

THE GENERAL TERMS AND CONDITIONS OF THE CONTRACT FOR THE PROCUREMENT OF GOODS

1. CONCEPTS OF THE CONTRACT

Persons

- 1.1. **“Supplier”** – a person or a group of persons specified in the STC of this Contract which supplies the Goods specified in the Contract to the Buyer.
- 1.2. **“Buyer/Contracting Entity”** – the legal person specified in the STC of this Contract which purchases the Goods specified in the STC of this Contract from the Supplier.
- 1.3. **“Party”** – individually the Buyer or the Supplier. “Parties” means jointly the Buyer and the Supplier.
- 1.4. **“Third Party”** – any natural or legal person that is not a Party to this Contract.
- 1.5. **“Sub-supplier”** – a legal or natural person engaged by the Supplier, used by the Supplier for supplying the Goods specified in the Contract or for performing other functions related with the supply, assembly, installation, launching, etc., of Goods under a valid transaction concluded with the Supplier.

General Concepts

- 1.6. **“Procurement”** means the procurement organised by the Buyer in order to conclude the Contract for the Supply of Goods.
- 1.7. **“The Goods”** – the movable objects specified in Section 1 of the STC of the Contract sold by the Supplier and purchased by the Buyer, as well as the services of delivery, assembly, installation, launching, etc., of the purchased movable objects, related with the appropriate preparation for use of such objects, as provided for in Section 1 of the STC of the Contract.
- 1.8. **“Total Contract Price”** – the amount specified in Section 2 of the STC of this Contract which may not be exceeded during the period of Contract validity (except the cases where the Contract provides for its recalculation), paid by the Buyer to the Supplier for the purchased Goods based on the tariffs of the Goods (if any) including all costs and charges.
- 1.9. **“Tariffs of Goods”** – the tariffs specified in Section 2 of the STC of this Contract (if any) on the basis of which the Buyer pays for the purchased Goods including all costs and charges.
- 1.10. **“Defects of the Goods”** – incompliances of the Goods with the Procurement documents and/or legislation requirements, their failures, hidden defects, disruptions, etc., identified by the Buyer and/or third parties during the transfer and acceptance of the Goods and/or their warranty period, that would make the Goods impossible to use for the purpose intended by the Buyer, or which would reduce their usefulness in a way that the Buyer would not purchase the Goods or would not have paid the specific price for the Goods had it known about the defects.
- 1.11. **“Related Works”** – works and services relating to the supply of Goods. Related Works include installation of Goods, their launching, testing, calibration, programming, assembly and other works and services provided for in the STC of the Contract and/or without which the Buyer would not be able to use the Goods for their direct purpose, and for this reason the Supplier as a professional in its field must have foreseen them and included in the Tender.

Documents

- 1.12. **“Contract”** means this Contract which consists of the documents listed in Clause 2.1 of the GTC of the Contract and the subject matter of which is the Goods (the purchase of Goods, leasing, financial leasing, hire purchase with or without purchase of the Goods).
- 1.13. **“GTC of the Contract”** – this document which is an integral component of the Contract providing for standard provisions of the Contract and standard rights, obligations and liability of the Buyer and Supplier.
- 1.14. **“STC of the Contract”** – the special part of the Contract detailing the object of the Contract, the volume, price and tariffs of the Goods (if applicable), their delivery deadlines, transfer and acceptance procedure and other conditions agreed upon by the Parties.
- 1.15. **“Technical Specification”** – a document which provides for the technical requirements applicable to the Goods.
- 1.16. **“Order”** means an Order for the Goods placed by the Buyer to the Supplier by a text message, e-mail, fax and/or through the information system indicated by the Buyer specifying the name of the Buyer, the name, quantity and tariffs of the Goods, the place and deadline for delivery/collection of the Goods and other information that the Buyer finds necessary, related to supply of the Goods. An Order is sent using the contact details specified by the Supplier in the STC of the Contract and shall be duly sent and received after 24 hours from the moment of sending, unless provided otherwise in the STC of the Contract.
- 1.17. **“Transfer and Acceptance Deed of the Goods”** means transfer and acceptance deed of the Goods or another equivalent document confirmed by signatures of the Parties which the Parties sign upon the delivery of the Goods and/or upon the collection of the Goods by the Buyer at the point of delivery. If the STC of the Contract provides for Related Works necessary for the appropriate use of the Goods, the Transfer and

Acceptance Deed of the Goods is signed after the due completion of all works relating to supply of the Goods.

1.18. **“Purchasing Conditions”** – the entirety of the documents produced by the Buyer during the Procurement procedures according to which the Supplier submitted the Tender.

1.19. **“Tender”** – the entirety of documents produced by the Supplier during the Procurement procedures carried out by the Buyer for supplying Goods under this Contract.

1.20. **“Invitation to conclude a Contract”** – a notice given to the Supplier whereby the Supplier is invited to sign the Contract and is informed of the period for concluding the contract.

1.21. **“Invoice”** – a VAT invoice submitted to the Buyer for payment or another invoice and/or payment document (if the Supplier is not a VAT taxable person) for the appropriate quality Goods delivered in time by the Supplier. The date of issue of an Invoice must coincide with the date of signature of the Transfer and Acceptance Deed of the Goods. An invoice for payment must be submitted through the e-service “E-Invoice” (in Lithuanian: “E. sąskaita”) on the website at the address www.esaskaita.eu within 5 (five) business days after the date of signature of the transfer and acceptance deed of the Goods or another period agreed upon by the Parties.

1.22. **“Invoice receipt date”** – the date on which an Invoice is submitted through the e-service “E-Invoice”.

1.23. **“Legislation”** means the legislation of the Republic of Lithuania and international agreements, the legislation of the European Union or individual or regulatory decrees of any third country public authorities which, regardless of their legal value and/or jurisdiction, are binding on either Party and/or have an impact for performance of this Contract and the Buyer’s internal legal acts with which the Supplier was familiarised.

1.24. **“The Law”** means the Law on Procurement by Contracting Entities within the Sectors of Water Management, Energy, Transport and Postal Services of the Republic of Lithuania (updated version) applicable to the sector of utilities, or the Law on Public Procurement of the Republic of Lithuania (updated version) applicable to the classical sector.

1.25. **“Contract Guarantee”** – a bank guarantee or surety letter issued by an insurance company for the minimum amount specified in Clause 8.2 of the STC of the Contract.

Dates and Time Limits

1.26. **“Day”** means a calendar day, unless provided otherwise in this Contract.

1.27. **“Business Day”** means a business day in Lithuania, unless provided otherwise in this Contract.

1.28. **“Year”** means a period of 365 days, unless provided otherwise in this Contract.

1.29. **“Date on which the Contract Takes Effect”** means the date of signature of the Contract or another date of which the Contract takes effect specified in the STC of the Contract.

2. CONTRACT VALIDITY, ORGANIZATION AND INTERPRETATION

2.1. This Contract is an entire and indivisible document which consists of the documents listed below. For the purposes of Contract interpretation and application, the following order of priority of Contract documents is established:

2.1.1. the Technical Specification (including the explanations and adjustments made by the Buyer during the Procurement procedures and annexes, if any);

2.1.2. the STC of the Contract (including annexes);

2.1.3. the GTC of the Contract (including annexes);

2.1.4. the Invitation to Contract presented by the Buyer to the Supplier using the electronic means;

2.1.5. the final Tender of the Supplier;

2.1.6. the negotiation protocols of the Parties drawn up in the course of the Procurement procedures and the tender revised by the Supplier (if such documents were drawn up);

2.1.7. explanations and adjustments (if any);

2.1.8. other Procurement documents;

2.1.9. the initial Tender of the Supplier;

2.1.10. the Supplier’s application with documents supporting the qualification, if this Contract is concluded after the Buyer has performed the procedures of Procurement the value of which is not below the international Procurement value threshold.

2.2. In the case of any uncertainties, nonconformities or contradictions in Contract documentation, the rules laid down in a higher validity Contract document shall always be deemed to replace the analogical rules laid down in a lower validity Contract document from the date of entry into force of the Contract.

2.3. All concepts and terms used in this Contract are used in the common meaning or in a special meaning the closest to the nature of the Contract, unless the Contract determines and explains another meaning thereof.

2.4. This Contract is concluded, must be interpreted and applied in accordance with the laws of the Republic of Lithuania.

2.5. Unless otherwise is provided in the Contract documents, the text of the Contract should be interpreted in accordance with the following basic rules of interpretation:

2.5.1. words denoting the specific gender of a person mean any gender;

- 2.5.2.** words denoting singular also mean plural and words denoting plural also mean singular;
- 2.5.3.** words “agree”, “agreed”, “agreement” shall always mean, that respective agreement must be finalised in writing by the parties;
- 2.5.4.** “in writing” means all the rules established in this Contract, as well as the paper and (or) electronic documents composed by either Party and any notifications submitted to the other Party using any communication means specified in the Contract.
- 2.6.** The Contract is concluded in accordance with the provisions of the Law and other legislation. In the situation where the GTC of the Contract and/or the STC of the Contract do meet the requirements laid down in the Law, the norms of the Law shall be applicable. The Parties state and confirm that the provisions of this Contract are not contrary to the provisions of the Procurement conditions.
- 2.7.** If any provision of this Contract becomes or is acknowledged to be invalid in whole or partly, the validity of the other provisions of this Contract shall not be affected.
- 2.8.** Upon termination or expiry of the Contract, the provisions of this Contract relating to liability and settlements between the Parties hereunder, as well as all other provisions of this Contract, which remain or must remain valid after the termination of the Contract, shall survive in order to have this Contract performed in full.

