

PUBLIC PROCUREMENT CONTRACT

27 June 2022 No. *DPS-346*
Vilnius

I. SPECIAL PART

Defence Materiel Agency under the Ministry of National Defence (hereinafter referred to as the DMA), represented by Sigitas Dzekunskas, DMA Director, acting in accordance with the DMA Regulations (hereinafter referred to as **the Buyer**) and

Calzaturificio Montebove SRL, represented by Director Gino Battellini, acting in accordance with the Company's Articles of Association of *Calzaturificio Montebove SRL* (hereinafter referred to as **the Seller**), hereinafter collectively referred to in this public contract on the sale and purchase of goods as the Parties, and each separately as the Party, in accordance with the Law on Public Procurement of the Republic of Lithuania, and taking into account that the Buyer, in accordance with Article 3 (3) and (2) of the Law on the Organisation of the National Defence System and Military Service and the Regulations of the Defence Materiel Agency under the Ministry of National Defence approved by Order of the Minister of National Defence of the Republic of Lithuania is assigned with the task to provide the authorities of the national defence system with goods, services and works, have concluded this contract on the sale and purchase of goods, hereinafter referred to as the Contract, and agreed on the following terms and conditions.

1. Object of the Contract

1.1. The Seller undertakes to sell and deliver to the Buyer (manufacturer – *Calzaturificio Montebove SRL*) **men's uniform shoes** complying with Annex 1 of the Contract, "Technical specification of men's uniform shoes" (hereinafter referred to as Annex 1), and **men's winter shoes** (manufacturer - *Calzaturificio Montebove SRL*) complying with Annex 2 of the Contract, "Technical specification of men's winter shoes" (hereinafter referred to as Annex 2) (hereinafter referred to as the Goods), as well as any other requirements specified in the Contract.

1.2. **The maximum quantity** of the Goods to be purchased:

men's uniform shoes – 7025 pairs;

men's winter shoes – 8163 pairs.

The minimum quantity of the Goods to be purchased:

men's uniform shoes – 5404 pairs;

men's winter shoes – 6279 pairs.

1.3. The Buyer undertakes to buy the entire minimum quantity of Goods, but not the entire maximum quantity of Goods referred to in Clause 1.2 of the Special Part of the Contract, during the entire term of the Contract. Goods in excess of the minimum quantity shall be purchased if needed.

1.4. The Payer (the Lithuanian Armed Forces) shall pay the Seller for the delivered Goods that comply with the requirements specified in the Contract and its Annexes in accordance with the procedure established in this Contract.

1.5. The Buyer shall have the right to purchase the Goods related to the object of the contract up to a maximum of 10 (ten) percent of the value of the maximum quantity of Goods set forth in the Contract.

2. Contract price/product price/pricing rules

2.1. The Contract is subject to a fixed price with a review. The case of review is established in Clause 2.2 of the General Part of the Contract.

2.2. The price of one pair of Goods is as follows:

men's uniform shoes – EUR 47.50 (forty-seven euros 50 ct) excluding 21 percent value-added tax

(hereinafter, the VAT);

men's winter shoes – EUR 48.00 (forty-eight euros 00 ct) excluding VAT.

2.3. The maximum price of the Contract is **EUR 725 511,50 (seven hundred twenty-five thousand five hundred and eleven euros 50 ct) excluding VAT.**

2.4. The price of Goods shall include all taxes and all costs incurred by the Seller in connection with the sale and delivery of Goods (storage, packaging, transportation, inspection) and all other costs which may affect the price of Goods, or which may arise in the performance of this Contract. In entering into this Contract, the Seller shall estimate the total volume of Goods and shall bear the risk of fluctuations in the amount of costs.

2.5. The Contract shall be subject to the terms and conditions set out in Clause 12.9 of the General Part of the Contract.

3. Place for the delivery of goods, deadlines and delivery conditions

3.1. The Seller undertakes to deliver:

3.1.1. **1504 pairs of men's uniform shoes, and 379 pairs of men's winter shoes** in accordance with the quantities set out in Annex 5 to the Contract, "Quantities of Goods by size", **no later than within 5 (five) months** after the date of entry into force of the Contract. If the Seller is late in submitting a bank guarantee or a letter of surety from an insurance company to secure the performance of the Contract, the time limit for the delivery of Goods referred to in this clause shall begin to run on the expiry of the time limit for the submission of the bank guarantee or a letter of surety from the insurance company referred to in Clause 12.3 of the General Part of the Contract.

3.1.2. the remaining quantity of Goods, not exceeding **5,521 pairs of men's uniform shoes and 7,784 pairs of men's winter shoes**, in the quantities specified by the Buyer in this Contract and the Annexes hereto on the terms and conditions set out in the Annexes to this Contract in accordance with written orders for the Goods **no later than within 5 (five) months** from the date of dispatch of orders. Orders shall be placed in accordance with the form set out in Annex 3 to the Contract, "Goods order form" (hereinafter, Annex 3).

3.1.3. to fulfil the obligations set out in Clauses 3.5.1, 3.5.2 and 3.5.3 of the General Part of the Contract **no later than within 3 (three) months** after the date of entry into force of this Contract. The Product Quality Assurance Plan shall be prepared in accordance with LQF AQAP 2105 or ISO 10005 or equivalent. Production shall commence after agreement and approval of the working samples.

3.2. Place of delivery and terms of delivery – **INCOTERMS 2020 DDP Savanorių pr. 8, Vilnius, Depot Service of the Lithuanian Armed Forces (the Payer's unit).**

3.3. **The Buyer** has the right to carry out laboratory tests in accordance with the procedure set out in Clause 4.2 of the General Part of the Contract. The quantity of Goods to be taken for laboratory tests shall be up to 5 (five) pairs of Goods from the selected lot or batch of Goods of the same batch. The quantity of Goods to be taken for laboratory tests may be adjusted and determined in accordance with the quantity specified by the laboratory which will carry out the tests.

3.4. **The Seller** must ensure that the circumstances referred to in Article 45(2¹) of the Law on Public Procurement do not arise during the conclusion and performance of the Contract. **The Buyer** shall have the right at any time to request the Seller to provide the supporting documents referred to in Article 51(12) of the Law on Public Procurement that the conditions referred to in Article 45(2¹) of the Law on Public Procurement do not exist. **The Seller** shall provide the documents requested by the Buyer within 10 working days of receipt of the request.

4. Payment procedure

4.1. **The Payer** shall settle with the Seller for the delivery of the minimum quantity of Goods provided for in Clause 1.2 of the Special Part of the Contract and for each additional order delivered, in accordance with the procedure set out in Clause 4.1 of the General Part of the Contract.

4.2. During the performance of the Contract, VAT invoices must be provided using the E.sąskaita (E-Invoice) information system, indicating the Buyer, the Payer, the Contract's number and the date. If the Seller does not provide the invoice by means of information system E.sąskaita, the Payer shall not make the payment.

4.3. Upon the decision of **the Buyer**, an advance payment of up to thirty (30) percent of the minimum quantity provided for in Clause 1.2 of the Special Part of the Contract or of the price of each of the additional orders placed may be made. In this case, the provisions relating to advance payment set out in Clauses 4.3–4.6 of the General Part of the Contract shall apply.

5. The Buyer's right to unilaterally terminate the Contract

5.1. **The Buyer** has the right to terminate this Contract in accordance with the procedure set forth in Clause 9.2 of the General Part of the Contract under the following conditions:

5.1.1. **The Seller** delays in the delivery of Goods for more than 30 (thirty) days from the time limits provided for in Clause 3.1.1 and 3.1.2 of the Special Part of the Contract.

5.1.2. **The Seller** is more than 20 (twenty) days late in fulfilling the obligations set out in Clause 3.1.3. of the Special Part of the Contract.

5.1.3. Failure by **the Seller** to provide a bank guarantee or a letter of surety from an insurance company for an additional order within the time limit set out in Clause 8.2 of the Special Part of the Contract.

5.1.4. A circumstance is found to exist which meets at least one of the conditions listed in Article 45(2¹) of the Law on Public Procurement.

5.1.5. **The Seller** fails to provide **the Buyer** with the documents referred to in Clause 3.4 of the Special Part of the Contract within the established time limit.

5.1.6. other cases of unilateral termination of the Contract, as set out in Clause 9.2 of the General Part of the Contract.

6. The quality of Goods

6.1. Goods shall conform to the requirements set out in the Contract and its Annexes and to the approved working sample.

6.2. The conformity and quality of Goods shall be assessed upon delivery to the place specified in Clause 3.2 of the Special Part of the Contract. No delivery and acceptance certificate will be signed. **The Buyer** shall draw up a certificate of quality inspection of Goods after verifying that they comply with the requirements set out in the Contract and its Annexes. In the event of any non-conformity, the Goods shall not be accepted and shall be deemed not to have been delivered and **the Seller** shall take back Goods immediately at its own expense. If **the Seller** fails to immediately collect the Goods, **the Seller** shall not be entitled to make any claim for their loss or damage.

6.3. **The Seller** warrants that the Goods and the materials of which they are made are free from defects and comply with the requirements set out in Clause 6.1 of the Special Part of the Contract. The Goods shall be accepted in batches and consignments. Each batch of the Goods shall bear the contractual mark. The batch of the Goods shall be accompanied by a Declaration of Conformity of the Goods in accordance with Form A2 of LST EN ISO/IEC 17050-1 (ISO/IEC 17050-1) standard, or equivalent standard, and by documents (manufacturer's technical descriptions, protocols, certificates, etc.) attesting the conformity of the Goods with the requirements set out in the Contract.

6.4. **The Seller** is responsible for the delivery of high-quality goods that meet the requirements set forth in this Contract and its Annexes.

7. Warranty obligations

7.1. **The Seller** shall provide the Goods with a quality guarantee period of not less than 12 (twelve) months under conditions of active operation, calculated from the date of issue of the Goods from the warehouse of **the Payer's** unit – the Depot Service of the Lithuanian Armed Forces, and a quality guarantee period of 24 (twenty-four) months, calculated from the date of acceptance of the Goods into warehouse.

7.2. **The Seller** shall fulfil obligations referred to in Clause 6.3 of the General Part of the Contract not later than 30 (thirty) days from the date of **the Buyer's** written notice of the defects in the Goods.

