxiliary materials and raw materials, as well as their primary purchase documents.

5.5. In case the non-conformity of the goods which are the outcome of the provision of services with the requirements established in the Contract and the annex(s) hereto is identified at the time of acceptance thereof, the **Supplier's** representatives shall be invited and the certificate shall be issued in their presence, the goods shall not be accepted and the **Supplier** shall be subject to contractual liability (in this case the contractual liability shall apply if the term for the delivery of goods has already expired) (*applicable if the goods handed over/sold in the performance of the contract of services are directly related with the object of the contract*).

6. Quality Guarantee¹

6.1. The quality guarantee period shall be specified in the Special Part of the Contract (or the annex hereto).

6.2. The **Supplier** shall within the term specified in the Special Part of the Contract during the warranty period replace the defective good by a new good in conformity with the requirements set out in the Contract or the annex(s) hereto for a period of elimination of defects at its own cost (*if the Special Part provides for such a condition*).

6.3. The **Supplier** shall within the term specified in the Special Part of the Contract during the quality guarantee period remove the defects of the goods at its own cost or, if the defects cannot be removed, replace the defective good with a new good in conformity with the requirements set out in

¹ The quality guarantee period shall be specified where the goods handed over/sold in the performance of the contract for the purchase and sale of services are directly related with the object of the contract.

the Contract or the annex(s) hereto at its own cost (*if the Special Part provided for such a condition*).

6.4. The **Supplier** shall be notified of any defects of the goods identified during the quality guarantee period in writing (by fax or mail). Quality claims shall be accepted throughout the quality guarantee period.

6.5. The quality guarantee period for the defects removed by the **Supplier** shall be calculated as of the day of signing the Delivery and Acceptance Certificate for the defects of the goods removed.

6.6. In case the good is replaced with a new good, it shall be given a new quality guarantee period specified in the Special Part of the Contract which shall be calculated as of the day of signing the Delivery and Acceptance Certificate of a new good.

6.7. The quality guarantee period specified in the Special Part of the Contract (or the annex hereto) shall not be applied if the **Supplier** is able to prove that the defects of the goods originated due to incorrect or improper conduct of the **Purchaser** or the third parties, or force majeure.

7. Force Majeure

7.1. The Party shall be released from responsibility for the non-performance of any contractual obligations if it can prove that such non-performance was due to unusual circumstances which the Parties could not control or reasonably foresee or prevent the occurrence of such circumstances or the consequences thereof. For the purposes of this Contract, force majeure shall be considered to be the circumstances defined in Article 6.212 of the Civil Code of the Republic of Lithuania and the Rules Governing the Release from Liability in the Event of Force Majeure approved by Government of the Republic of Lithuania Resolution No. 840 of 15 July 1996. In identifying force majeure circumstances, the Parties shall follow Resolution No. 222 of the Government of the Republic of Lithuania of 13 March 1997 “On the Approval of the Procedure of the Issue of Certificates Testifying the Presence of *Force Majeure* Circumstances” or the regulatory legal acts replacing it. In the presence of force majeure circumstances, the Parties shall be exempted from liability for the non-performance of the contractual obligations, partial non-performance or improper performance thereof in accordance with the procedure established in the legal acts of the Republic of Lithuania, and the term for the performance of obligations shall be extended.

7.2. The Party requesting a release from liability shall notify the other Party of the force majeure circumstances in writing immediately but no later than within 10 (ten) working days of the day of the occurrence or discovery of existence of such circumstances by providing evidence to all reasonable precautions taken by it and to every possible effort made by it to reduce the costs or negative consequences, as well as communicate the expected term for the performance of obligations. The notice shall be also required upon the expiry of the grounds for the non-performance of obligations.

8. Codification

8.1. The **Supplier** shall within 5 (five) days of entry into force of the Contract deliver to the National Codification Bureau of the Material Management Centre of the Material Resources Department of the Lithuanian Armed Forces at the address Savanorių pr. 8, LT-03116 Vilnius (information is provided by the telephone 8 5 2 785 252) a copy of the signed Contract accompanied by the information necessary for the identification of the purchased goods relating to the provision of services in accordance with the forms “List of Tangibles to be Codified” and “Information about the Manufacturer and the Supplier” provided in the annex hereto. The **Supplier** shall provide the completed and signed forms in electronic or paper form (*if the Special Part provides for such a condition*).

8.2. At the **Purchaser's** request, the **Supplier** shall within 5 (five) days submit the additional technical documentation required for codification free of charge (e.g. technical characteristics, drawings, photographs, catalogues, references, etc.).