3. CONFIRMATIONS AND WARRANTIES OF THE PARTIES

3.1. Each Party shall warrant and confirm to the other one that:

3.1.1. the Party is duly established and lawfully operates under the legislation requirements of its registered office country;

3.1.2. the Party has performed all legal actions necessary for the due conclusion and validity of the Contract;

3.1.3. the Party does not exceed the scope of its competence and does not violate any binding legislation, regulations, statutes, court judgments, articles of association, regulations, orders, obligations or agreements by concluding the Contract;

3.1.4. the representatives of the Party who signed this Contract are duly authorised by the Party to do so and the personal data of the Parties and/or their representatives necessary for the due conclusion of the Contract are not considered as confidential information;

3.1.5. the Party is not aware of any future changes in the legal environment which are likely to have an impact on the performance of the Party’s obligations under the Contract;

3.1.6. the Contract is a valid, legal and binding obligation of the Party the performance of which may be enforced in accordance with the provisions of the Contract;

3.1.7. the conditions of the Contract are clear and enforceable for the Parties on the date of entry into effect of the Contract;

3.1.8. the conclusion of this Contract or performance of the obligations assumed hereunder by the Buyer or Supplier does not conflict with or violate (i) any court, arbitration, state or municipal authority decision, order, decree or instruction applicable to the Parties; (ii) any contract or any other transaction in which the respective Party is involved as a party, or (iii) the provisions of any law or any other regulatory act applicable to the Parties.

3.2. The Supplier confirms that:

3.2.1. it is not involved in any prohibited agreements and agreements specified in Article 5 of the Law on Competition of the Republic of Lithuania;

3.2.2. it has all permits, licenses, employees, organisational measures and technical tools provided for by the legislation necessary for supplying the Goods;

3.2.3. it has included all costs necessary for supplying the Goods under this Contract into the price of the Tender and assumes the risk of any Contract-related Supplier cost increases and/or more complicated performance by the Supplier due to any circumstances that do not depend on the Buyer.

3.3. The Buyer confirms that:

3.3.1. it has completed the public procurement procedures necessary for the purpose of conclusion of this Contract;

3.3.2. it will accept quality Goods supplied in accordance with the provisions of this Contract and will pay for such Goods under the procedure and within the periods laid down in the Contract.

3.4. If any confirmation (-s) or statement (-s) of the Parties given in this Contract turn out to be false, and/or wrong, the respective Party shall be obliged to compensate any losses incurred by the other Party as a result of such a false or wrong confirmation (-s) or statement (-s).

3.5. Both the GTC of the Contract and the STC of the Contract are concluded in accordance with the provisions of the Law and other legislation. In the situation where the GTC of the Contract and/or the STC of the Contract does (do) not comply with the requirements laid down in the Law, the norms of the Law shall be applicable. The Parties state and confirm that the provisions of this Contract are not contrary to the provisions of the Procurement conditions.

3.6. The Supplier confirms and warrants that both at the time of conclusion of the Contract and throughout the validity term of the Contract it and its sub-suppliers (if applicable) are not and will not be the entities subject to international sanctions with reference to the fact that the laws of the Republic of Lithuania provide for direct prohibition to conclude contracts which execution contradicts to international sanctions implemented in the Republic of Lithuania. The Supplier declares that throughout the validity term of the Contract it is not and will not be registered, has no branch, contracts, activity or does not plan any activity with the country which is subject to international sanctions, has no relations with any natural person or legal entity, registered, domiciled or with a branch in the country for which the international sanctions are applied and implemented. The Supplier ensures that Goods and/or services provided do not/will not originate from the territories and/or persons or companies which are subject to international sanctions. These terms are applicable through the duration of the Procurement execution and (if applicable) the validity of the Contract concluded with the supplier (the supplier with its sub-supplier (s)). When entering into contracts with the sub-suppliers the supplier undertakes to stipulate the requirement to follow these provisions. The violation and/or non-observance of the requirements stated in this clause shall be deemed to be an essential breach of the Contract and entitle the Buyer to immediately terminate, without a notice, any or all contracts with the Supplier without incurring any penalty, indemnification or payment of any compensation or refund to the Supplier and /or to its sub-supplier, to reject the supplier's tender, not to conclude a contract and/or terminate any or all contracts with the supplier without the payment of any penalties, indemnification or payment of any compensation or refund to the supplier and/or its sub-supplier, the Buyer may also cancel any or all orders and (or) suspend in whole or in part, as well as abolish any contracts with the Supplier.

4. OBJECT OF THE CONTRACT

4.1. The object of the Contract is the Goods specified in Section 1 of the STC of the Contract and described in the Technical Specification.

4.2. The Supplier represents that the rights to dispose of, manage or use the Goods sold are free from any restrictions, and no third parties have any claims relating to the Goods sold. At the date of the delivery of the Goods to the Buyer, the Goods will not be rented, lent for use, pledged, sold or otherwise transferred to any third party, the Goods will not be seized or insured, nor any transactions, including futures, that would impair the Buyer's possibility to dispose on the Goods, will be made.

4.3. In the STC of the Contract and in the Technical specification it may be stated that the object of the Contract is the lease of the Goods or other purchase of the Goods without the intention to buy them.

5. QUANTITY AND PRICE OF THE GOODS

5.1. Section 2 of the STC of the Contract specifies the quantity of the Goods supplied to the Buyer.

5.2. The price and tariffs of the Goods (if applicable) are presented in Section 2 of the STC of the Contract.

5.3. The Supplier has included all costs and charges related with delivery of the Goods, including VAT, into the Price (in the STC of this Contract, unless laid down otherwise), including but not limited to:

5.3.1. the costs relating to performance of obligations provided for in the Contract (the costs of transportation, packing, transit, inspection, insurance, assembly of and/or launching the delivered Goods at the site and/or supervision of such works);

5.3.2. the costs of any related works, as well as the costs related with manpower and advising the Buyer throughout the Contract validity period;

5.3.3. the costs of the Goods warranty service provided for in the Contract for the specified period, including all costs incurred by the Supplier for the materials, used for the warranty service, transportation, staff, etc.

5.3.4. all costs related with the preparation, coordination and submission of the documents provided for in the Technical Specification;

5.3.5. the costs of incorporation in the Republic of Lithuania (if this is necessary to ensure the supply of Goods) or the costs associated with giving effect to the right of free movement of goods (the costs of the right recognition documents, obtaining approvals from the competent institutions of the Republic of Lithuania and/or from professional associations, etc.);

5.3.6. the costs of conclusion and performance of this Contract, including the costs related with Contract enforcement;

5.3.7. any other direct or indirect costs, related with the supply of Goods and performance of any other works and/or services necessary for supplying Goods, which had and could have been foreseen by the Supplier as a professional of the respective field, had the Supplier been careful enough and duly considered the circumstance that the Buyer sought that the Supplier supplied Goods and also performed the necessary Related Works and/or the ones provided for in the Procurement documents so that the Goods could be used for their direct purpose without any additional costs on the part of the Buyer;

5.3.8. other costs related with the supply of Goods.

5.4. VAT will be calculated and paid in accordance with the procedure laid down by the legislation applicable at the moment on which the obligation to pay VAT arises. If the VAT rate provided for in the applicable legislation of the Republic of Lithuania changes, the total price of Goods provided for in the Contract

(excluding VAT) shall not change, while the total price of Goods shall be recalculated taking account of the changed rate of VAT. The Buyer shall bear the risk of VAT rate changes.

6. QUALITY OF GOODS

6.1. The requirements raised for Goods and/or for the quality of Goods are defined in Section 3 of the STC of the Contract, in the Technical Specification, other documents of the Contract and in the legislation governing the quality, supply and/or safety of Goods. If no specific quality, supply or safety requirements are provided for in the documents of the Contract, the quality of Goods must comply with the requirements raised by the legislation and the usual quality standards and conditions for this type of Goods.

6.2. The warranty period for the Goods is set in Section 3 of the STC of the Contract and shall commence from the date of signature of the Transfer and Acceptance Deed of the Goods. The warranty period set in the STC of the Contract shall not limit the Buyer's right to make claims to the Supplier concerning the defects of the sold Goods in accordance with the procedure and within the time limits set in Article 6.338 of the Civil Code of the Republic of Lithuania. During the warranty period of the Goods the Supplier shall be liable for any damage caused to the Buyer and/or third parties by an inappropriate/defective item, unless the Supplier proves to the contrary by producing evidence that the quality of the Goods has deteriorated because of the actions/omissions on the part of the Buyer or third parties.

6.3. If the Buyer is unable to use the Goods covered by the warranty period because of any reasons that depend on the Supplier, the warranty period shall not run until the Supplier eliminates those obstacles (such obstacles shall include the defects of Goods). In such a case, the Supplier must extend the warranty period for the time of the Buyer's inability to use the Goods as a result of the defects.