7.3. Laboratory tests may be carried out during the quality warranty period in accordance with the procedures set out in Clause 6.5 of the General Part of the Contract. The quantity of Goods to be taken for laboratory testing shall be up to five (5) pairs of Goods from a selected lot or batch of Goods of the same consignment. The quantity of Goods to be taken for laboratory testing may be adjusted and determined in accordance with the quantity specified by the laboratory which will perform the tests.

Replacement of Goods found to be non-conforming to high-quality ones shall be performed in accordance with the provisions of Clause 6.3 of the General Part of the Contract.

7.4. If the Seller is late in rectifying defects in the Goods or in replacing the Goods with new ones within the time limit set out in Clause 7.2 of the Special Part of the Contract, the Seller shall be liable in accordance with the liability set out in Clause 10.1 of the Special Part of the Contract.

8. Additional enforcement of contractual obligations

8.1. The amount to be guaranteed by a bank guarantee or a letter of surety from an insurance company shall not be less than EUR 50 785,81 (fifty thousand seven hundred and eighty-five euros 81 ct) (7 (seven) percent of the maximum price of the Contract excluding VAT) and the period of validity shall be at least 38 (thirty-eight) months from the date of entry into force of the Contract. A bank guarantee or a surety letter from an insurance company must comply with the requirements set out in Clauses 12.1, 12.2 and 12.3 of the General Part of the Contract.

8.2. The Seller shall be entitled to provide a bank guarantee or a letter of surety from an insurance company with a shorter period of validity than that set out in Clause 8.1 of the Special Part of the Contract, but not less than 24 (twenty-four) months. In this case, the Seller shall provide, together with the documents securing the performance of the Contract, a confirmation that a bank guarantee or a letter of surety from an insurance company will be extended for a period of at least 60 days before its expiry date and for a period of not less than 14 (fourteen) months (from the date of its expiry).

9. Subcontractors

The Seller will not use any subcontractor(s) to perform this Contract.

10. Other conditions

10.1. The amount of the minimum losses agreed by the Parties in advance specified in Clauses 11.1 and 11.3 of the General Part of the Contract shall be 0.1 percent of the price of undelivered/unrepaired Goods excluding VAT for each day of delay.

10.2. The amount of the minimum losses agreed by the Parties in advance in Clause 11.4 of the General Part of the Contract shall be EUR 50,785.81 (fifty thousand seven hundred and eighty-five euros 81 ct) (7 (seven) percent of the maximum Contract price excluding VAT).

10.3. In the event of termination of the Contract in the cases referred to in Clauses 5.1.4 and 5.1.5 of the Special Part of the Contract, the amount of the minimum losses agreed by the Parties in advance shall be EUR 108,826.73 (one hundred and eight thousand eight hundred and twenty-six euros 73 ct), or 15 (fifteen) percent of the maximum value of the Contract excluding of VAT, referred to in Clause 2.3 of the Special Part of the Contract.

10.4. The duration of force majeure circumstances shall be 30 (thirty) days, subject to the provisions of Clause 9.1.2 of the General Part of the Contract.

10.5. The Seller undertakes to fulfil the obligations set out in Clause 8 of the General Part of the Contract and to submit a copy of the signed Contract and the data necessary for the identification of the purchased Goods in accordance with the forms set out in Annex 4 to the Contract, "Forms of documents required for codification", to the DMA Office of Military Standardization and National Codification, tel. +370 5 278 5250, e-mail: ncblt@mil.lt.

10.6. The Seller's representative responsible for the performance and coordination of the Contract, the quality of the Goods supplied: Mr. Gino Battellini, Chairman of the Board and Legal Representative, tel. +390733971485, fax. +390733974781, e-mail battellini.gino@montebove.it

10.7. The Buyer's representative, responsible for the execution of the Contract and publication of amendments to the Contract: Chief Sergeant Gintaras Pivoriūnas, Chief Logistics Specialist at the Clothing and Soldier Systems Division of the Defence Materiel Agency, tel. +370 706 80 895, e-mail gintaras.pivoriunas@kam.lt.

10.8. A person responsible for the publication of the Contract: Chief Specialist Evelina Jakimavičienė at the Second Procurement Division of the Defence Materiel Agency.

10.9. Annexes to the Contract:

10.9.1. Annex 1. Technical specification of men's uniform shoes – 7 pages.

10.9.2. Annex 2. Technical specification of men's winter shoes – 7 pages.

- 10.9.3. Annex 3. Goods order form – 1 page.
10.9.4. Annex 4. Forms of documents required for codification – 2 pages.
10.9.5. Annex 5. Quantity of Goods by size – 2 pages.

11. Validity of the Contract

- 10.1. The Contract shall be valid for 36 (thirty-six) months from the date set forth in Clause 12.1 of the General Part of the Contract and, in respect of financial and guarantee obligations, until the contractual obligations are fully fulfilled.
10.2. No extension of the Contract is anticipated.

12. The Buyer's details

Defence Materiel Agency under the Ministry of National Defence
Code 304740061
VAT number LT100011457012
Šv. Ignoto g. 6, LT-01144 Vilnius, Lithuania
IBAN LT23 7044 0600 0820 1907
SEB bankas AB

13. The Seller's details

Calzaturificio Montebove SRL
Code IT00147670434
Via Gioacchino Rossini 10, Tolentino, Italy
UBI Banca SPA, IT79H031116920000000002822

14. The Payer's details

Lithuanian Armed Forces
Code 188732677
VAT number LT887326716
Šv. Ignoto g. 8, LT-01144 Vilnius, Lietuva
IBAN LT48 7300 0100 0246 0179
AB Swedbank

THE BUYER

**Defence Materiel Agency under the
Ministry of National Defence**

Director

Sigitas Dzekunskas



THE SELLER

Calzaturificio Montebove SRL

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CONTRACT ON THE SALE AND PURCHASE OF GOODS

II. GENERAL PART

1. Concepts

1.1. The following basic concepts are used in the Contract:

1.1.1. **Contract** – the General and Special Parts of the Contract on the Sale and Purchase of Goods, and the annexes to the Contract on the Sale and Purchase of Goods.

1.1.2. **Parties to the Contract** – **the Buyer and the Seller**.

1.1.3. **Payer** – a legal person or a branch of the national defence system that pays for the Goods under the terms and conditions specified in the Contract and in the Special Part of the Contract and signs the Act on the Delivery and Acceptance of Goods (or other document indicated in the Special Part of the Contract) after checking the quantity and the set of the Goods.

1.1.4. **Recipient** – a legal person or a branch of the national defence system specified in the Special Part of the Contract or in the annex to the Contract to which the Goods are delivered (in the cases referred to in the Special Part of the Contract, the Recipient and the Payer may be same entity).

1.1.5. **Third party** – any natural or legal person (including the state, public authorities, municipality, municipal authorities) other than the Payer or the Recipient which is not a party to this Contract.

1.1.6. **Licenses** – all necessary licenses and/or permits necessary for the performance of the Contract.

1.1.7. **Object of the Contract** – goods and all services related to their sale (staff training, installation, introduction, delivery, etc.), which have been agreed by the Parties to the Contract in the Special Part of the Contract and which comply with the requirements laid down in the Contract and its annexes.

1.1.8. **The minimum losses agreed by the Parties in advance** – the amount of money established in the Contract or calculated and undisputed under the procedure established in the Contract that **the Seller** undertakes to pay to **the Buyer** if the contractual obligations are not fulfilled or are not properly fulfilled.

1.1.9. **Pricing rules** – Contract price/rates or the Rules on the calculation of the Contract price/rates and adjustment of the Contract price/rates.

1.1.10. **Consignment** – the quantity of Goods delivered simultaneously.

1.1.11. **Batch of goods** – goods having the same characteristics, manufactured according to the same technology, under the same conditions, from raw materials or materials obtained from the same manufacturer/seller of raw materials or materials.

1.1.12. **Batch of materials** – a quantity of materials produced according to the same technology, under the same conditions, from the same raw materials obtained from the same producer or seller of raw materials. The laboratory test report, the manufacturer's declaration of conformity, the assessment certificate or certificate may be used as evidence of the quality of the batch of materials.

1.2. The calculation of the minimum losses agreed by the Parties in advance shall begin on the day following the last due date for the performance of the obligations under the Contract and shall end after the performance of the obligations by the Party to the Contract (the last day of the calculation shall be considered as the date of the performance of the obligations).

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

1.4. Unless otherwise specified in the Contract, the duration and other time limits of the Contract shall be calculated in calendar days.

1.5. If the deadline for payment or performance of obligations coincides with official holidays and non-working days in the Republic of Lithuania, then under the Contract the deadline for performance of obligations and payment is the following working day.

1.6. In the Contract where the context requires, words in the singular can have a plural meaning and vice versa.

1.7. In cases where a certain meaning is different between the indicated in words and the indicated in numbers, the verbal meaning shall be followed.

2. Contract price/the price of Goods/pricing rules

2.1. Contract price/the price of Goods – the amount of money that is paid to **the Seller** in accordance with the procedure and time limits established in the Contract. **The Buyer** is liable for **the Seller** for a proper fulfilment of **the Payer's** obligation to pay the price specified in the Contract.

2.2. Contract price/the price of Goods shall be constant and shall remain unchanged throughout the period of validity of the Contract, unless the rate of VAT/excise tax applicable to the Goods changes after signing the Contract. The recalculated Contract price/the price of Goods shall be entered into by written agreement between the Parties and shall apply to the Goods delivered after the date of entry into force of such agreement signed by the Parties.

2.3. The price of Goods shall be modified in accordance with the pricing rules laid down in the annex to the Contract. The recalculated price shall be entered into by written agreement between the Parties and shall apply to the Goods delivered after the date of entry into force of the agreement signed by the Parties (*if such provision specified in the Special Part of the Contract applies*).

2.4. **The Seller** shall include in the Contract price/the price of Goods all costs and taxes related to the supply of Goods, including but not limited to:

2.4.1. logistics (transportation) costs;

2.4.2. packing, loading, transit, unloading, unpacking, inspection, insurance and other costs related to the supply of Goods;

2.4.3. all costs related to the preparation and submission of documents required by **the Buyer**;

2.4.4. costs related to collection and/or commissioning and/or maintenance of the Goods delivered;

2.4.5. costs related to the provision of tools necessary for the commissioning and/or maintenance of the Goods delivered;

2.4.6. costs related to the provision of instructions for use and maintenance provided for in the Technical Specification;

2.4.7. costs related to warranty repair of the Goods;

2.4.8. all costs related to the manufacture and delivery of the working samples to **the Buyer**;

2.4.9. all costs related to the manufacture and delivery to **the Buyer** of material samples (basic and accessories) used in the manufacture of the product.