9. Termination of the Contract

9.1. The Contract may be terminated:

9.1.1. By written agreement of the Parties;

9.1.2. If force majeure circumstances persist for a longer period than the number of days indicated in the Special Part of the Contract (depending on the specific characteristics of performance of the Contract a particular period from 14 till 60 days may be indicated in the Special Part of the Contract) and the Parties have not executed any agreements to amend the Contract permitting the Parties to continue the performance of their contractual obligations.

9.2. The **Purchaser** may terminate this Contract unilaterally by a prior 7 (seven) day written notice to the **Supplier** if:

9.2.1. The **Supplier** fails to initiate the provision of services by the term specified in the Special Part of the Contract;

9.2.2. The **Supplier** is in delay to provide (or informs that will not provide) the services by the term(s) specified in the Special Part of the Contract;

9.2.3. The **Supplier** increases the prices/rates of services, except for the case set forth in Article 2.2 of the General Part of the Contract;

9.2.4. The **Supplier** fails to comply with or improperly complies with the quality guarantee obligations set forth in Clause 6 of the General Part of the Contract;

9.2.5. The **Supplier** fails to perform the obligation laid down in Article 12.4 of the General Part of the Contract (*in case the performance of the contract will be secured by a surety bond or a bank guarantee*);

9.2.6. The quality of the services provided by the **Supplier** does not comply with the requirements set forth in the Contract or the annex(s) hereto, and the **Supplier** fails to eliminate the defects of the services provided in accordance with the procedure established in the Special Part of the Contract;

9.2.7. The **Supplier** fails to provide a bank guarantee for advance payment valid for a period not shorter than the period specified in Article 4.2. of the General Part of the Contract in due time (*if the terms and conditions of the contract provide for the advance payment*).

9.2.8. The **Supplier** is under liquidation procedure or applied to the court for bankruptcy or restructuring proceedings, or is the subject of bankruptcy or restructuring proceedings, or judicial decision on the initiation of bankruptcy proceedings was decreed.

9.3. Upon termination of the Contract, the **Supplier** shall within 10 (ten) days of termination of the Contract return the advance payment paid for the services that were not provided to the **Purchaser** (if the advance payment was paid).

10. Dispute Settlement Procedure

10.1. The Contract is concluded and shall be interpreted in accordance with the law of the Republic of Lithuania.

10.2. All disputes or disagreements arising between the Parties in relation to the Contract shall be solved by way of negotiations; if the Parties fail to solve the dispute, it shall be examined in accordance with the procedure established by the legal acts of the Republic of Lithuania at the courts of the Republic of Lithuania in respect of the domicile of the **Purchaser** (or if the Purchaser is the unit of the Lithuanian Armed Forces - "according to a legal person's - the Lithuanian Armed Forces").

11. Liability

11.1. If during the warranty period the **Supplier** fails to remove the defects of the goods (and/or deficiencies in the goods, if during the provision of services the goods have been provided/sold) within the term set in Article 7 of the Special Part of the Contract, the **Supplier** shall be liable to pay the **Purchaser** 0.2% of the value of the goods the defects whereof have not been eliminated for each delayed day/hour, the payment of which shall not release the **Supplier** from the obligation to cover all the losses incurred by the **Purchaser** in the event the **Supplier** fails to perform or improperly performs his obligations related to the warranty of the goods.

11.2. In the event the Contract is terminated on the grounds specified in Clauses 9.2.1, 9.2.2, 9.2.3, 9.2.4, 9.2.5, 9.2.6, (9.2.7. (if advance payment is provided for in the terms and conditions of the Contract), the **Supplier** shall within 14 (fourteen) days (as of the day of termination of the Contract)

pay the **Purchaser** for the liquidated damage, which equals to 7 (seven) % of the Contract price (or the total tender price (including VAT – in case VAT is included into the contract price) (a specific percentage or specific fixed amount indicated in the Special Part of the Contract) which shall not exceed the total value of all outstanding obligations under the Contract. The payment for the liquidated damage shall not release the **Supplier** from the obligation to cover all the losses incurred by the **Purchaser** due to non-performance or improper performance of the Contract by the **Supplier**.