6.4. By signing the Contract, the Supplier warrants that the Goods sold by the Supplier are new, unused, suitable to be used for their intended purpose, free from any hidden defects which would prevent using the Goods for their intended purpose or which would reduce the usefulness of the Goods. In addition, the Supplier warrants that the Goods supplied under the Contract, are of good quality and free from any design, materials or workmanship defects or from defects resulting from any actions or omissions on the part of the Supplier, as well as from the ones which may emerge in the normal use of the Goods under the conditions of the final destination of the Goods.

6.5. In accordance with Article 6.317 of the Civil Code of Lithuania, the Supplier's warranty (confirmation) concerning the title to the Goods and quality exists regardless of the fact whether such a warranty is (or is not) provided for in the Contract (the statutory warranty).

6.6. The Supplier shall be presumed to be materially liable for all defects of the Goods which are identified during their transfer and acceptance and/or during the warranty period, unless it proves that the defects have emerged after the transfer of the Goods to the Buyer, or as a result of a violation of Goods use or storage rules on the part of the Buyer or third parties related therewith.

6.7. The Goods must be supplied in the manufacturer's packaging (not applicable where the nature of Goods does not require packing and/or if an incomplete package is purchased). The packaging of the Goods must meet the requirements for the resistance to loading and unloading works, protect the Goods from the effects of meteorological factors during transportation and storage of the Goods, and ensure that the Goods are preserved intact during transportation.

6.8. If any defects of the Goods are noticed during the transfer and acceptance of the Goods, the Buyer is entitled to reject the Goods. The identified defects of the Goods are noted in the Goods Transfer and Acceptance Deed and the reasons of the decision made are specified. The defects of the Goods shall be eliminated at the cost of the Supplier within the deadlines set in the STC of the Contract.

6.9. If any defects of the Goods are noticed after the date of signature of the Transfer and Acceptance Deed of the Goods and within the warranty period set in Section 3 of the STC of the Contract, the Buyer shall give notice to the Supplier thereof in writing and shall state that the Supplier is obliged, at its own cost and within the deadline set in Section 3 of the STC of the Contract:

6.9.1. to rectify the defects, or

6.9.2. to replace the unsuitable item with another quality item that is identical and fully meets the requirements set in the documents of Procurement without any additional costs for the Buyer.

6.9.3. In addition, the Buyer may submit other claims to the Supplier as specified in Article 6.334 of the Civil Code of the Republic of Lithuania.

6.10. The Supplier must rectify all defects identified during the transfer and acceptance of the Goods and/or during their warranty period which were not caused by the fault of the Buyer or third parties (except third parties related to the Supplier and/or sub-suppliers hired by the Supplier) or by *force majeure* and/or their warranty period at its own cost within the periods set in Section 3 of the STC of the Contract. The Supplier shall perform all works and/or services related to rectification of defects or replacement of Goods at its own cost, including the costs of replacement, assembling (disassembling) repair, installation, launching, supply of the Goods and other related works and/or services.

6.11. Should the Supplier fail to rectify the defects identified during the transfer and acceptance of the Goods and/or during their warranty period or replace the defective Goods with qualitative ones within the period set in Section 3 of the STC of the Contract, the Supplier shall pay penalties at the Buyer's request in

the amount set in Section 3 of the STC of the Contract and shall cover the direct losses incurred by the Buyer as a result, insofar they are not covered by the penalties.

6.12. Should the Supplier fail to rectify the defects of Goods identified during the warranty period or replace the defective Goods with qualitative ones within the period set in Section 3 of the STC of the Contract, and the defects do not allow using the Goods for their purpose, the Buyer shall be entitled to rectify the defects through its own efforts or using third parties; in such a case the Supplier shall pay the defect rectification costs incurred by the Buyer on the basis of a VAT invoice or another equivalent document produced by the Buyer within 10 (ten) calendar days. The Parties agree that in such a case the minimum costs of the Buyer shall be deemed to amount to EUR 20 (twenty euros, 00 euro cents) per each defective item (unless the STC of the Contract does not provide for liquidated damages in a different amount). If the P Buyer may objectively prove that the losses resulting from a defective item exceed EUR 20 (twenty euros, 00 euro cents) or another amount of liquidated damages identified in the STC of the Contract, the Supplier must pay the whole amount of the losses, except the cases where the Supplier proves that the defects of the Goods were caused by inappropriate storage or exploitation of the Goods by the Buyer.

6.13. The Supplier shall compensate the Buyer's losses related to the examination of the quality (detection of faults) of the Goods in the agencies authorised by the state entitled to provide this type of service on the basis of an invoice issued by the Buyer. The Buyer shall be entitled to perform the expert examination of the Goods without the consent given in advance by the Supplier, if the Buyer has reasonable doubts concerning the quality of the Goods during their transfer and acceptance or warranty period, or if it detects any hidden defects of the Goods or their failure to meet the requirements of the Contract or legislation, or the Goods (or a part of them) cannot be used for their direct purpose as a result of their malfunctions or other defects.

6.14. If the Supplier does not acknowledge the deficiencies, each Party may apply for independent expertise. If the Supplier does not respond / use an independent (agreed with Buyer) expert for more than 10 (ten) calendar days after the Buyer's referral or if the dispute lasted more than 30 (thirty) calendar days from the Buyer's first referral, the Buyer shall be entitled to independently apply for an examination. In this case, the costs of the examination shall be covered by: the Buyer – if the Goods meet the requirements specified in the Contract, the Supplier – if the Goods do not meet the requirements of the Contract.

6.15. During the transfer and acceptance of the Goods or their warranty period the Buyer shall have the right to return the defective Goods to the Supplier without granting the right to the Supplier to replace them or to rectify their defects, if the defects of the Goods cause a risk to the electricity and/or gas facilities, third parties or if the faults are of a permanent nature and/or recurrent (more than five faults of Goods in a month or more than 2 faults of an item in a month). In such a case the Supplier must collect the Goods from the place specified by the Buyer at its own cost within 10 (ten) calendars days and the Contract price to be paid under the Contract to the Supplier shall be respectively reduced by deducting the value of the defective Goods.

6.16. If the documents of Procurement provide for qualification requirements to a specialist (specialists) engaged by the Supplier, the Supplier must ensure the equivalent qualification of the Supplier and its specialist (specialists) throughout the duration of validity of the Contract.

6.17. In order to comply with the qualification requirements specified in the conditions of Procurement, the Supplier may not, in the course of performance of the Contract, replace the entity the capacities of which are relied upon (hereinafter referred to as the entity) and/or the specialist specified in the tender without the consent of the Buyer. The qualification of the entity and/or specialist (if applicable) to replace the former one shall not be lower than the one specified in the Supplier's Tender. The Supplier's entity and/or specialist (if applicable) may be replaced only in the following cases: (i) upon the initiation of bankruptcy or restructuring procedures in respect of the Supplier's entity; (ii) in case the Supplier's entity and/or specialist (if applicable) refuses to fulfil the obligations provided for in the Contract; (iii) in case the Supplier's specialist (if applicable) is unable to perform the contractual obligations because of an illness, termination or expiration of the employment contract; (iv) in case the Buyer in the course of performance of the Contract requests to change the entity that performs its duties incompetently or negligently and will not be able to comply with the conditions of the Contract.

6.18. While supplying Goods and/or performing the works related to the supply of Goods, the Supplier shall ensure the compliance with work safety, fire safety, environment protection and other requirements laid down in the legislation applicable for the supply of Goods.

6.19. During the performance of the Contract, the Supplier shall have the right to change the model or (and) manufacturer of the Goods only with the written consent of the Buyer. In order to replace the Product, the Supplier shall submit to the Buyer a reasoned request with evidence that the new Goods being replaced fully meet the requirements of the Technical Specification and the Contract, shall not be of inferior but of equal or better quality; the tariffs of Goods, delivery terms and other contractual conditions shall not be changed (the Supplier shall have the right to reduce the tariffs of Goods). Additionally the Supplier shall submit the documents of the Goods being replaced and indicate the circumstances that led to the need to change the model or manufacturer of the Goods.

6.20. The Parties agree that no separate agreement (in case of manufacturer / model change) for the modification of Contract will be signed. The Supplier's request and written consent of the Buyer shall be

considered equivalent documents. All the documents provided by the Supplier and the Buyer's consent shall be considered an integral part of the Contract.

6.21. Upon the Buyer's request, the Supplier shall provide the Buyer with sufficient evidence within the term set by the Buyer that he has all the permits, certificates, licenses and / or other documents or other documents required by law, procedures, descriptions and other documentation as stated in the Terms and Conditions of the Procurement as mandatory.

6.22. Failure to comply with the provisions of this Section shall be considered as an essential breach of the Contract.

7. RIGHTS AND OBLIGATIONS OF THE PARTIES

7.1. The Buyer shall:

7.1.1. duly perform the Contract in good faith;

7.1.2. during performance of the Contract cooperate with the Supplier by providing any information that is reasonable required for performance of the Contract which became necessary during performance of the Contract;

7.1.3. accept the Goods delivered at the time agreed between the Parties, provided they meet the requirements set in the Contract for the Goods;

7.1.4. pay the price set in Clause 2 of the STC of the Contract and/or tariffs (if specified) to the Supplier for the suitable Goods delivered according to the procedure and within the periods set in the Contract upon the completion of the Supplier's contractual obligations;

7.1.5. properly fulfil other obligations provided for in the Contract and in the applicable legislation of the Republic of Lithuania.