2.5. The risk of foreign exchange rate fluctuations and producer price changes shall be borne by **the Seller**.

2.6. **The Buyer** and **the Seller** may conclude a tripartite direct settlement agreement with the sub-supplier(s) referred to in the Special Part of the Contract, in which, to the extent and under conditions agreed between the Parties and the sub-supplier, **the Seller** transfers the right to the sub-supplier to demand payment of the agreed part of the Contract price. The transfer of the right of claim to the sub-supplier without the conclusion of a direct settlement agreement shall not be valid.

2.7. The sub-supplier shall notify **the Buyer** in writing that it wishes to conclude a direct settlement agreement in order to receive payment under the Contract directly to it. Together with the request for a direct settlement agreement, the sub-supplier shall submit:

2.7.1. The main terms of a direct settlement agreement are specified in point 2.8 of the General Part of the Contract.

2.7.2. Confirmation by **the Seller** that it agrees to conclude a direct settlement agreement under the terms proposed by the sub-supplier.

2.7.3. Documents proving that there are no grounds referred to in Article 46 (1) of the Law on Public Procurement.

2.8. A direct settlement agreement shall establish the part of the Contract price those right of claim is transferred to the sub-supplier. It shall also establish the payment procedure, which shall comply with the procedure established in the Special Part of the Contract, the sub-supplier's duty to provide invoices only in agreement with **the Seller** and upon the submission of the written evidence on such agreement, the obligation of the Parties and the sub-supplier to notify each other about the changes in the particulars, in

payment execution procedure in the event of a dispute between the Seller and the sub-supplier, and additional assurance of the enforcement of obligations.

2.9. A direct settlement agreement must be concluded no later than the date from which the payment obligation arises in accordance with point 4.1 of the General Part of the Contract.

2.10. A direct settlement with the sub-supplier shall not release the Seller from its obligations under the Contract. The rights, duties and other obligations of the Seller under the Contract not related to the claim to pay the Contract price cannot be transferred to the sub-supplier.

2.11. The Buyer shall have the right to express to the sub-supplier any objections, which the Buyer was entitled to express to the Seller prior to the transfer of the right of claim.

2.12. In the event of a dispute between the Seller and the sub-supplier regarding the settlement or arrangements provided for in the direct settlement agreement, all payment obligations shall be directed to the Seller. If the claim of the sub-supplier (invoice or another document) is not agreed with the Seller, it will be considered that there is a dispute between the Seller and the sub-supplier.

2.13. All payment documents of the Procurement Contract must be submitted using the means of the information system "E.sąskaita" (E-invoice). Changes in the legislative provisions on the submission of payment documents via the information system "E.sąskaita" (E-invoice), the legal regulation in force at the time shall apply accordingly.

3. Time limits and conditions for the supply of Goods

3.1. Goods shall be delivered in accordance with the time limits and conditions laid down in the Special Part of the Contract (or in the annex(s) to the Contract).

3.2. Goods shall be delivered by the Seller at its own risk without additional payment. The Payer shall acquire the right of ownership to the Goods after the Seller and the Buyer/the Payer (in the cases provided for in the Contract – the Recipient) signs a document confirming the delivery and acceptance of Goods, which is signed only if the Goods are of high quality and meet the requirements laid down in the Contract and its annex (s). By signing the document confirming the delivery and acceptance of Goods, the Payer confirms that the quantity and the set of Goods comply with the requirements of the Contract and its annexes, while the Buyer by signing the document confirming the delivery and acceptance of Goods, confirms that the quality of Goods comply with the requirements of the Contract and its annexes. Where the Goods delivered are of high quality and meet the requirements laid down in the Contract and its annex (s), the document certifying the delivery and acceptance of Goods shall be signed no later than 30 days, except when the Goods undergo laboratory tests.

3.3. Goods delivered in excess of the quantities indicated in the Contract/applications/orders shall not be paid to the Seller.

3.4. If the Seller delivers a consignment of Goods smaller than that specified in the Contract/applications/orders, the Goods shall be deemed not to have been delivered.

The Seller shall withdraw the Goods at its own expense and, if the delivery time is missed, the Seller shall be subject to the penalties provided for in point 11.1 of the General Part of the Contract.

3.5. After the Contract comes into force, within the time limits specified in the Special Part of the Contract, the Seller undertakes:

3.5.1. to prepare, manufacture, agree with the Buyer and confirm the working samples of the purchased Goods (2 copies, one for the Buyer, the second for the Seller), which meet the requirements set out in the Contract and its annex (s) (*if such provision established in the Special Part of the Contract applies*);

3.5.2. to agree with the Buyer and provide a quality assurance plan for the Goods, which is prepared in accordance with the recommendations for the development of quality assurance plan or the standards specified in the Special Part of the Contract (*if such provision established in the Special Part of the Contract applies*);

3.5.3. to agree with the Buyer on the instruction for the use (maintenance) of Goods, which shall be provided with each product (*if such provision established in the Special Part of the Contract applies*).

3.6. If, during the period of Contract validity, the manufacturer of the Goods replaces/renews the Goods purchased under the Contract, the Seller shall provide documents confirming compliance of the Goods with

the requirements of the Contract, and harmonise and validate the working samples of the product of the new model/name (if the approval of the working samples is mandatory in accordance with the requirements of the Contract). **The Seller** shall have the right to supply the Goods of a new model/name upon agreement with **the Buyer** and conclusion of additional agreement with **the Buyer**. The Goods of a new model/name shall comply with the requirements laid down in the Contract and its annex (s) and shall be supplied at the same price and shall not be inferior in technical particulars to the Goods covered by the Contract. The Goods of a new model must be compatible with other Goods to be purchased and already purchased under the Contract.

3.7. During the performance of the Contract, the manufacturer of the Goods referred to in the Contract may be replaced by another manufacturer only due to objective circumstances which could not have been foreseen by **the Seller** at the time of submission of the application/tender. The replacement of the manufacturer shall be possible only after prior written agreement with **the Buyer** and upon signing of an agreement to replace the manufacturer. A request to replace the manufacturer specified in the Contract with another one shall be submitted to **the Buyer** in writing, specifying the grounds for the replacement, while **the Seller** must provide documentation showing that the Goods proposed by the new manufacturer comply with the requirements of the Contract. **The Seller** must also agree and approve the working samples of a new manufacturer of the Goods (if in accordance with the requirements of the Contract the confirmation of working samples is obligatory). The Goods of the new producer must comply with the requirements laid down in the Contract and its annex (s) and shall be supplied at the same price and shall not be inferior in technical particulars to the Goods covered by the Contract.

4. Payment terms and conditions

4.1. **The Seller** shall be paid when the object of the Contract complying with the requirements of the Contract and its annex (s) is transferred to **the Payer** or **the Recipient**, and the document confirming the delivery and acceptance of Goods is signed in accordance with the procedure established in the Contract, within 30 (thirty) days after receipt of the document proving the delivery and acceptance of Goods and the invoice. Invoice shall be submitted to **the Payer** by electronic means provided for in Article 22 (3) of the Law on Public Procurement/in Article 12 (10) of the Law on Public Procurement in the Fields of Defence and Security. In the event of a delay in payment before the deadline provided for in this point, at **the Seller's** request (no later than 30 (thirty) days after receipt of the claim), the Seller shall be paid interest in accordance with the Law of the Republic of Lithuania on the Prevention of Late Payment in Commercial Transactions.

4.2. After the delivery of Goods by **the Seller**, **the Buyer** shall have the right to decide within 3 (three) days whether the Goods delivered by **the Seller** (for the agreed batch of goods or/and consignment) will undergo laboratory tests to ensure that the Goods meet the requirements set out in the Contract and its annex (s). If **the Buyer** decides that the Goods will not be subjected to laboratory tests, the Goods meeting the requirements laid down in the Contract and its annex (s) shall be accepted and **the Payer** shall pay for the accepted Goods to **the Seller** within 30 (thirty) days of receipt of the invoice. If **the Buyer** decides that the Goods will be subjected to laboratory tests, payment shall be made within 30 (thirty) days after the results of the laboratory tests have been obtained and the Goods have been confirmed to comply with the requirements laid down in the Contract and its annex (s) (*if such provision regarding advance payment established in the Special Part of the Contract applies*).

4.3. If advance payment, the size of which is established in the Special Part of the Contract, is paid for the Goods, **the Seller** undertakes within 5 (five) working days from the receipt of the notification to provide **the Payer** the advance amount of the advance payment as bank guarantee or a surety letter of the insurance company (which is valid for 2 (two) months after the delivery date) and the payment of advance payment invoice. If the prepayment is secured by surety, **the Seller** shall also provide a confirmation from the insurance company (a proof of payment, etc.) that the surety letter is valid (*if such provision regarding advance payment established in the Special Part of the Contract applies*).

4.4. Advance bank guarantee or a surety letter must state that the guarantor/surety is irrevocably and unconditionally obliged to pay to **the Payer**, within 14 (fourteen) days of the receipt of the written

notification from the **Buyer** confirming the termination of the Contract through the fault of the **Seller**, an amount not exceeding the amount of the surety/guarantee by transferring the money to the **Payer's** account.

4.5. Advance bank guarantee or a surety letter cannot state that the guarantor or surety is only liable for the compensation of direct damages. There can be no provisions or conditions which would oblige the **Buyer** or the **Payer** to prove to the company which has issued a guarantee or a surety letter that the Contract with the **Seller** has been lawfully terminated or otherwise allow the company which has issued a guarantee or a surety letter not to pay (or delay) the amount secured (ensured) by the guarantee or surety.

4.6. Advance bank guarantee or a surety letter of the insurance company which do not meet the requirements laid down in points 4.3-4.5 of the General Part of the Contract shall not be accepted. In such a case, the **Seller** shall be deemed not to have provided the advance bank guarantee or a surety letter of the insurance company to the **Buyer** and shall be paid in accordance with point 4.1 of the General Part of the Contract.