11.3. Other cases of application of contractual liability to the **Supplier** are specified in the Special Part hereof.

11.4. If the services were not provided, their provision was in delay or the services were provided in low quality and there is no possibility to provide the services or to eliminate the defects in the provision of services, the **Supplier** shall be liable to pay to the **Purchaser** the amount of the liquidated damages agreed by the Parties in advance and specified in the Special Part hereof for each failure to provide or defective provision of the services set out in the annex hereto. The payment of the liquidated damages agreed by the Parties in advance shall not release the **Supplier** from the obligation to cover all the losses incurred by the **Purchaser** due to the non-performance or improper performance of the Contract by the **Supplier**. The **Supplier** undertakes to pay the liquidated damages agreed by the Parties in advance no later than within the term specified in the invoice or the claim.

11.5. If the non-provided services can still be provided or the defects of the provision of services can still be eliminated, the **Supplier** from receipt of the written remarks and/or claims of the **Purchaser** shall within the term indicated in the Special part of the Contract provide the services that were not provided or eliminate the defects in the provision of services. If the **Supplier** fails to provide the services or to eliminate the defects of the provision thereof within the indicated term, the **Supplier** shall pay the **Purchaser** the amount/percentage indicated in the Special part of the Contract of the value of outstanding services or the services the defects of the provision whereof were not eliminated in the form of liquidated damages for each day of delay. The payment of the liquidated damages shall not release the **Supplier** from the obligation to cover all the losses incurred by the **Purchaser** due to non-performance or improper performance of the Contract by the **Supplier**. The **Supplier** undertakes to pay the liquidated damages no later than within the term specified in the invoice or the claim.

11.6. Delayed financing from the budget shall be deemed the grounds for absolute release of the **Purchaser** from civil liability and payment of default interest on overdue payment.

12. Validity of the Contract

12.1. The Contract shall take effect from the signature of both Parties and submission of the Contract performance guarantee of a bank or the security bond of an insurance company (*this condition shall apply if the performance of the Contract is secured by a security bond or a bank guarantee*) by the **Supplier** to the **Purchaser** which guarantees the payment of the amount indicated in Article 11.2 of the General Part hereof (if the **Purchaser** terminates the Contract on any grounds listed in Clauses 9.2.1 – 9.2.7, the guarantor/surety shall pay the amount indicated in Article 11.2 of the General Part hereof). The guarantee or the security bond indicating that the guarantor or the surety is liable only for indemnification of direct damages shall not be accepted as the guarantor or the surety must undertake to indemnify the specific Contract performance amount indicated in Article 11.2 hereof) (*in case the contract performance will be secured by a security bond or a bank guarantee*).

12.2. The guarantor/surety shall irrevocably and unconditionally undertake to perform the duty and pay the amount undertaken by transferring the amount to the account of the **Purchaser** within 14 (fourteen) days of a written notice confirming the termination of the Contract at the **Supplier's** fault on the grounds provided for in the Contract (*in case the performance of the contract will be secured by a security bond or a bank guarantee*).

12.3. The **Supplier** within 5 (five) working days of signing the Contract shall submit the Contract Performance Guarantee of a bank or the security bond of an insurance company specified in Clause

12.1 of the General Part hereof which shall be valid two months longer than the term of the provision of services or Contract validity period. Payment of the amount specified in the Contract Performance Guarantee of a bank or the security bond of an insurance company shall not be deemed to constitute full compensation of damages incurred by the **Purchaser** and shall not release the **Supplier** from the obligation to cover such damages in full (*in case the performance of the contract will be secured by a security bond or a bank guarantee*).

12.4. If the legal entity which has issued the Contract Performance Guarantee (a bank or an insurance company) is unable to perform its obligations (suspension of activities, declared moratorium, etc.) in the period of validity of the Contract, the **Supplier** shall within 10 (ten) days provide a new Contract performance guarantee under the same terms and conditions. If the **Supplier** fails to provide a new Contract Performance Guarantee, the **Purchaser** shall have the right to terminate the Contract under the procedure stipulated in Article 9.2.5 of the General Part hereof.

12.5. The Contract Performance Guarantee shall be returned within 10 (ten) days of expiry of the performance guarantee upon a written request of the **Supplier** (*in case the performance of the contract will be secured by a security bond or a bank guarantee*).

12.6. The provisions of the Contract may not be amended during the validity term of the Procurement Contract, except for the provisions of the Contract which, if amended, would not constitute a breach of the principles and objectives stipulated in Article 3 of the Law on Public Procurement/Article 6 of the Law on Public Procurement in the Field of Defence and Security of the Republic of Lithuania and provided that such amendments to the provisions of the Contract have been authorised by the Public Procurement Office. Correction of the provisions of the Contract under the circumstances provided for herein, if such circumstances are clearly and unequivocally defined and stated in the Terms and Conditions of Tender, shall not be deemed to constitute amendments to the provisions of the Contract.