7.2. The Supplier shall:

7.2.1. duly perform the Contract in good faith;

7.2.2. deliver Goods that meet the requirements laid down in the Contract to the place specified by the Buyer within the set deadline. unload Goods, perform the Related Works at its own cost, unless otherwise provided in the STC of the Contract;

7.2.3. take care of the equipment and manpower necessary for performance of the Contract;

7.2.4. to bear the risk of accidental loss of damage of Goods by the point of delivery of Goods, as well as the risk of damaging the Goods during their unloading from the Supplier's vehicle at the delivery point of Goods specified by the Buyer, if the Supplier is responsible for loading of Goods at the point of delivery in accordance with the provisions of the Contract;

7.2.5. supply the Buyer with all necessary documentation in the language specified in the Procurement documents along with the Goods, including their use and maintenance manuals, and provide advice to the Buyer on other matters related to the Supplier's contractual obligations;

7.2.6. submit Invoices through the e-service "E-Invoice" (in Lithuanian: "E. sąskaita") (the website on which the e-service is provided can be reached at the address www.esaskaita.eu) in accordance with the procedure laid down by the Law and other legislation;

7.2.7. to inform the Buyer without delay of any circumstances which hinder or may hinder the provision of Services by the Supplier within the periods and under the procedure laid down in the Contract;

7.2.8. to ensure the compliance with work safety, fire safety, environment protection and other requirements laid down in the legislation applicable for the supply of Goods (if applicable);

7.2.9. to take account of any observations made and of any additional information given by the Buyer in the course of performance of the Contract (if any);

7.2.10. at its own cost, to indemnify and hold the Buyer harmless against any claims, actions or losses caused by the Supplier's actions, omissions and/or negligence in the course of performance of the Contract and to compensate any damage or losses caused to third parties, including the ones resulting from a violation of any legislation, unlawful use of patents, trademarks, other intellectual property objects, damage caused by inappropriate quality Goods or violation of rights any persons;

7.2.11. to comply with the provisions of the Civil Code of the Republic of Lithuania and other applicable legislation of the Republic of Lithuania related with performance of contractual obligations of the Supplier and to ensure that the Supplier's specialists, employees and representatives comply with such legislation. The Supplier guarantees compensation of losses to the Buyer and/or third parties in the case where the Supplier or third parties related to the Supplier fail to comply with the requirements of the legislation applicable in the Republic of Lithuania and this leads to any claims of action against the Buyer and/or third parties;

7.2.12. ensure the confidentiality and protection of information received from the Buyer during the performance of the Contract and related thereto. upon the expiry of the period for performance of contractual obligations, return all documents necessary for performance of the Contract received from the Buyer at the Buyer's request submitted in writing;

7.2.13. properly fulfil other obligations provided for in the Contract and in the applicable legislation of the Republic of Lithuania.

7.3. The Buyer shall have the right:

7.3.1. to the appropriate and fair performance of the Supplier's contractual obligations throughout the whole period of Contract validity, to penalties and compensation of losses in the event of the Supplier's failure to comply with the contractual obligations and/or with the requirements of the legislation;

7.3.2. to carry out any inspections which it deems to be necessary without a special notification if it is suspected that the Supplier will be unable to provide Services in time or if the quality of the Goods is poor and they are supplied in an unprofessional manner;

7.3.3. to request the Supplier to replace its employee by submitting a reasoned request in writing if it finds this person not to be diligent or to perform his/her obligations inappropriately;

7.3.4. to give comments related to the Goods supplied by the Supplier which must be taken into account by the Supplier;

7.3.5. to cooperate with the Buyer and to supply it with information necessary for the appropriate performance of the Contract without delay.

7.4. The Supplier shall have the right:

7.4.1. to receive in full the remuneration for quality Goods supplied to the Buyer in a timely and due manner;

7.4.2. to ask the Buyer for information or documents as regards due performance of the Contract that become necessary in the course of performance of the Contract;

7.4.3. to require the Buyer to accept the supplied Goods that comply with the requirements of the Procurement conditions, Contract and legislation applicable for the supply of Goods, and to sign a transfer and acceptance deed;

7.4.4. to require the Buyer to perform other contractual obligations in a due and timely manner.

7.5. Other obligations, rights and duties of the Buyer and of the Supplier (if any) are defined in the applicable legislation of the Republic of Lithuania and in the STC of the Contract.

8. PAYMENTS, PECUNIARY OBLIGATIONS AND SUSPENSIONS

8.1. The Buyer shall pay to the Supplier for the actually delivered Goods within the period set in Section 6 of the STC of the Contract.

8.2. All payments and settlements under the Contract shall be made in the national currency of the Republic of Lithuania – Euro, unless otherwise is provided in Section 6 of the STC of the Contract.

8.3. While issuing an Invoice and a Goods Transfer and Acceptance Deed, the Supplier shall indicate the date and number of the Contract and shall clearly detail the specific transferred Goods (in the VAT invoice, in the billing statement or in the Transfer and Acceptance Deed).

8.4. The Supplier will have to submit Invoices through the e-service "E-Invoice" (in Lithuanian: "E. sąskaita") (the website on which the e-service is provided can be reached at the address www.esaskaita.eu) in accordance with the procedure laid down by the Law and other legal acts.

8.5. If penalties payable by the Supplier have accrued under this Contract, the amount to be paid by the Buyer for the Goods shall be reduced in the amount of the accrued penalties. Besides, the Buyer shall have the right to deduct the accrued penalties from any payments made to the Supplier in accordance with the procedure laid down by the legislation, by giving written notice to the Supplier (by e-mail, registered letter, fax or other means) about the set-off made in respect of the penalties.

8.6. The Parties agree to apply the following procedure for making set-offs in Buyer's payments:

8.6.1. first in line payments shall be imputed to Supplier's claims related to the performance of payment obligations for the Goods supplied hereunder;

8.6.2. second in line payments shall be imputed to Supplier's claims related to payment of penalties or compensation of losses hereunder;

8.6.3. third in line payments shall be imputed to other amounts due by the Buyer to the Supplier (if any).

8.7. For international payments hereunder SHA settlement system shall be applicable (the paying Party shall pay the bank charges for a cross-border payment, and the charges of foreign banks shall be covered by the Party accepting the payment).

8.8. The Buyer shall be entitled to suspend a payment to the Supplier if the Supplier fails to perform the obligations hereunder in time.

9. RELIANCE ON THE CAPACITIES OF OTHER ECONOMIC ENTITIES

9.1. Any natural or legal persons engaged by the Supplier for performance of this Contract are deemed to be persons acting on behalf of the Supplier, regardless of their legal ties to the Supplier. The actions of such persons perform in the course of performance of the Contract shall result in the same consequences and liability for the Supplier as its own actions.

9.2. The subsupplying shall not create any contractual relationship between the Buyer and the Sub-supplier (except the direct settlement of accounts specified in Clause 9.10 of the GTC of the Contract). The Supplier shall be liable for the actions and omissions of its Sub-suppliers. The consent of the Buyer to engage a Sub-supplier for performance of contractual obligations shall not release the Supplier from any obligations hereunder.

9.3. For execution of the contract, the Supplier shall be entitled to engage Sub-suppliers provided for in the Supplier's Tender and/or the Sub-suppliers about which the Supplier notified the Buyer by the start of execution of the Contract and/or the Sub-suppliers that will be engaged by the Supplier for execution of the contractual obligations during the validity of the Contract. The Supplier shall not be entitled to engage Sub-suppliers if it has not specified such an intention in its Tender. A replacement of a Sub-supplier and/or switching to a new Sub-supplier is possible only in respect of the part of the contractual obligations that the Supplier intended to assign to Sub-suppliers in the Tender and which is specified in the STC of the Contract.

9.4. Sub-suppliers may be replaced or new Sub-suppliers may be engaged only after the Supplier submits to the Buyer a request concerning the replacement of the Sub-supplier specified in the Contract or concerning the engagement of a new Sub-supplier as well as documents evidencing that the respective Sub-supplier meets the qualification requirements laid down in the conditions of Procurement (if any) and after it obtains the written consent of the Buyer concerning the replacement of the selected Sub-supplier or the engagement of a new Sub-supplier. A copy of the written notice about the fact of replacement and of the intended date thereof given to the Sub-supplier specified in the Contract must also be enclosed to the documents produced by the Supplier to the Buyer. For the avoidance of doubt, the Parties agree that once all conditions set forth in this Clause are met, no separate agreement amending this Contract will be concluded, and the documents specified in this Clause produced by either Party to the other one shall be deemed to be an integral part of the Contract.

9.5. Where the Supplier's intended Sub-supplier does not meet the qualification requirements for a Sub-supplier laid down in the conditions of Procurement, the Supplier undertakes to replace the Sub-supplier that does not meet the qualification requirements with another one within 5 (five) business days from receipt of the Buyer's notice of Sub-supplier's failure to meet the qualification requirements.

9.6. The Supplier must ensure that Sub-suppliers providing Services and performing the Contract have the required qualification and experience necessary for the due performance of the Contract both at the conclusion of the Contract and throughout the period of its validity. The Supplier shall be liable to the Buyer for the quality of performance of contractual obligations by Sub-suppliers and/or for the compliance of other requirements laid down according to the nature of the Contract.