4.7. The advance shall be paid within 10 (ten) days from the receipt of the advance bank guarantee or a surety letter of the insurance company and the advance payment invoice.

4.8. The Parties shall have the right to conclude additional agreements for the reduction of the amount provided for in the bank guarantee or a surety letter of the insurance company after the **Seller** has duly fulfilled a part of the obligations.

5. The quality of Goods

5.1. Goods shall comply with the requirements laid down in the Contract and its annex (s).

5.2. The **Seller** agrees that, in accordance with the requirements of LKS STANAG 4107, the representative of the State Quality Assurance in Lithuania can contact the relevant state quality assurance unit of the NATO state or organisation in the state of the **Seller** to carry out State Quality Assurance Supervision during the duration of the Contract (*if such provision established in the Special Part of the Contract applies*). If the **Seller** is not a manufacturer, this requirement shall be included in the Seller's contract with the supplier that will produce the Goods for the **Seller**, informing the **Buyer** and providing relevant documents (*if such provision established in the Special Part of the Contract applies*).

5.3. If the Goods at the time of acceptance are found not to comply with the requirements laid down in the Contract and its annex (s), the representatives of the **Seller** shall be invited without delay, in the presence of whom the Act shall be drawn up, the Goods shall not be accepted and the **Seller** shall be subject to contractual liability if the time limit for the delivery of Goods has expired.

5.4. In the event that the conflict over the quality of Goods and their compliance with the requirements laid down in the Contract and its annex (s) cannot be resolved by mutual agreement between the Parties to the Contract, the Parties shall have the right to invite independent experts. All costs related to the work of experts shall be borne by the Party to whose detriment the decision of the experts has been taken.

5.5. If the **Buyer**, in accordance with point 4.2 of the General Part of the Contract, decides to perform laboratory tests of the Goods from the selected batch (consignment), in the presence of the **Seller's** representative, it shall choose the quantity of the Goods specified in the Special Part of the Contract, where compliance with the requirements set out in the Contract and its annex (s) will be checked (*if such provision established in the Special Part of the Contract applies*).

5.6. If, during the laboratory tests the Goods are found not to comply with the requirements laid down in the Contract and its annex (s), the remaining Goods (batch and/or consignment) shall be returned to the **Seller**. No payment shall be made for these Goods and the Goods shall be deemed not to have been delivered, and the **Seller** shall be subject to the penalties provided for in point 11.1 of the General Part of the Contract. If the Goods are found not to comply with the requirements of the Contract and its annex (s), no payment shall be made for the Goods used for tests, while the **Seller** shall have to pay the costs for the laboratory tests and pay to the **Buyer** a 10% of the size of the price of defective batch, excluding VAT, i.e. the minimum losses agreed by the Parties in advance, which are intended to compensate the administrative costs incurred by the **Buyer** for preparing the Goods for laboratory testing procedures. In such a case, the **Seller** shall replace the Goods not accepted which do not comply with the requirements laid down in the

Contract and its annex (s) with new Goods which comply with the requirements laid down in the Contract and its annex (s).

5.7. If during the testing, the Goods are found to be compliant with the requirements laid down in the Contract and its annex (s), **the Buyer** shall pay the costs of the laboratory tests, while **the Seller** shall replace the Goods used for laboratory tests with the new ones to **the Buyer** without additional payment.

6. Product quality guarantee

6.1. The Goods shall be given the term of quality guarantee/suitability for use specified in the Special Part of the Contract (or in the annex to the Contract).

6.2. During the term of quality assurance/suitability for use, **the Seller** shall, not later than within the time limit specified in the Special Part of the Contract at its own expense, instead of defective Goods provide other equivalent Goods (the Goods do not need to be identical to the purchased Goods, but must be able to carry out their functions in accordance with the Contract) which would be available in the Goods purchased under the Contract during the correction term corresponding to the requirements of the Contract and its annex (s) (*if such provision established in the Special Part of the Contract applies*).

6.3. During the period of quality guarantee, **the Seller** shall, not later than within the time limit specified in the Special Part of the Contract at its own expense, remove the defects of Goods or if the Seller fails to remove the defects of Goods, it shall replace them at its own expense with the new ones complying with the requirements of the Contract and its annex (s) and compensate **the Buyer's** losses (if any)/During the period of suitability for use, **the Seller** shall, not later than within the time limit specified in the Special Part of the Contract its own expense replace the Goods complying with the requirements of the Contract and its annex (s) and compensate for **the Payer's** losses (if any).

6.4. **The Payer** or **the Recipient** shall inform **the Buyer** of any deficiencies of the Goods observed during the term of the quality guarantee. On the basis of information provided by **the Payer** or **the Recipient**, **the Buyer** shall have the right to claim on the quality of the Goods in writing (by post, e-mail, etc.). The claim may be made during the entire period of quality guarantee.

6.5. During the quality guarantee, **the Buyer** may decide to carry out laboratory tests from the selected consignment or each batch (if a consignment consists of several batches), in the presence of **the Seller's** representative, by choosing the amount of Goods specified in the Special Part of the Contract for which compliance with the requirements set out in the Contract and its annex (s) will be checked. If the results of the laboratory tests obtained do not comply with the requirements laid down in the Contract and its annex (s), the entire consignment/batch delivered shall be considered as defective and the costs of the laboratory tests shall be borne by **the Seller**. The replacement of Goods which do not comply with the requirements with the ones of high quality shall be carried out in accordance with the provisions specified in point 6.3 of the General Part of the Contract (*if such provision established in the Special Part of the Contract applies*).

6.6. If the Goods are replaced with the new ones, the warranty period referred to in the Special Part of the Contract shall be the same from the date of signature of the document confirming the delivery and acceptance of the new Goods.

6.7. The term of the quality guarantee for Goods which **the Payer** or **the Recipient** has not been able to use at the time of elimination of the deficiencies shall be extended for a period equal to the period of elimination of the deficiencies of the Goods.

6.8. The quality guarantee referred to in the Special Part of the Contract (or in the annex to the Contract) shall not apply if **the Seller** proves that the deficiencies in the Goods are the result of incorrect or improper treatment of the Goods or of the activities of third parties or force majeure.

7. Force majeure circumstances

7.1. The Party shall not be held liable for a failure to fulfil any obligations under this Contract if it proves that this occurred as a result of unusual circumstances beyond the control and reasonable foresight of the Parties and to prevent the occurrence of such circumstances or their consequences. Force majeure are considered to be the circumstances referred to in Article 6.212 of the Civil Code of the Republic of Lithuania and the Rules on the exemption from liability under force majeure approved by the Resolution

No. 840 of the Government of the Republic of Lithuania of 15 July 1996. In determining force majeure circumstances, the Parties shall follow the Resolution No. 222 of the Government of the Republic of Lithuania of 13 March 1997 "On the approval of the procedure for issuing certificates attesting force majeure" or regulatory acts replacing it. In the event of force majeure, the Parties to the Contract shall be exempted from liability for non-fulfilment, partial non-fulfilment or improper performance of obligations under the legislation of the Republic of Lithuania, and the time limits for the fulfilment of obligations shall be extended.

7.2. The Party asking to exempt it from liability shall notify the other Party in writing of force majeure circumstances immediately, but no later than within 10 (ten) working days of the occurrence or manifestation of such circumstances by providing evidence that it has taken all reasonable precautions and made all efforts to minimise the costs or negative consequences and shall also report on the potential time limit for the performance of liabilities. Notification shall be also required when the grounds for non-fulfilment of obligations disappear.

8. Codification

8.1. Within 5 (five) days after the Contract comes into force, the Seller shall provide the Buyer with a copy of duly signed Contract sent to its address and the particulars necessary for the identification of the Goods purchased, in accordance with the forms "List of material goods to be codified" and "Information about the manufacturer or the supplier" set out in the annex to this Contract. The Seller shall provide completed and signed forms electronically or in paper copies (*if such provision established in the Special Part of the Contract applies*).

8.2. At the request of the Buyer, the Seller shall provide additional technical documentation necessary for codification (e.g. technical characteristics, drawings, photos, catalogues, references, etc.) free of charge within 5 (five) days.

9. Termination of the Contract

9.1. The Contract may be terminated:

9.1.1. by written agreement of the Parties;

9.1.2. when force majeure lasts more than the number of days specified in the Special Part of the Contract (depending on the specifics of the performance of the Contract, a particular term indicated in the Special Part may be from 14 to 60 days) and if both Parties fail to agree on the amendment of this Contract allowing the Parties to continue to fulfil their obligations, each Party may unilaterally terminate the Contract by notifying the other Party in writing not later than 7 (seven) days in advance.

9.2. The Buyer, by notifying the Seller in writing no later than 7 (seven) days in advance (*if no other time limit is indicated in the Special Part of the Contract*), shall have the right to unilaterally terminate the Contract for a substantial breach of the Contract. A substantial breach of Contract shall be considered if:

9.2.1. The Seller is late in delivering the Goods within the time limit specified in the Special Part of the Contract;

9.2.2. The Seller does not fulfil (or informs that it will not be able to fulfil) the contractual obligation to supply the Goods;

9.2.3. The Seller increases the price/the rates of Goods, except as provided for in point 2.2 of the General Part of the Contract;

9.2.4. The Seller fails to fulfil or fulfils improperly its guarantee obligations provided for in point 6 of the General Part of the Contract;

9.2.5. The Seller does not fulfil the obligation established in point 12.4 of the General Part of the Contract (*if the performance of the Contract is guaranteed by a surety or bank guarantee*);

9.2.6. The Goods delivered by the Seller or their quality do not comply with the requirements laid down in the Contract and its annex (s);

9.2.7. The Seller does not provide an advance bank guarantee within the time limit specified in point 4.3 of the General Part of the Contract (*if advance payment is established under the Contract provide for*);

11.4. Upon termination of the Contract due to the reasons specified in points 9.2.1, 9.2.2, 9.2.3, 9.2.5, 9.2.6, 9.2.7, 9.3 of the General Part of the Contract or due to other reasons specified in the Special Part of the Contract, **the Seller** within 14 (fourteen) days (calculated from the date of the Contract termination) shall pay **the Buyer** not less than 5–7 % of the Contract price, excluding VAT (or the total tender price excluding VAT, or the total order price excluding VAT) (a specific percentage or a fixed amount shall be specified in the Special Part of the Contract), which shall be considered as the minimum losses agreed by the Parties in advance, but not more than the price excluding VAT of the outstanding obligations under the Contract. Payment of the minimum losses agreed by the Parties in advance shall not exempt **the Seller** from the obligation to compensate for any losses incurred by **the Payer** in the event of failure or improper performance of the Contract by **the Seller**. **The Seller** undertakes to pay the minimum losses agreed by the Parties in advance no later than within the time limit specified in the invoice or claim.