12.7. Should the Parties identify technical oversights or spelling mistakes (false transfer of provisions from a tender or the procurement terms and conditions, etc.), the persons responsible for the performance of the Contract or the details of the Parties specified herein change during the period of validity of the Contract, the Parties may by a written agreement correct the provisions of the Contract without applying to the Public Procurement Office. Such correction of the provisions of the Contract shall not be considered a change of the provisions of the Contract.

12.8. The Contract may be extended under the terms and conditions laid down in the Special Part hereof.

12.9. The expiry term of the Contract provided in the Special Part of the Contract shall not end the obligations of the Parties indicated in the Contract and shall not release from civil liabilities in the event of breach of the Contract.

13. Correspondence

13.1. The notices in the Lithuanian/English languages (*applicable where the contract is executed in English*) delivered between the **Purchaser** and the **Supplier** shall be executed in writing. The notices between the Parties shall be sent by mail, e-mail, fax or delivered in person. The notices shall be sent to the addresses and numbers specified in the details of the Parties in the Special Part hereof. If the sender requires an acknowledgement of receipt, the sender shall indicate such a request in its notice. In case any deadline of reply to a written notice is established, the sender should include a request of acknowledgement of receipt of a written notice.

13.2. The Parties shall within 3 (three) business days notify one another in writing of the change in the contact details of the Party specified in the Special Part hereof. Either Party failing to notify of the change of its details in a timely manner shall not be entitled to file any claims in respect of any actions performed by the other Party following the details of the Party provided in this Contract.

14. Confidentiality

- 14.1. The Parties shall ensure that the information communicated by one Party to another will be used for the purposes of the Contract exclusively and shall not be used in such a way that would inflict harm on the Party communicating the information.
- 14.2. The Parties shall ensure the confidentiality of all information known to them and/or entrusted to them throughout the validity of the Contract, upon expiry or termination hereof.
- 14.3. Unless otherwise provided for in the legal acts of the Republic of Lithuania, the **Supplier** shall not use the information entrusted by the **Purchaser** either in its personal interest or in the interest of any third parties or disclose such information to other parties without a prior written agreement of the **Purchaser**.

15. Final Provisions

15.1. The Contract has been executed in the Lithuanian/English/Lithuanian and the English languages in two/four counterpart copies (one/two copies to each Party) (*depending on the languages in which the contract will be executed*). Both texts are equally authentic and legally binding. In the event of any discrepancies between the texts in the Lithuanian and English languages, the text in English shall prevail (applicable where the contract is concluded *with a foreign seller in English and Lithuanian languages*).

15.2. The Contract is constituted of the General Part and the Special Part, as well as the annex(s) hereto. All annexes to this Contract shall constitute an integral part hereof.

15.3. Neither Party shall be entitled to assign its rights and obligations under the Contract to any third party without a prior written consent of the other Party.

15.4. Unless otherwise provided in the Special Part of the Contract the **Supplier** shall pay the **Purchaser** the minimum losses agreed upon by the Parties in advance to an extent of 5 percent of the of the contract/tender price for breach of obligation stated in the Article 15.3 of the Contract..

15.5. The **Supplier** warrants that it has all licences required for the performance of the Contract. The **Supplier** shall cover the **Purchaser's** losses in case any claims are put forward to the **Purchaser** or proceedings brought regarding the violations related to the patents or licences concerning the Contract or committed in the period of performance of the Contract.

15.6. The Parties hereby confirm that when entering into the present Contract they did not exceed or breach their competence (articles of association, regulations, statute, any resolution, decision, order of the managing body of the Party (owner, incorporator or other competent entity), any binding legal act (including local, individual), transaction, court decision (ruling, judgement), etc.).

15.7. The person/persons appointed by the **Supplier** who act on behalf of the **Supplier**, accept and approve the orders placed by the **Purchaser**, are responsible for the quality of the services provided, participate in the meetings with the **Purchaser** and carry out other actions required for the proper performance of the Contract are specified in the Special Part hereof.

15.8. The person/persons appointed by the **Purchaser** who act on behalf of the **Purchaser**, place orders to the **Supplier**, participate in the meetings with the **Supplier** and carry out other actions necessary for the proper performance of the Contract are specified in the Special Part hereof.

PURCHASER

LAF Air base
Commander

PROVIDER

Institute of Aviation Medicine
Prague director

L.S.

L.S.