9.7.

If the Supplier replaces the existing or engages (hires, employs, authorises performing works under the Contract, etc.) a new Sub-supplier without the consent of the Buyer issued in writing in accordance with Clause 9.4 of the GTC of the Contract, or Services under the Contract are provided by Sub-suppliers with qualification that does not meet the qualification requirements laid down for the activity of such a nature in the legislation, it is deemed to be an essential breach of the Contract.

9.8. In the case of necessity to replace the partners specified in the joint venture agreement with different ones, all following conditions must be met:

9.8.1. the Supplier shall provide the Buyer with the following documents:

9.8.1.1. a request of the remaining joint activity partner concerning the replacement of its joint activity partner;

9.8.1.2. a request of the withdrawing joint activity partner to withdraw from the partners of joint venture agreement and to assign all obligations under the joint venture agreement to the new and/or remaining joint activity partner;

9.8.1.3. the consent given by the new/remaining joint activity partner in writing to replace the withdrawing joint activity partner and to assume all obligations of the withdrawing joint activity partner under the joint venture agreement and the documents supporting the qualification of the new/remaining joint activity partner (if applicable).

9.8.2. The Supplier shall supply the Buyer with a copy of the new joint venture agreement or of the existing joint venture agreement amendment in which the obligations of the remaining joint activity partner will remain the same as in the former joint venture agreement, while the new and/or remaining joint activity partner will overtake all obligations of the withdrawing partner under the former joint venture agreement.

9.8.3. The Buyer shall be entitled to make the final decision on the replacement of the joint activity partner. If the Buyer approves the replacement, the replacement of the joint activity partner shall be formalised in a written agreement of the Parties.

9.9. The Supplier shall not be entitled to engage the Buyer's employees for performance of this Contract or to use the Buyer's employees for performance of the Contract on any other grounds.

9.10. Where the conditions of Procurement provide for the option of direct settlement of accounts between the Buyer and the Sub-suppliers, and the Sub-supplier expresses the intention to take advantage of the direct settlement option, the Buyer, the Supplier and the Sub-supplier shall enter into a trilateral agreement in accordance with the provisions of the Law.

9.11. If the Supplier relies on the capacities of other entities in accordance with the requirements of economic and financial capacity specified in the Procurement documents, the Supplier and the entities the capacities of which are relied upon shall assume joint and several liability for the fulfilment of the Contract, unless otherwise specified in the STC of the Contract.

9.12. In order to change the entity and/or specialist (if applicable), the Supplier must inform the Buyer in writing at least 3 (three) business days in advance and obtain the written consent of the Buyer. The Supplier must produce the documents of the entity and/or specialist supporting the absence of grounds for the elimination of the entity or the specialist and its/his/her compliance with the qualification requirements (if applicable). If the entity and/or the specialist (if applicable) does not meet the requirements of the absence of grounds and qualification, the Buyer shall require to replace the entity and/or the specialist (if applicable) with the ones that meet the requirements. For the avoidance of doubt, the Parties agree that once all conditions set forth in this Clause are met, no separate agreement amending this Contract will be concluded, and the documents specified in this Clause produced by either Party to the other one shall be deemed to be an integral part of the Contract.

9.13. Supplier, wishing to engage sub-suppliers which are not entities, shall, from the day of entry into effect of the Contract, but no later than by the start of performance of the Contract, inform the Buyer of the names of the known sub-suppliers, their contact details and their representatives. The Buyer also requires the Service Provider to inform it about changes in this information throughout the execution of the Contract, as well as about any new sub-suppliers, which it intends to use later. Sub-suppliers may not participate in the performance of the Contract without prior notice to the Buyer. Sub-suppliers may only be used for those parts of the Contract for which the Service Provider intends to use sub-suppliers in its tender, unless the Service Provider justifies the use of a sub-supplier for the unforeseen part of the Contract in order to ensure the proper performance of the Contract.

9.14. The Supplier shall have the right to replace the specialist indicated in the Supplier's tender and to whom the qualification requirements set out in the Procurement documents have been raised only in the following cases: (i) the Supplier submits to the Buyer a reasoned written request to replace the specialist not later than 10 (ten) calendar days before the desired replacement date (the deadline for submitting the request may be shorter only in case of illness or death of the specialist); (ii) in the request, the Supplier shall designate another specialist offered instead of the specialist specified in the tender at the time of the Procurement; (iii) along with the request, the Supplier shall submit all documents proving the compliance of the new specialist with the qualification of the personnel indicated in the Procurement documents; (iv) The Supplier shall receive the written consent of the Buyer to replace the specialist with a new specialist designated by the Supplier. The Buyer undertakes to provide an answer no later than within 10 (ten) calendar days from the receipt of the documents referred to in this Clause from the Supplier. In order to avoid any doubts, the Parties agree that after the fulfilment of all conditions indicated in this Clause a separate agreement regarding the amendment of the Contract shall not be concluded, and the documents referred to in this Clause and submitted by the Parties to each other shall be deemed as an integral part of the Contract.

9.15. A failure to comply with the provisions of this Section shall be deemed to be a material breach of the Contract.

10. GOODS DELIVERY DEADLINES, TRANSFER AND ACCEPTANCE PROCEDURE

10.1. The deadlines and the additional procedure for the delivery of the Goods are specified in Section 5 of the STC of the Contract.

10.2. Goods shall be delivered on the basis of individual Orders placed by the Buyer to the Supplier, unless the STC of the Contract provides otherwise.

10.3. The Supplier, after having performed all obligations related to the delivery of appropriate quality Goods to the delivery point and to the supply of Goods and performance of the Related Works provided for in the Contract (unless the STC of the Contract provides otherwise) must contact the Buyer in writing concerning the signature of the Transfer and Acceptance Deed of the Goods.

10.4. The Transfer and Acceptance Deed of the Goods must be drawn up in two copies having the same legal effect signed by authorised representatives of the Parties, unless the STC of the Contract provides otherwise. The ownership of the Goods shall pass to the Buyer from the date of signature of the Transfer and Acceptance Deed of the Goods, unless otherwise is provided by the nature of the Contract and the STC of the Contract.

10.5. If the quality of the Goods meets the requirements laid down in the Contract, the Buyer shall sign the Transfer and Acceptance Deed of the Goods within 5 (five) business days from the Supplier's written request concerning the signature of the Transfer and Acceptance Deed of the Goods, unless otherwise is provided in Section 5 of the STC of the Contract. If the time of transfer-acceptance of the Goods it is determined that the Goods do not comply with the requirements set out in the Contract, the Buyer shall have the right to refuse sign the Transfer and Acceptance Deed of the Goods, by specifying the reasons for such decision in writing (if possible, indicating the means which have to be taken by the Supplier so that the quality of the Goods would comply with the requirements of the Contract and the Transfer and Acceptance Deed of the Goods would be signed).

10.6. During the transfer and acceptance of Goods, the Supplier shall transfer all drawings, instructions and other data and documents specified in Section 5 of the STC of the Contract (if applicable) detailing how to use, maintain, adjust and repair the Goods provided for in the Contract or their parts into the ownership of

the Buyer. As long as the Buyer is not given all instructions for the use and maintenance of the Goods and/or any information provided for in the documents of Procurement (if applicable), the Supplier's contractual obligations shall not be deemed fulfilled and the Goods shall not be deemed delivered. If the Supplier delays to deliver the Goods within the terms set out in the Contract for the reasons beyond the Buyer's control, the Supplier shall pay to the Buyer, at the Buyer's request, forfeit (fine/penalty) of the amount specified in Section 5 of the STC of the Contract and indemnify the Buyer for the direct losses incurred inasmuch as they are not covered by forfeit (fine/penalty). In the event of a claim by the Buyer the forfeit are included in the indemnity.

10.7. The terms of delivery of the Goods may be modified by written agreement of the Parties if: (1) the Buyer fails to perform or improperly performs his obligations under the Contract and therefore the Supplier cannot supply the Goods; (2) the additional instructions and/or information provided by the Buyer to the Supplier affect the Supplier's delivery terms; (3) any other obstacles formed by the Buyer and (or) by the third persons employed by the Buyer impede the supply of the Goods on time; or (4) the actions of state or municipal authorities impede the supply of the Goods on time; (5) when executing the Contract, unexpected circumstances turn out at the time of signing this Contract (unexpected change of the Order provided by the Buyer, acts or omissions of third parties attributable to the Buyer, pre-litigation or judicial disputes, change in the legal provisions relating to the performance of the Contract, the Buyer becomes aware of new circumstances requiring a revision of the Order's quantity or delivery terms and etc.).

10.8. The Parties undertake to notify immediately the other Party in writing of occurrence of the circumstances specified in clause 10.7 of the GTC of the Contract. In the cases provided for in Clause 10.7 of the GTC of the Contract, the delivery terms of the Goods may be extended for no longer than the circumstances specified in Clause 10.7 the GTC of the Contract continue.