11.5. After termination of the Contract for the reason set out in point 9.2.4 of the General Part of the Contract, **the Seller** shall, within 7 (seven) days from the date of termination of the Contract, pay **the Payer** the minimum losses agreed by the Parties in advance of the purchase price of the defective Goods, excluding VAT, but not more than the price excluding VAT of any outstanding obligations under the Contract. Payment of the minimum losses agreed by the Parties in advance shall not exempt **the Seller** from the obligation to compensate for any losses incurred by **the Payer** in the event of failure or improper performance of the Contract by **the Seller**.

11.6. Other cases of contractual liabilities to **the Seller** are specified in the Special Part of the Contract.

11.7. In accordance with Article 6.253 (1 and 3) of the Civil Code of the Republic of Lithuania, the delay in financing from the budget is a condition fully exempting **the Buyer** from civil liability and the payment of interest for late payment.

12. Contract validity

12.1. The Contract enters into force after both Parties sign it and **the Seller** provides **the Buyer** with the Contract performance guarantee issued by bank or a surety letter of the insurance company (*if the provision that the Contract comes into effect after it is secured with bank guarantee or a surety letter of the insurance company established in the Special Part of the Contract applies*) to ensure payment of the amount referred to in point 11.4 of the General Part of the Contract. The guarantor/surety shall indicate in the bank's guarantee or in the surety letter of the insurance company that it undertakes to pay to **the Buyer** the amount specified in point 11.4 of the General Part of the Contract if **the Buyer** must terminate the Contract for at least one of the reasons listed in points 9.2.1–9.2.7, 9.3 or for any other reasons specified in the Special Part of the Contract. Bank guarantee or a surety letter stating that the guarantor or surety is only liable for direct damages will not be accepted, as the obligation to pay the specific amount of the performance assurance referred to in point 11.4 of the Contract must be met.

12.2. The guarantor/surety shall undertake irrevocably and unconditionally no later than 14 (fourteen) days after a written notification confirming the termination of the Contract on the grounds of fault of **the Seller**, to fulfil the obligation and pay the amount committed by transferring the money to **the Buyer's** account.

12.3. **The Seller** shall provide **the Buyer** with a bank guarantee or a letter of surety from an insurance company, as referred to in Clause 12.1 of the General Part of the Contract, which shall be valid for two months longer than the period of delivery of the Goods or the term of the Contract as specified in the Special Part of the Contract, no later than 5 (five) working days after signing the Contract. If **the Seller** is late in delivering a bank guarantee or a letter of surety from an insurance company within the time limit specified in this clause, the delivery periods shall start to run after the expiration of the time limit of 5 (five) working days referred to in this clause (unless otherwise specified in the Special Part of the Contract). **The Seller** shall also provide confirmation from the insurance company (proof of payment, etc.) that the letter of surety is valid (if the performance of the Contract will be secured by a letter of surety). Payment of the amount specified in the bank guarantee or letter of surety from an insurance company shall not be linked to the full compensation of the losses incurred by **the Buyer** and shall not release **the Seller** from the obligation to reimburse them in full (if performance of the Contract is to be secured by a letter of surety or bank guarantee).

9.2.8. During the validity of the Contract, the Seller is included in the list of unreliable suppliers or the list of suppliers that provide false information;

9.2.9. During the performance of the Contract, it turns out that the Seller or the Goods or services provided by it are not reliable and pose a risk to national security;

9.2.10. During the performance of the Contract, the circumstances provided for in Article 46 (1) of the Law on Public Procurement/Article 34 (1) of the Law on Public Procurement in the Field of Defence and Security become apparent;

9.2.11. During the performance of the Contract, it appears that the Contract was modified in violation of Article 89 of the Law on Public Procurement/Article 53 of the Law on Public Procurement in the Field of Defence and Security.

9.3. The Buyer, no later than 7 (seven) days in advance (*if other time limit is not specified in the Special Part of the Contract*) by notifying the Seller in writing, has the right to unilaterally terminate the Contract if the Seller is in liquidation or in court for the opening of bankruptcy or restructuring proceedings, or has been the subject of bankruptcy or restructuring proceedings, or of a decision to initiate out-of-court bankruptcy proceedings has been made.

9.4. Upon termination of the Contract, the Seller shall, within 10 (ten) days from the date of termination of the Contract, repay to the Payer the advance which has been paid by the Payer (if paid) for the Goods which have not been delivered.

10. Dispute settlement procedure

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

10.2. All disputes or disagreements between the Parties to the Contract relating to the Contract shall be resolved by negotiation, and a failure to resolve a dispute in negotiation, it will be examined in the courts of the Republic of Lithuania in accordance with the procedure established in the legal acts of the Republic of Lithuania based on the Buyer's office address.

11. Liabilities

11.1. If the Seller is late in delivering the Goods within the time limit specified in the Special Part of the Contract, the Seller shall pay the Buyer from 0.05 to 0.2% (a fixed amount shall be specified in the Special Part of the Contract) of the price of non-delivered Goods, excluding VAT, for each day of delay/hour (*applicable depending on how the commitment term (days or hours) is calculated in the Special Part of the Contract*) which shall be treated as the minimum losses agreed between the Parties in advance, the payment of which shall not release the Seller from the obligation to compensate for any losses incurred by the Payer due to the fact that the Seller failed to perform or improperly performed the Contract. The Seller undertakes to pay the minimum losses agreed by the Parties in advance no later than the time limit specified in the invoice or claim.

11.2. If during quality guarantee the Seller is late in performing the obligations laid down in point 6.2 of the General Part of the Contract within the time limit specified in the Special Part of the Contract, the Seller shall pay the Buyer from 0.05 to 0.2% (a fixed amount shall be specified in the Special Part of the Contract) of the price/rates of the Goods, which have not been replaced with the alternative ones, excluding VAT, for each day of delay/hour, which shall be treated as the minimum losses agreed between the Parties in advance, the payment of which shall not release the Seller from the obligation to compensate for any losses incurred by the Payer due to the fact that the Seller failed to perform or improperly performed the Contract regarding the warranty of the Goods/ the term of suitability for use.

11.3. The Seller shall pay the Buyer from 0.05 to 0.2% (a fixed amount shall be specified in the Special Part of the Contract) of the price of the Goods for which the deficiencies have not been corrected or the price of the Goods which are unaltered, excluding VAT, for each day/hour of delay, the payment of which does not release the Seller from the obligation to compensate for any losses incurred by the Payer due to the fact that the Seller failed to perform or improperly performed its obligations relating to the warranty of the Goods/the term of suitability for use.

12.4. If, during the performance of the Contract, the legal entity that has issued the Contract performance guarantee (bank or insurance company) is unable to meet its obligations (suspension of activities, a moratorium, etc.), the Seller shall provide a new Contract performance guarantee within 10 (ten) days under the same conditions as the previous one. If the Seller does not provide a new Contract performance guarantee, the Buyer shall have the right to terminate the Contract in accordance with point 9.2.5 of the General Part of the Contract.

12.5. Contract performance guarantee shall be returned within 10 (ten) days of the expiry of this guarantee upon written request by the Seller.

12.6. The terms and conditions of the Contract shall not be changed during Contract validity unless the amendment is possible in accordance with the provisions of Article 89 of the Law on Public Procurement/Article 53 of the Law on Public Procurement in the Field of Defence and Security and is not contrary to the fundamental principles and objective of public procurement.

12.7. If during Contract validity the Parties notice technical mistakes, spelling errors (provisions incorrectly uploaded from the terms of the tender or procurement conditions, etc.), in the event of changes in the persons responsible for the performance of the Contract or in the particulars of the Parties to the Contract, the Parties may, by written agreement, modify the terms of the Contract. Such a modification to the terms of the Contract shall not be considered an amendment to the terms of the Contract.

12.8. The Contract may be extended under the conditions laid down in the Special Part of the Contract.

12.9. Where necessary, the Buyer shall have the right to purchase the goods not listed in the Contract and its annexes but relating to the object of the procurement up to 10% of the maximum Contract price/Total tender price referred to in point 2 of the Special Part of the Contract. Goods not covered by the Contract and its annex (s), but relating to the object of the procurement, may be supplied by the Seller only at the prices which are valid at the place of sale, in the catalogue or on the website of the Seller at the date of the order or, where such prices are not published, at the prices offered by the Seller, which are competitive and conform the market. Where there is a need for the purchase of Goods not covered by the Contract and its annex (s) but relating to the object of the procurement, the Buyer and the Seller shall conclude an additional written agreement, the terms of which shall be analogous to the terms of the Contract, adapting them accordingly to the newly purchased Goods (*if such provision specified in the Special Part of the Contract applies*).

12.10. The termination of the Contract provided for in the Special Part of the Contract shall not mean the termination of the obligations of the Parties under the Contract and shall not exempt the Parties from civil liability for the breach of the Contract.

13. Correspondence

13.1. Notices sent by the Buyer and the Seller to each other in Lithuanian/English (*applicable if the Contract is concluded in English*) shall be in writing. Notices sent by the Parties to each other shall be sent by post, e-mail or served in person. Notices shall be sent to the addresses and numbers indicated in the particulars of the Parties in the Special Part of the Contract. If the sender needs a confirmation of receipt, it shall indicate such requirement in the notice. If there is a time limit for the receipt of a reply to the written notice, the sender should specify in the notice the requirement to confirm the receipt of the written notice.

13.2. The Parties undertake to notify each other in writing, within 3 (three) working days at the latest, of any change in the Party particulars referred to in the Special Part of the Contract.

The Party to the Contract may not, by failing to notify the change of its particulars in time, claim for any action taken by the other Party in accordance with the Party's particulars provided in the Contract.

14. Confidentiality of information and personal data

14.1. The Parties shall ensure that the information they transmit to each other shall only be used in the performance of the Contract and shall not be used in a way that would harm the Party that has transmitted the information.

14.2. The Parties undertake to ensure confidentiality of all information known to them and/or entrusted to them during and after the end of the Contract or its termination.

14.3. **The Seller** undertakes not to use the information provided to it by **the Buyer** for its own benefit or for the benefit of any third parties without **the Buyer's** prior written consent, nor to disclose such information to other persons, except in cases provided for in the legislation of the Republic of Lithuania and in the Contract.

14.4. Personal data (names, surnames, position, e-mail or phone number) specified in the Contract and its annexes can only be used to identify the Parties, **the Payer** or **the Recipient** responsible for the performance of the Contract and to communicate on the issues related to the performance of the Contract. If any additional personal data are processed during the performance of the Contract, these data and the purpose of their processing shall be specified in point 9 of the Special Part of the Contract.

14.5. The Parties to the Contract shall ensure that the processing of personal data during the performance of the Contract shall be available only to those persons who are required to do so in the performance of their obligations under the Contract.

14.6. The Contract and its annexes referred to personal data without the other Party's consent may not be transferred to third parties, other than sub-suppliers indicated by **the Seller, the Payer and the Recipient** (if such is specified) that is used for the performance of the Contract and only in those cases where it is necessary for the performance of the Contract or such a data omission would cause very serious difficulties in the execution of the Contract. If the sub-supplier is replaced in accordance with the procedure provided for in the Special Part of the Contract, the other Party's consent for data transfer must be obtained.

14.7. If, during the performance of the Contract, it appears that personal data which are not discussed in the terms of the Contract are being processed, the Parties to the Contract shall immediately inform the other Party concerning such data and maintain the confidentiality of those data. Where personal data not provided for in the Contract are processed, point 9 of the Special Part of the Contract shall be filled in.

14.8. All personal data processed for the purpose of fulfilling contractual obligations may be processed until the end of the obligations of the Parties under the Contract. Only personal data the destruction of which would entail unreasonably much time or financial costs or would not be justified for the purposes of using the result of the Contract may not be destroyed.

14.9. The Parties shall take appropriate technical and organisational measures to ensure security and confidentiality of information. The Parties shall inform each other within 1 (one) working day of any breach of personal data processed under the Contract. A notice about the infringement shall specify the nature of the infringement, the possible consequences of the infringement and the measures taken to remedy or mitigate the effects of the infringement.

14.10. The Parties shall not reimburse each other for costs and losses incurred as a result of fulfilling their personal data processing obligations under this Contract.

14.11. In breach of the obligation laid down in point 14.3 of the General Part of the Contract, **the Seller** shall pay to **the Buyer** 10% of the amount of the maximum Contract value/Tender price excluding VAT, which is considered as the minimum losses agreed by the Parties in advance and to compensate any other losses resulting from such infringement.

15. Final provisions

15.1. The Contract is drawn up in English in two copies (one for each Party).

15.2. This Contract consists of the General and Special Parts of the Contract and the annex (s) to the Contract. All annexes to the Contract shall be an integral part of the Contract.

15.3. None of the Parties shall have the right to transfer to a third party the rights and obligations under this Contract without a prior written consent of the other Party.

15.4. In breach of the obligation referred to in point 15.3 of this part of the Contract, **the Seller** shall pay to **the Buyer** 5% of the amount of the maximum Contract/Tender price excluding VAT, which is considered as the minimum losses agreed by the Parties in advance, unless otherwise specified in the Special Part of the Contract.

15.5. **The Seller** guarantees that it has all the licenses necessary for the performance of the Contract. **The Seller** undertakes to compensate for any losses in the event of claims or proceedings for infringement of patents or licences arising out of or in the performance of the Contract.

15.6. The Parties to the Contract confirm that they did not exceed or violate their competence in the award of the Contract (Articles of Association, regulations, statute, any ruling, decision, order, binding act (including local, individual), transaction, judgement (order, regulation), etc. by the governing body of the Party to the Contract (owner, founder or other competent entity).

15.7. The performance of the Contract may be interpreted by written agreement of the Parties without altering the terms of the Contract.

15.8. The name of the sub-supplier (s)/sub-provider(s) and a part of the contractual obligations performed by it/them are specified in the Special Part of the Contract.

15.9. During the performance of the Contract, the sub-supplier(s) /sub-provider(s) referred to in the Contract may be replaced with another sub-supplier(s) / sub-provider(s) due to objective circumstances which could not have been foreseen by the Seller at the time of submission of the application/tender. The replacement of the supplier(s) / sub-provider(s) shall be possible only after a prior written agreement with the Buyer. The application of the sub-supplier(s) / sub-provider(s) to exchange to another shall be submitted to the Buyer in writing, specifying the grounds for the replacement, together with supporting documentation, that the new sub-supplier(s) /sub-provider(s) meet(s) all requirements for sub-supplier(s) / sub-provider(s) of the public procurement, on the basis of which this Contract has been signed, while the Seller confirms that the exchange of the sub-supplier has not lost its minimum qualification requirements established in the procurement documents. The replacement of the sub-supplier (s)/sub-provider(s) indicated in the Contract with another sub-supplier(s)/ sub-provider(s) shall be documented by a written modification of the Contract (*applicable if the Seller intends to use them*).

15.10. A person appointed by the Seller/persons representing the Seller, accepting and approving the Buyer's orders for the Goods, the estimate of the Goods supplied, attending meetings with the Buyer and performing any other steps necessary for a proper performance of the Contract are specified in the Special Part of the Contract.

15.11. A person(s) appointed by the Buyer who represent/s the Buyer, shall provide the Seller with orders for Goods, estimate of Goods, participate in the meetings with the Seller and perform other actions necessary for a proper performance of the Contract are specified in the Special Part of the Contract.

THE BUYER

Defence Materiel Agency under the
Ministry of National Defence

Director

Sigitas Dzekunskas



THE SELLER

Calzaturificion Montebove SRL

Director

Gino Battellini

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Annex 1 to Contract No. DPS-346

of 27 June 2022

TECHNICAL SPECIFICATION OF MEN'S UNIFORM SHOES

I. GENERAL REQUIREMENTS

1. Men's uniform shoes (hereafter referred to as shoes or footwear) are classic-style, black, laced at the front shoes made of genuine leather. A general view of the model of the shoes is given in the Annex.
2. Uniform shoes for soldiers and cadets to wear in hot, warm and cold weather. Each pair of footwear shall be supplied with 2 pairs of removable orthopaedic insoles.
3. The shoes shall be produced in pairs and shall comply with the requirements set out in this technical specification.
4. The warranty period for the Goods shall be not less than 12 (twelve) months under active use conditions, calculated from the date of issue of the Goods from the Buyer's warehouse, and 24 (twenty-four) months from the date of signing of the documents of acceptance of the Goods at the warehouse.
5. Peculiarities of the model, technological processing, samples of materials, care instruction, marking (labelling), packaging and delivery of the Goods shall be coordinated with the winner of the tender upon signing the contract.

II. DESCRIPTION OF THE APPEARANCE AND FEATURES OF THE MODEL

1. Uniform shoes are classic-style shoes with a rounded toe, with back strap covering the seam. The shoes shall be stitched as shown in the sketch.
2. The height of the top of the shoes (for size 280) shall be $6.5 \text{ cm} \pm 0.2 \text{ cm}$. The upper edge of the top shall be padded with latex.
3. The shoes shall be laced at the front with four pairs of metal eyelets (for width adjustment).
4. The upper of the shoes shall be made of genuine black leather; the lining shall be made of lined genuine light-coloured (natural) leather; the lining of the heel area shall be genuine light-coloured suede leather; the insole shall be made of genuine leather.
5. The sole shall be of continuous formation, with a fine pattern, black, with a low heel of $14.0 \text{ mm} \pm 2.0 \text{ mm}$ high for size 280. The sole thickness shall vary between 8.0 and 10.0 mm.
6. Each pair of the shoes shall be accompanied with two pairs of double inserts.
7. If needed, with the winner of the tender, after signing the Contract, during the performance of the Contract, before approving the working sample, the product model, design and technological processing solutions may be slightly revised/adjusted, provided that this does not impair the product's properties and appearance.

III. SHOE SIZES

8. Shoe sizes must comply with the requirements of ISO 9407 or an equivalent standard. The custom-made footwear shall be made in sizes from 240 to 340 according to the given shoe size scale (Table 1). Each size shall be produced in two circumferences (difference between the circumferences – 5 mm);

according to the following proportion established in advance (may be adjusted at the time of conclusion of the Contract):

- circumference I (average/narrower) – 70 percent.
- circumference II (wider) – 30 percent.

9. Up to 2 percent of the ordered quantity may be requested to produce footwear of non-standard sizes.
10. The base size of the shoes shall be 280/265 (circumference of foot I).

Table 1

MEN'S FOOTWEAR SIZE CHART OF TWO CIRCUMFERENCES

| Shoe size | Footwear width I | Footwear width II |
|-----------------|-----------------------------|------------------------------|
| Foot length, mm | Circumference of foot I, mm | Circumference of foot II, mm |
| 1 | 2 | 3 |
| 240 | 230 | 235 |
| 250 | 240 | 245 |
| 255 | 245 | 250 |
| 260 | 245 | 250 |
| 265 | 250 | 255 |
| 270 | 255 | 260 |
| 275 | 260 | 265 |
| 280 | 265 | 270 |
| 285 | 270 | 275 |
| 290 | 270 | 275 |
| 295 | 275 | 280 |
| 300 | 275 | 280 |
| 305 | 275 | 280 |
| 310 | 275 | 280 |
| 320 | 280 | 285 |
| 330 | 280 | 285 |
| 340 | 280 | 285 |

Note: the circumference of foot I – for a narrower foot, the circumference of foot II – for a wider foot.

IV. TECHNICAL REQUIREMENTS FOR MATERIALS AND PROCESSING CHARACTERISTICS

11. The top of the shoes shall be made of black genuine, soft, elastic, chrome-tanned cattle leather. Dyeing shall be of the same intensity and durable when the shoes are in use. The main details of the top of the footwear shall be of finest (dorsal) part of the leather (the use of the leather of the sides and head parts shall not be allowed). The use defective leather shall not be allowed, i.e., polished, cracked leather or leather with other defects, which would worsen the appearance or characteristics of the footwear. The thickness and indicators/parameters of the upper leather of the shoes are given in Table 2, see point 3 and points 5–8.