10.9. Unless otherwise is stated in the STC of the Contract, the Supplier pay for the costs of delivery of the Goods to the delivery place, including the costs of unloading and Related Works. The risk of damage to the Goods during the unloading as well as the risk of accidental loss or damage of the Goods to the place of delivery of the Goods is borne by the Supplier. The risk of damage to the Goods during the unloading and (or) performing the Related Works (if they are performed by the Supplier or third parties related to it) is borne by the Supplier, unless otherwise is specified in the STC of the Contract.

11. USE, SUPPLY OR WORK

11.1. If, in the course of provision of Services, the Supplier is obliged to take certain objects of the Buyer and, after the provision of Services, to return them to the Buyer or, if the Buyer furnishes the Supplier with any movable objects owned by the Buyer for the purpose of provision of Services, without prejudice to other provisions of the Contract, the following rules shall apply:

11.1.1. the Buyer shall transfer such objects to the Supplier EXW (INCOTERMS 2010) at the place specified in writing;

11.1.2. the Supplier shall return the transferred objects to the Buyer DDP (INCOTERMS 2010) within the deadline set in the Contract or otherwise in writing to the point of delivery specified in writing;

11.1.3. such a transfer of Buyer's objects shall not grant any possession rights in respect of these objects to the Supplier except those that are necessary for performance of the Supplier's obligations under this Contract.

11.2. If the documents of the Contract provide that the Supplier is obliged to provide the Buyer certain services and/or to perform certain works for the benefit of the Buyer in the course of supply of Goods, all provisions of the Contract setting the procedure for the supply of Goods shall be *mutatis mutandis* applicable for such provision of services or performance of works (including the periods and procedure for giving notices concerning quality).

11.3. Without prejudice to the provisions of Section 11 of the GTC of the Contract, the supply of Goods under this Contract shall be also governed by the following special rules:

11.3.1. all Goods supplied to the Buyer must be delivered DDP (INCOTERMS 2010), including any costs of unloading and Related Works. The address for delivery of Goods is specified in Section 5 of the STC of the Contract;

11.3.2. if Goods are transferred to the Buyer for the direct use rather than for being used up in order to reach the result of the supply of Goods, the procedures for their transfer and for submission of claims regarding defects caused during the carriage of goods laid down in the Geneva Convention on the Contract for the International Carriage of Goods by Road (CMR) shall apply.

11.4. Without prejudice to the provisions of Section 11 of the GTC of the Contract, the following rules shall apply for performance of works under this Contract:

11.4.1. the Supplier performs construction research, design, construction works in accordance with the requirements of applicable legislation and (or, if applicable) instruction of the project manager, technical supervisor or engineer;

11.4.2. if other type of works are being performed under this Contract, the provisions of Civil Code of the Republic of Lithuania, regulating the procedure of the performance of such works are also applied.

12. INTELLECTUAL PROPERTY RIGHTS

12.1. All results and all rights related therewith acquired during the performance of the Contract, including the intellectual property rights, except personal non-property rights to the results of intellectual activities, are the property of the Buyer which passes to the Buyer without any restrictions from the moment of transfer of Goods, and which may be used, published, assigned or transferred to third parties by the Buyer without a separate consent of the Supplier, unless the STC of the Contract provided otherwise, or unless the intellectual property rights may not be transferred by ownership rights due to the nature of Goods and/or due to the exclusive rights of the manufacturer of Goods, patents, etc.

12.2. Any documents related to the Contract (except the very Contract) belong to the Buyer and, upon the discharge of the Supplier's obligations, shall be returned to the Buyer at the Buyer's request (including all copies thereof).

12.3. The text of this Contract, except the documents drawn unilaterally by the Supplier and the data identifying the Supplier, is a copyright work of the Buyer. The procedures of conclusion and performance of this Contract are the good practice of the Buyer. The Supplier is only granted the non-exclusive fixed-term right to use the text of the Contract for the purposes of performance of this Contract only. The Supplier shall only be permitted to use the text of this Contract and/or the know-how acquired in the course of application of Contract conclusion and performance procedures by the P Buyer in its activity if it has obtained the advance written consent of the Buyer.

12.4. The Supplier guarantees compensation of losses and/or damage to the Buyer (including litigation costs) relating to any claims arising from a violation or a suspected violation of intellectual property rights (including defence in the case of a suspected violation) except the cases where such a violation (or suspected violation) results from the Buyer's fault.

12.5. The Supplier shall immediately inform the Buyer of any initiated actions or any other claims concerning any actual or suspected Contract-related intellectual property right infringement.

13. CONFIDENTIAL INFORMATION

13.1. The Buyer shall publicise the Contract in accordance with Article 94(9) of the Law on Procurement. The Parties agree not to disclose any confidential information to a third party without the advance written consent of the disclosing Party, as well as not to use any confidential information for personal or third party needs, except the cases where such information must be disclosed to a legal, financial or other specialist/advisor or to the lender.

13.2. All information provided by the Buyer to the Supplier shall be deemed to be confidential, unless the Buyer confirms in writing that certain information is not confidential.

13.3. In addition, confidential information shall include:

13.3.1. any information obtained during the performance of this Contract in an electronic form, in writing or in any other way.

13.3.2. data, personal data, electronic data, archived information and other information prepared by the employees of the Party.

13.4. A person to whom a Party discloses confidential information, must assume confidentiality obligations in accordance with the provisions of this Article, and to use such information for the purpose for which it was provided only. The provisions of this Article shall not be applicable to information which is or becomes publicly available, or is disclosed (or must be disclosed) under the legislation requirements. In addition, confidential information shall not include the supply and use instructions relating to Goods and other information of a similar nature. The Party in breach of the obligation to protect and not to disclose confidential information provided hereunder must compensate the losses caused to the other Party by the breach of the Contract and take all reasonable steps to remedy the consequences of the disclosure.

13.5. The Parties know, agree and undertake not to disclose, proclaim or transfer any confidential information to third parties, to use this information only for the purpose to perform the Contract, and to return confidential information to the other Party or destroy the supplied information upon the expiry or termination of the Contract.

13.6. The Party in breach of the confidentiality undertaking provided for in this Contract, at the request of the other Party, shall pay a fine in the amount of EUR 3,000.00 (three thousand euros, 00 euro cents) excluding the value added tax and shall compensate all direct and indirect losses incurred by the other Party to the extend not covered by this fine.

13.7. The Buyer may use all information received in the course of performance of the Contract for the purposes of its company and/or of a company directly or indirectly controlled by the Buyer and/or the for purposes of any activities of a company directly or indirectly controlled by the Buyer, and this will not be deemed to be a breach.

13.8. If it is provided in the STC of the Contract, the Supplier shall have to sign a separate confidentiality agreement which may contain different provisions governing confidential information.

14. LIABILITY OF THE PARTIES CONDITIONS OF FORCE MAJEURE

14.1. The Parties declare that the penalties provided for in this Contract are considered equitable and reasonable and agree that they will not be reduced, regardless of whether or not a part of the obligation is fulfilled. In addition, the Parties acknowledge that the amount of the penalties shall be treated as liquidated damages of the affected Party which the other Party must compensate to the affected Party for breach of (incompliance with) the Contract, without requiring to prove the amount of the damages.

14.2. The Parties shall be liable for a failure to perform or improper performance of their contractual obligations in accordance with the procedure laid down in this Contract and in the legislation. Compensation of losses and payment of penalties shall not release the Party from the duty to perform the provisions of the Contract.

14.3. If the Buyer makes a claim for suffered losses, the penalties shall be included in the amount of the losses. The penalties shall be applicable in respect of the amounts specified in the Contract excluding VAT.

14.4. The Parties must pay any penalties due hereunder within 10 (ten) calendar days after the date of receipt of an invoice or another document issued to them whereby the payment request is submitted. The obligatory indemnified damages of the Party under this Contract must be paid within 10 (ten) days from the date of receipt of the written claim.

14.5. If the Party fails to fulfil or is in breach of its obligations hereunder, it is in breach of the Contract. If the Party is in breach of the Contract, the other Party shall have the right to exercise any legitimate remedies, including without limitation:

14.5.1. to claim to fulfil the contractual obligations properly;

14.5.2. to claim for losses;

14.5.3. to invoke the Contract performance security, if this was a requirement provided in the terms of Procurement;

14.5.4. to claim penalties provided for in the STC of the Contract and for compensation of losses;

14.5.5. to terminate the Contract for the essential breach of the Contract.

14.6. If there are no grounds for suspending a payment, the Buyer that has failed to pay the Supplier for the Goods within the period set in Section 6 of the STC of the Contract, shall pay default interest at the rate of 0.05 percent of the outstanding amount for each overdue day at the Supplier's request. A breach of the contractual obligations of the Supplier shall be deemed to be a basis for suspension.

14.7. The Party shall be released from liability for failure to fulfil the Contract if it proves that the failure to perform the Contract was caused by the circumstances beyond its control that could not have been reasonably expected by the Party at the time of the conclusion of the Contract, and the arising of such circumstances or consequences thereof could not be prevented. Force majeure shall not include such circumstances as a lack of the necessary financial resources on the part of the Party, or violation of their own obligations committed by the contractors of the Party. The Parties shall understand the circumstances of force majeure as defined in Article 6.212 of the Civil Code of the Republic of Lithuania and in Rules of Liability for Force Majeure approved on 15 July 1996 by Resolution No. 840 of the Government of the Republic of Lithuania insofar as they are in compliance with the Civil Code of the Republic of Lithuania.