Table 2

TECHNICAL CHARACTERISTICS OF THE SHOES AND THEIR BASIC MATERIALS

| No. | Indicator, unit of measurement | Value of the indicator | Test method marking |
|--------------------------------------|--|----------------------------------|--|
| Shoe indicators | | | |
| 1. | Bond strength of the upper and the sole, N/mm | ≥ 4.0 | LST EN ISO 20344 or equivalent |
| 2. | Seam strength, N/mm | ≥ 11 | LST EN ISO 17697 or equivalent |
| 3. | Leather ph * | ≥ 3.2 | LST EN ISO 4045 or equivalent |
| 4. | Water vapour permeability of the upper, mg/cm ² h | ≥ 2 | LST EN ISO 20344 or equivalent |
| Top leather indicators | | | |
| 5. | Thickness, mm | 1.3 (+0.2; -0.1) | LST EN ISO 2589 or equivalent |
| 6. | Tensile strength, N/mm ² | ≥ 20 | LST EN 3376 or equivalent |
| 7. | Relative elongation at break, % | ≤ 65 | LST EN 3376 or equivalent |
| 8. | Bending resistance, cycles: - in dry conditions - in wet conditions | 80 000 20 000 | LST EN ISO 17694 or equivalent |
| Indicators for lining leather | | | |
| 9. | Thickness, mm ** | 1.1 \pm 0.1 | LST EN ISO 2589 or equivalent |
| 10. | Tensile strength, N/mm ² | ≥ 15 | LST EN 3376 or equivalent |
| 11. | Relative elongation at break, % | ≤ 65 | LST EN 3376 or equivalent |
| 12. | Water absorption within 2 h, % | ≥ 60 | LST EN ISO 2417 or equivalent |
| 13. | Abrasion resistance, cycles: - in dry conditions - in wet conditions | $\geq 25\ 600$ $\geq 12\ 800$ | LST EN ISO 20344, LST EN 13520 or equivalent |
| Insole | | | |
| 14. | Thickness, mm | 2.8 (+0.2; -0.1) | LST EN ISO 2589 or equivalent |
| 15. | Water absorption within 2 h, % | ≥ 40 | LST EN ISO 2417 or equivalent |
| Sole | | | |
| 16. | Abrasion resistance, mm ³ : - at a density of ≥ 0.9 g/cm ³ - at a density of ≤ 0.9 g/cm ³ | ≤ 150 ≤ 250 | LST EN ISO 20344 or equivalent |
| 17. | Bending resistance (after 30000 cycles), mm | ≤ 4 | LST EN ISO 20344 or equivalent |
| 18. | The hardness of the sole (Shore method), in conditional units | 70 (+6; -3) | LST EN ISO 868 or equivalent |

Notes: Indicators marked with an asterisk (*) are required for all leather used in the footwear.

** The thickness of the lining leather at the heel area may be greater (1.1 – 1.4 mm).

12. The lining shall be genuine cattle leather of natural light colour. Indicators/parameters of the lining leather are given in Table 2, see point 3 and points 9–13. The lining at the heel area shall be suede leather. The upper edge of the shoes shall be padded with latex.

13. The insole shall be made of hard, genuine leather. Indicators/parameters are given in Table 2, see point 3 and points 14–15.

14. Footwear reinforcement details, half-insole and shaped heel shall be of footwear board or of equivalent materials (the quality and characteristics of which are not worse), toecap material shall be thermoplastic or of equivalent material (the quality and characteristics of which are not worse).

15. The sole shall be continuously formed, low-heeled, black with a fine pattern, thickness shall vary from 8.0 to 10.0 mm. The sole must not show any traces of paint when rubbed into a light-coloured surface. The width of the sole ledge shall not exceed 0.3 cm. The sole shall be slip-resistant and bend-resistant. The pattern of the wearing surface of the sole must be resistant to breakage. Sole indicators/parameters are given in Table 2, see points 16-18.

16. Each pair of the shoes shall come along with two pairs of removable, orthopaedic insoles which absorb and evaporate moisture from foot well. The inserts shall be doubled (duplicated). The top layer shall be resistant to abrasion and be made of genuine cattle leather. The bottom layer shall be of natural cork, 1.0 ± 0.1 mm thick. The abrasion resistance of the insoles shall be at least as specified in point 13 of Table 2.

17. The eyelets for lacing the shoelaces shall be made of stained stainless metal, corrosion-resistant, without sharp edges. They shall be neatly and firmly fitted and shall not fall out during the lifetime of the product.

18. The shoelaces shall be woven, polyester or polyamide, or equivalent (characteristics and quality of which are not worse), black in colour, strong and resistant to abrasion. They shall be treated at the ends so as to be comfortable to handle and not fray during the lifetime of the product.

19. Threads shall be non-fading, reinforced polyester or polyamide (or equivalent material, the characteristics and quality of which are not worse), impregnated (moisture resistant) and black.

20. Shades of details are not allowed in products and between the same pair of shoes and details must be symmetrical. The footwear produced must be ergonomically and orthopaedically balanced.

21. The technological processing and quality of the products and of all materials used in the manufacture shall meet the general quality requirements of this category/type of products for technological processing of products, seams, materials. There can be no broken threads, broken stitches, unstitched gaps, joints at the rows of stitches, stitch omissions, lop-sided rows of stitches. The materials to be joined shall not be damaged and shall be without slashes. The density of the stitches shall be uniform, ensuring the strength of the seams. All materials and accessories used shall be without defects and not damaged during the technological process.

V. PACKAGING AND LABELLING

20. The marking of each pair shall be made in accordance with the established procedure, indicating the size of the footwear (length of the foot) and the circumference in millimetres in accordance with ISO 9407 (e.g., 280/–265). Each pair of the footwear shall be marked with the length of the foot and the circumference in millimetres. The inner side of the footwear shall indicate:

- The supplier's name or trademark.
- The manufacturer's name or trademark (if different from the supplier).

- Information on the materials from which the parts of the footwear are made (shall be indicated on at least one side of each pair of the footwear. The information may be printed on the inside, glued, imprinted or displayed on a label attached to the footwear).
- The size (length of the foot, mm) (**numbers shall be indicated in bold and in enlarged font**).
- Foot circumference, mm.
- Number and date of the contract.
- Lot and consignment index of the goods.
- Date of manufacture (year, month).

21. The chosen labelling method shall ensure that the information provided is legible throughout the entire period of use of the footwear. The footwear shall be packaged individually in pairs in boxes. Instruction (must be coordinated) in the Lithuanian language shall be placed in the box, containing recommendations on the use, maintenance and storage of the footwear. The footwear shall come along with 2 pairs of removable orthopaedic insoles. Boxes shall be durable for long storage and multiple transportation; boxes shall have holes for ventilation (at least 3). Each box shall be marked with a label indicating:

- The supplier's name or trademark.
- The manufacturer's name or trademark (if different from the supplier).
- For imported goods, the country of origin of the goods shall be indicated, if it does not coincide with the country in which the manufacturer's registered office is located.
- The name of the product (used in the accounting and planning of the Lithuanian Armed Forces).
- The size (length of foot, mm) (**numbers shall be indicated in bold and in enlarged font**).
- Foot circumference, mm (**numbers shall be indicated in bold and in enlarged font**).
- Fate and number of the contract.
- Lot and consignment index of the goods.
- Date of manufacture (year, month).
- NSN code provided by the Lithuanian Armed Forces.

Note: The label shall be securely affixed, and the labelling details shall be of a sufficient size to allow easy reading and understanding of the information provided.

22. Boxes shall be placed in cardboard boxes containing 5 or 10 pieces. Boxes shall be suited for long storage and multiple transportations. Each box shall contain the footwear of only one size. Cardboard boxes shall be labelled indicating:

- The supplier's name or trademark.
- The manufacturer's name or trademark (if different from the supplier).
- For imported goods, the country of origin of the goods shall be indicated, if it does not coincide with the country in which the manufacturer's registered office is located.
- For imported goods, the name or trademark and address of the importer.
- The name of the product (used in the accounting and planning of the Lithuanian Armed Forces).
- Date and number of the contract.
- Lot and consignment index of the goods.
- The size (length of foot, mm) (**numbers shall be indicated in bold and in enlarged font**).
- Foot circumference, mm (**numbers shall be indicated in bold and in enlarged font**).
- Quantity (**numbers shall be indicated in bold and in enlarged font**).
- Date of manufacture (year, month).
- NSN code provided by the Lithuanian Armed Forces.

VI. APPROVAL OF WORKING SAMPLES

23. Production shall be allowed to commence only after approval of the working sample.
24. The working samples submitted for approval shall comply with the requirements specified in the technical specification, and shall be produced in high quality, i.e., without defects in technological processing or materials used, fully cleaned, correctly labelled and individually and orderly packed in boxes. The samples shall be accompanied by all relevant documentation (listed in sub-paragraphs of point 33.2).
25. For the approval of the working sample, the producer/supplier shall present:
- 27.1. Two identical pairs of shoes, basic size 280/265 (specified in the technical specification);
 - 27.2. Technical description of the product (technical documentation consisting of stapled and approved documents, test reports, other documents) with the accompanying document/content, listing all the documents submitted:
 - 27.2.1. A summary card for all materials and accessories used in the manufacture (small samples of all materials (all colours) and accessories (all colours) (if required) with specified basic characteristics/parameters (name/article, fibrous composition; surface density; width/thickness (mm/No./tex)/diameter, etc.; colour code (according to the PANTONE TEXTILE or RAL Classic colour catalogues), colour name, etc.).
 - 27.2.2. Examples of labels and diagrams showing their location (must be coordinated).
 - 27.2.3. Laboratory test reports of materials used in manufacture attesting their compliance with the requirements set out in the technical specification or a statement of the manufacturer of the materials that the materials used in production comply with the requirements laid down herein. Reports shall be approved by the manufacturer or laboratory and presented in the original language with a translation into Lithuanian.
 - 27.2.4. Instruction for the use and maintenance of the product (must be coordinated).
26. The supplier shall provide a free form confirmation/letter that the working sample and all the information provided are correct and conform to the terms and conditions of the contract.