14.8. The Party unable to perform the Contract due to the force majeure circumstances shall be obliged to notify the other Party in writing about it no later than within 3 (three) days of the occurrence of such circumstances, and provide evidence that it has taken all reasonable measures of precaution and applied all efforts in order to reduce the expenses or negative consequences, as well as notify of the possible time period for the fulfilment of the obligations. The notice shall be also required upon the expiry of the grounds for the non-performance of obligations. Upon request of the Consignee, the Consignor seeking to provide evidence of the force majeure circumstances must present the statement issued in accordance with 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 respective legal acts amending this Resolution.

14.9. The grounds for releasing the Party from liability shall arise from the moment of occurrence of the force majeure circumstances or, if the notification was not submitted in due time, from the moment of submission of the notification. If the Party fails to send a notification in due time or fails to provide information regarding the force majeure circumstances, due to which it is unable to perform its contractual obligations assumed, it shall be obliged to compensate the other Party for the damages which the latter incurred as a result of failure to provide a timely notification or as a result of failure to notify.

14.10. In the presence of the force majeure circumstances, the Parties shall be exempted from liability for the non-performance of the contractual obligations, misfeasance or nonfeasance thereof, and the term for performance of the obligations shall be extended. Where the circumstance preventing performance of the contract is temporary, the Party shall be released from liability for a period considering the effect of the circumstance on the performance of the contract. Where force majeure circumstances persist for more than 6 (six) months, either of the Parties shall have the right to unilaterally terminate the Contract by a notice the other Party to that effect sent 30 (thirty) calendar days in advance. Upon termination of the Contract on this ground, the Parties shall be obliged no later than within 30 (thirty) calendar days of the date of termination of the Contract to settle accounts with each other and discharge other obligations provided for in the Contract

15. CONTRACT PERFORMANCE SECURITY

15.1. The provisions of this Section shall be applicable in the case where it is provided in the STC of the Contract that the Supplier is obliged to submit a Contract Guaranty in order to secure due performance of the Contract.

15.2. The Supplier shall submit a Contract Guaranty covering the amount specified in the STC of the Contract and all accompanying original documents which has to be valid throughout the whole period of validity of the Contract no later than within 5 (five) calendar days from the date of signing the Contract. Where the validity of the Contract Guaranty may expire during the period of validity of the Contract, the Supplier must produce a new Contract Guaranty to the Buyer or to extend the existing one for the remaining validity period of the Contract at least 5 (five) business days by its expiration. In all cases, the Contract Guaranty must be continuously valid throughout the whole validity period of the Contract.

15.3. The Supplier's failure to produce a new Contract Guaranty or to extend the existing one for the period specified in Clause 15.2 of the GTC of the Contract at least 2 (two) business days by the expiry of the Contract Guaranty shall be deemed to be a material breach of the Contract. In this case the Buyer reserves the right to use a valid Contract Guaranty.

15.4. Unless the STC of the Contract provides otherwise, the Contract Guaranty must be issued in the currency used by the Parties for their mutual settlements.

15.5. The Contract Guaranty should specify that the issuer of the Contract Guaranty unconditionally and irrevocably assumes the obligation to pay the Buyer an amount not exceeding the one specified in the Contract Guaranty within 7 (seven) business days from the first written notice by the Buyer to the issuer of the Contract Guaranty about a violation of the contractual obligations by the Supplier, their full or partial non-execution or inappropriate execution. The issuer of the Contract Guaranty shall not be entitled to require the Buyer to support its claim. In its notice to the issuer of the Contract Guaranty, the Buyer shall specify that it is entitled to the amount of the Contract Guaranty as a result of a full or partial non-execution of Contract conditions or another breach of the Contract by the Supplier. The Buyer does not assume the obligation to prove the actual losses and, by signing this Contract and producing the Contract Guaranty, the Supplier confirms that the Contract Guaranty amount is to be considered as liquidated damages of the Buyer that need not to be proved.

15.6. If the Supplier violates the obligations under the Contract and its annexes, or fails to fulfil (or improperly performs) the obligations, in part or in the whole, the Buyer shall use the Contract performance security. In order to continue to fulfil the obligations of the Contract, the Supplier shall, within 5 (five) business days, provide the Buyer with a new Contract Guaranty of the amount specified in the STC of the Contract. Subsequent modifications or additions to the Contract or other documents relating thereto shall not affect the performance or scope of the guarantor's obligations. The Contract Guaranty shall not specify that the amount of the Contract performance security to be paid shall depend on the amount of the Buyer's losses, direct or indirect damages, forms of the Supplier's fault, other objective or subjective circumstances, it also shall not specify that the amount of the security decreases in proportion to the amount of works / Goods delivered by the Supplier. If at least one of the following conditions is met – the Supplier has failed to fulfil, partially fulfilled or improperly fulfil (fulfilled) its contractual obligations – the Supplier shall pay to the Buyer the amount not exceeding the amount of the Guaranty specified in the STC of the Contract and without requiring the Buyer to prove its losses.

15.7. The Buyer shall return the Contract Guaranty to the Supplier (if the paper original was submitted) no later than within 30 (thirty) calendar days from the date of discharge of the obligations assumed by the Supplier hereunder and from receipt of the respective request of the Supplier.

15.8. Should the Supplier fail to produce the Contract Guaranty within the deadline set in Clause 15.2 of the GTC of the Contract, the Buyer shall be entitled to terminate this Contract unilaterally without giving advance notice and without compensating any losses incurred by the Supplier as a result of the unilateral termination of the Contract. If, under the conditions of the STC of the Contract, the Contract takes effect from the moment on which the Supplier supplies the Buyer with the Contract Guaranty, this provision of the Contract concerning Contract termination shall not be applicable, and it shall be deemed that the Supplier refused to enter into the Contract.

16. VALIDITY, AMENDMENT AND TERMINATION OF THE CONTRACT

16.1. The moment on which the Contract takes effect and its duration period is specified in the STC of the Contract.

16.2. The contractual conditions may not be changed during the period of validity of the Contract, except such contractual conditions the amendment of which is provided for in the Contract and (or) is possible according to the provisions of Law. The amendments of the contractual conditions shall be formalized by written agreements between the Parties and shall be deemed as an integral part of the Contract.

16.3. Procurement contract amendments of a technical nature (such as details of the parties, errors) and adjustment of individual Contract performance conditions under the circumstances provided for in the Contract shall not be deemed to be changes to the contractual conditions.

16.4. Any amendment of the terms of the Contract may be initiated by either Party by submitting to the other Party the relevant request and supporting documents. The Party, upon receipt of such a request, must examine it within 20 (twenty) calendar days and provide a reasoned written reply to the other Party. In the case if a disagreement between the parties the Buyer shall have the right to decide.

16.5. The Buyer may suspend the performance of the Contract or of a part thereof for a period and in the manner that it deems required. If the period of suspension exceeds 30 (thirty) calendar days, the Supplier is entitled to require a permission to renew the performance of the Contract, and if the Buyer does not give the permission within 10 (ten) calendar days after the respective Supplier's request, to terminate the Contract after giving notice 10 (ten) calendar days in advance.

16.6. This Contract may be terminated by a mutual agreement between the Parties.

16.7. The Buyer shall be entitled to terminate the Contract unilaterally without the Supplier's fault by giving notice to the Supplier at least 30 (thirty) calendar days in advance, despite the fact that the Supplier has already begun executing the Contract. In this case, the Buyer must pay the Supplier for the goods duly delivered by the termination of the Contract without compensating any costs (losses) related to the termination of the Contract.

16.8. The Buyer shall have the right to terminate the Contract unilaterally without making an application to a court by giving a notice to the Supplier thereof in writing 5 (five) calendar days in advance provided the Supplier has made a material breach of the Contract. A breach of the Contract made by the Supplier shall be deemed to be a material breach provided:

16.8.1. the Goods do not meet the contractual requirements at the time of their transfer and acceptance, and the Supplier is late to rectify the defects of Goods for a period exceeding 30 (thirty) calendar days from the expiry of the prescribed defect rectification deadline set in the STC of the Contract;

16.8.2. it is found that the Goods are defective during their warranty service and the Supplier is late to rectify the defects of Goods for a period exceeding 30 (thirty) calendar days from the expiry of the set defect rectification deadline;

16.8.3. if the defects are detected in the Goods that comprise more than 30 percent of the delivered quantity of the Order or of the quantity provided for in the Contract;

16.8.4. the Supplier has missed the deadline for delivery of the Goods for more than two subsequent times;

16.8.5. the Supplier fails to comply with the delivery deadlines provided for in the STC of the Contract and the delay after the expiry of the set deadline exceeds 30 (thirty) calendar days;

16.8.6. the amount of penalties (default interest and/or fines) accrued to the Supplier under the Contract reaches the maximum limit of penalties applicable to the Supplier provided for in the STC of the Contract;

16.8.7. the qualification of the Supplier no longer meets the requirements laid down in this Contract and these unconformities were not remedied within 14 (fourteen) days from the date on which the qualification became nonconforming;

16.8.8. the Supplier violates the provisions of this Contract governing competition, the management of intellectual property or confidential information;

16.8.9. the Supplier violates the provisions of the GTC of this Contract, regarding the reliance on the capacities of other economic entities;

16.8.10. The Buyer shall have the right to terminate the Contract unilaterally without making an application to a court by giving a notice to the Supplier thereof in writing 5 (five) calendar days in advance provided the Supplier is initiated bankruptcy or restructuring proceedings, non-judicial bankruptcy procedure, or procedures of forced liquidation or an arrangement with its creditors, or is subject to any analogical procedures in accordance with the laws of the country of its registration, the Buyer becomes aware of other enforcement of the rights of the Supplier's creditors which have a material impact on the Supplier's possibilities to further perform the Contract and/or there are other grounds provided for in the Directives of the European Parliament and of the Council, including the offenses defined in the legislation of the European Union;

16.8.11. other circumstances provided for in the Contract and/or in Article 6.217 of the Civil Code of the Republic of Lithuania exist.

16.9. If the Contract is terminated in result of an essential breach of the Contract by the Supplier, or in the event of unreasonable termination of Contract execution by the Supplier in breach of the procedure laid down in the Contract, and if the Contract does not provide that the proper performance of the Contract is secured by the Contract Guaranty, the Supplier shall pay the Buyer a fine in the amount of 10 percent of the total Contract price excluding VAT and shall compensate the direct losses related with the termination of the Contract. If the Buyer makes a claim for suffered losses, the penalties shall be included in the amount of the losses.

16.10. Buyer's unilateral statement of termination of the Contract, after having notified the Supplier and indicated the reasons for termination of the Contract at least 30 (thirty) calendar days in advance in the following cases:

16.10.1. the Contract was amended in violation of Article 97 of the Law;

16.10.2. it became apparent that the Supplier with which the Contract was concluded should have been removed from the Procurement procedure *mutatis mutandis* pursuant to Article 46(1) of the Law on Public Procurement, which is applied in conjunction with Article 59(1) of the Law;

16.10.3. it became apparent that the contract with the Supplier should not have been concluded because the Court of Justice of the European Union, in accordance with Article 258 of the Treaty on the Functioning of the European Union, acknowledged the failure to fulfil its obligations under the founding treaties of the European Union and Directive 2014/25/EU.

16.11. The Supplier shall assume the risk of inclusion in the list of unreliable suppliers in accordance with the procedure prescribed by the legislation of the Republic of Lithuania in the event of termination the Contract because of the essential breach of the Contract.

16.12. In the event of termination of this Contract on any grounds, the Parties undertake:

16.12.1. to take all measures in order to reduce any additional losses that may be caused by the termination;

16.12.2. within 10 (ten) calendar days from the date of receipt of termination notice, to supply the other Party with all documents necessary for the full settlement of accounts hereunder (by the Contract termination date);

16.12.3. to settle accounts for all quality Goods duly delivered by the Contract termination date that meet the requirements laid down in the Contract.

17. FINAL PROVISIONS

17.1. The Parties agree that the Buyer has the right to assign the rights and obligations under this Contract to a third party without the consent of the other Party given in writing, if the procedures or reorganisation, liquidation, restructuring or bankruptcy procedures are initiated for the Buyer in accordance with the procedure prescribed by the legislation, or the legal status of the Buyer changes, or a part of such rights and obligations are transferred to a third party under a transaction. The Buyer's successor (assignee) shall become a Party to the Contract from the moment of transfer of the rights and obligations and shall assume all rights and obligations under this Contract. If the Supplier requests, the Buyer shall submit the documents supporting the financial capacity of the successor (assignee) and other necessary documents.

17.2. The Parties agree, that upon reorganization of the Buyer's company or change of the Buyer's legal status in accordance with the legal acts the Buyer's successor from the moment of succession becomes the Contract Party assuming all rights and obligations of the Buyer under this Contract without the written consent of the Supplier. The Parties hereby declare and confirm that such transfer of the rights and obligations of the Buyer is not an innovation within the meaning of the third section of Book VI, Part I of the Civil Code of the Republic of Lithuania and does not in itself affect the validity of the Contract. The Parties agree that the Buyer or his successor shall notify the Supplier of the succession of rights and obligations set forth in this Clause in accordance with the procedure established by legal acts and the Parties shall not make a separate amendment to the Contract.

17.3. Changing the Supplier as a party is possible in the event of reorganisation, liquidation, restructuring or bankruptcy procedures initiated for the Supplier, in the event of a change in the Supplier's status or where a third party overtakes the Supplier's functions or a part thereof on the basis of a transaction. The Supplier shall be obliged to notify the Buyer thereof in writing at least 30 (thirty) business days by the moment of the transfer and acceptance of the Supplier's rights and obligations and to enclose the documents supporting the qualification of the successor to this letter. The qualification of the Supplier's successor must be at least equal to the one of the contracted Supplier in terms of the criteria established in the documents of Procurement. The Buyer, after having received the letter of the Supplier with all documents supporting the qualification of the Supplier's successor, shall examine the contents of the documents and shall approve or reject the change of the Contract Party in writing within 10 (ten) business days. If the Buyer gives its approval, an amendment to the Contract shall be signed. The Parties represent and warrant that such a transfer of the Supplier's rights and obligations shall not be deemed to constitute a novation in terms of Paragraph 3 of Section I of Book VI of the Civil Code of the Republic of Lithuania and shall not by itself affect the validity of the Contract. The Supplier shall not acquire the right to transfer its rights or obligations under this Contract to any third person without the advance consent given by the Buyer in writing. A failure to comply with this condition shall be deemed to constitute an essential breach of the Contract.

17.4. Neither Party shall have the right to assign its obligations under this Contract to a third party without the prior written consent of the other Party. This limitation of the transfer of obligations shall not apply in cases where obligations arising from the transfer of the Buyer's functions or part of them on the basis of this Contract are transferred to another contracting authority - the Buyer's associates which are compliant with at least one of the criteria laid down in Article 2 (8) of Law on Corporate Tax of the Republic of Lithuania.

17.5. All notices and other information exchanged between the Parties hereunder shall be transmitted in writing and shall be deemed to be duly delivered if served personally, sent by e-mail or by courier services, by a registered letter or by other specified means to the addresses specified in the annexes to the Contract.

17.6. The Parties shall nominate contact persons for communications whose data are specified in Annex No. 1 to the STC of the Contract.

17.7. Each Party must inform the other one of any changes of the address, details or contact persons specified in the STC of the Contract within 5 (five) business days. All notices and other communications sent to the address specified in the Contract before the notification of the change of the address shall be deemed to be served in a due way.

17.8. The relation of the Parties arising from the present Contract and not discussed in the terms and conditions thereof shall be regulated by the laws and other legal acts of the Republic of Lithuania.

17.9. Any disputes concerning the performance of this Contract shall be resolved by the Parties by negotiations. Should the Parties be unable to resolve their disputes by negotiations, they shall be settled by court proceedings before the courts of the Republic of Lithuania under the procedure prescribed by the legislation.

17.10. Until the conclusion of the Contract, in the STC of the Contract the Parties may agree on other provisions of the Contract that are not mentioned in the GTC of the Contract and / or in the STC of the Contract and which are not in conflict with the Terms and Conditions of the Procurement and the provisions of the Law.

17.11. If any provision of this Contract is or becomes in whole or in part invalid, it shall not invalidate the remaining provisions of this Contract. In this case, the Parties agree to make every effort to replace the invalid provision with a legally effective provision, which as far as possible would have with the same legal and economic outcome as the replaced provision.

17.12. The Parties agree that during the delivery of Goods, the Supplier shall submit the final documents and other materials related to supply of Goods in Lithuanian only, unless the STC of the Contract provides otherwise. If the documents of Procurement provide that all documents are produced in Lithuanian, but the Supplier has respectively produced the final documents and materials necessary for supply of Goods in a different language, the Supplier must enclose a translation of the document into Lithuanian certified by the translator's signature and the seal of the translation agency.

17.13. In addition, in the STC of the Contract and/or in the Technical Specification, the Buyer may identify the additional documents (in addition to those specified in Clause 17.122 of the GTC of the Contract) to be submitted in Lithuanian or another language acceptable to the Buyer.

17.14. Should the Supplier fail to comply with the requirements laid down in Clause 17.12 and/or Clause 17.13 of the GTC of the Contract (submit the documents not in Lithuanian without enclosing a translation of the document into Lithuanian certified by the translator's signature and the seal of the translation agency), the Buyer shall be entitled to translate these documents at its own cost, and in such a case, it will reduce the amount be paid for the delivered Goods in the amount of the incurred actual costs related to translation services.

17.15. By concluding this Contract the Parties confirm that they are aware that the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) applicable since 25 May 2018 may have an effect on the performance of this Contract. The Parties acknowledge that in case of necessity to process, provide or transfer the personal data of one Party to the other one in any way, this Contract and its annexes or further amendments may be amended and/or a separate agreement concerning personal data processing or transfer may be signed in order to ensure the compliance with the General Data Protection Regulation, and in the case of such necessity they agree to review and/or amend the Contract and its annexes and/or sign an additional agreement, as well as to take other necessary steps to ensure the compliance with the requirements of the General Data Protection Regulation.

17.16. The headings of Contract sections/chapters are for Party convenience of reference only and may not be unambiguously used for the interpretation of contractual provisions.

17.17. The Contract is made in two copies each having equal legal force, one to each of the Parties.