VII. ACCEPTANCE OF THE PRODUCTS

27. The products shall be accepted in accordance with the terms and conditions specified in the contract, in accordance with the procedure established by the Buyer, according to the working sample agreed and approved by the Buyer (in addition to the documentation provided for the approval of the working sample).
28. The Buyer shall have the right to conduct laboratory tests of the Goods. In the event that the results of the laboratory tests obtained do not comply with the requirements of the technical specification, the whole lot of the Goods shall be deemed defective.

THE BUYER

Defence Materiel Agency under the
Ministry of National Defence

Director

Sigitas Dzekunskas



THE SELLER

Calzaturificio Montebove SRL

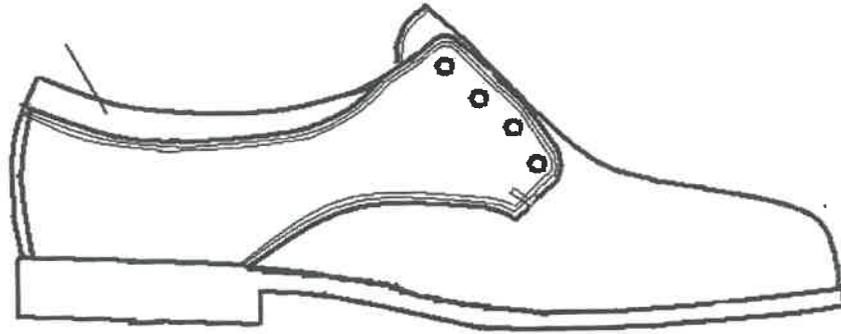
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MEN'S UNIFORM SHOES

Padding



Sketch

SA

[Signature] 7

Annex 2 to Contract No. DPS-346

of 14 June 2022

TECHNICAL SPECIFICATION OF MEN'S WINTER SHOES

I. GENERAL REQUIREMENTS

1. Men's winter shoes (hereafter referred to as shoes or footwear) are classic-style, black shoes made of genuine leather, insulated and zip fastening. A general view of the model of the shoes is given in the Annex.
2. Men's winter shoes are designed for soldiers and cadets in cold weather. Each pair of footwear is supplied with 2 pairs of removable insoles.
3. The shoes shall be produced in pairs and shall comply with the requirements set out in this Technical Specification.
4. The warranty period for the Goods shall be not less than 12 (twelve) months under active use conditions, calculated from the date of issue of the Goods from the Buyer's warehouse, and 24 (twenty-four) months from the date of signing of the documents of acceptance of the Goods at the warehouse.
5. Peculiarities of the model, technological processing, samples of materials, care instruction, marking (labelling), packaging and delivery of men's winter shoes shall be coordinated with the winner of the tender upon signing the contract.

II. DESCRIPTION OF THE APPEARANCE AND FEATURES OF THE MODEL

6. Men's winter shoes are classic-style shoes with a rounded toe, with insulated lining (fur on the inside of the shoe), made of black genuine leather (a general view of the model of the shoes is given in the Annex).
7. The upper of the shoes shall be made of soft, black genuine leather; the lining shall be made of fur: it must be natural fur at the joint, may be faux fur at the sides; the insole shall be made of genuine leather.
8. The shoes shall be fastened with a zipper sewn along the entire length of the shoe, on the inside of the shoe (leg).
9. The height of the shoe top shall be 16.0 cm \pm 1.0 cm (height measured as shown in the sketch).
10. The sole shall be of continuous formation, with a pattern, slip-resistant, bend-resistant and frost-resistant. The sole thickness shall be between 10.0 and 12.0 mm.
11. The shoes shall be stitched as shown in the sketch.
12. Each pair of the shoes shall be accompanied with two pairs of removable, warm inserts.

III. SHOE SIZES

13. Shoe sizes must comply with the requirements of ISO 9407 or an equivalent standard. The custom-made footwear shall be made in sizes from 240 to 340 according to the given shoe size scale (Table 1). Each size shall be produced in two circumferences (difference between the circumferences – 5 mm); according to the following proportion established in advance (may be adjusted at the time of conclusion of the Contract):
 - circumference I (narrower) – 70 percent.



1

- circumference II (wider) – 30 percent.

14. Up to 2 percent of the ordered quantity may be requested to produce footwear of non-standard sizes.

15. The base size of the shoes shall be 280/265 (circumference of foot I).

Table 1

MEN'S FOOTWEAR SIZE CHART OF TWO CIRCUMFERENCES

| Shoe size | Footwear width I | Footwear width II |
|-----------------|-----------------------------|------------------------------|
| Foot length, mm | Circumference of foot I, mm | Circumference of foot II, mm |
| 1 | 2 | 3 |
| 240 | 230 | 235 |
| 250 | 240 | 245 |
| 255 | 245 | 250 |
| 260 | 245 | 250 |
| 265 | 250 | 255 |
| 270 | 255 | 260 |
| 275 | 260 | 265 |
| 280 | 265 | 270 |
| 285 | 270 | 275 |
| 290 | 270 | 275 |
| 295 | 275 | 280 |
| 300 | 275 | 280 |
| 305 | 275 | 280 |
| 310 | 275 | 280 |
| 320 | 280 | 285 |
| 330 | 280 | 285 |
| 340 | 280 | 285 |

Note: the circumference of foot I – for a narrower foot, the circumference of foot II – for a wider foot.

IV. TECHNICAL REQUIREMENTS FOR MATERIALS AND PROCESSING CHARACTERISTICS

16. The top of the shoes shall be made of black natural, soft, elastic, chrome-tanned cattle leather. Dyeing shall be of the same intensity and durable when the shoes are in use. The main details of the top of the footwear shall be of finest (dorsal) part of the leather (the use of the leather of the sides and head parts shall not be allowed). The use defective leather shall not be allowed, i.e., polished, cracked leather or leather with other defects, which would worsen the appearance or characteristics of the footwear. The thickness and parameters of the upper leather of the shoes are given in Table 2, see point 3 and points 5–8.

Table 2

TECHNICAL CHARACTERISTICS OF SHOES AND THEIR BASIC MATERIALS

| No. | Indicator, unit of measurement | Value of the indicator | Test method marking |
|-------------------------------|--|------------------------|--------------------------------|
| Shoe indicators | | | |
| 1. | Bond strength of the upper and the sole, N/mm | ≥ 4.0 | LST EN ISO 20344 or equivalent |
| 2. | Seam strength, N/mm | ≥ 11 | LST EN ISO 17697 or equivalent |
| 3. | Leather ph * | ≥ 3.2 | LST EN ISO 4045 or equivalent |
| 4. | Water vapour permeability of the upper, mg/cm ² h | ≥ 2 | LST EN ISO 20344 or equivalent |
| Top leather indicators | | | |
| 5. | Thickness, mm | 1.5 (+0.2; -0.1) | LST EN ISO 2589 or equivalent |
| 6. | Tensile strength, N/mm ² | ≥ 20 | LST EN 3376 or equivalent |
| 7. | Relative elongation at break, % | ≤ 65 | LST EN 3376 or equivalent |
| 8. | Bending resistance, cycles: - in dry conditions - in wet conditions | 80 000 20 000 | LST EN ISO 17694 or equivalent |
| Insole | | | |
| 9. | Thickness, mm | 2.8 (+0.2; -0.1) | LST EN ISO 2589 or equivalent |
| 10. | Water absorption within 2 h, % | ≥ 40 | LST EN ISO 2417 or equivalent |
| Sole | | | |
| 11. | Abrasion resistance, mm ³ : - at a density of ≥ 0.9 g/cm ³ - at a density of ≤ 0.9 g/cm ³ | ≤ 150 ≤ 250 | LST EN ISO 20344 or equivalent |
| 12. | Bending resistance (after 30000 cycles), mm | ≤ 4 | LST EN ISO 20344 or equivalent |
| 13. | The hardness of the sole (Shore method), in conditional units | ≤ 10 | LST EN ISO 20344 or equivalent |
| 14. | Abrasion resistance, mm ³ : - at a density of ≥ 0.9 g/cm ³ - at a density of ≤ 0.9 g/cm ³ | 70 (+6; -3) | LST EN ISO 868 or equivalent |

Notes: Indicators marked with an asterisk (*) are required for all leather used in the footwear.

17. The lining shall be made of fur: natural fur at the joint, faux fur at the sides, with a wool content of 50 percent (not less than that) and a fluff/fur height shall be ≥ 8 mm (not less than that).

18. The insole shall be made of hard, genuine leather, two layers. There must be a thermal insulation layer under the leather insole. Parameters are given in Table 2, see point 3 and points 9–10.

19. Footwear reinforcement details, half-insole and shaped heel shall be of footwear board or of equivalent materials (the quality and characteristics of which are not worse), toecap material shall be thermoplastic or of equivalent material (the quality and characteristics of which are not worse).

20. The sole shall be thermoplastic rubber (or an equivalent material of at least equivalent quality and performance), continuously formed, with a pattern to resist slipping, bending and freezing. Sole thickness shall vary from 1.0 to 1.2 cm. The width of the sole ledge shall not exceed 0.3 cm. The pattern of the wearing surface of the sole must be resistant to breakage. Sole parameters are given in Table 2, see points 11–14.

21. The parameters/indicators for a shoe zipper sewn along the entire length of the shoe, on the inside of the shoe (leg), are given in Table 3.

Table 3

TECHNICAL REQUIREMENTS FOR THE ZIPPERS

| No. | Indicator, unit of measurement | Value of the indicator | Test method marking |
|-----|--|------------------------|-----------------------|
| 1. | Cross-strength of the tooth track, N | ≥ 470 | BS 3084 or equivalent |
| 2. | Slider tab pull-off strength, N | ≥ 300 | BS 3084 or equivalent |
| 3. | Number of zipping-up and unzip without failure, cycles | ≥ 500 | BS 3084 or equivalent |
| 4. | Top stop holding strength, N | ≥ 130 | BS 3084 or equivalent |

22. Each pair of the shoes shall come along with two pairs of warm, removable, orthopaedic insoles which perfectly absorb and evaporate moisture from foot. Insoles shall be of footwear board covered externally with aluminium film (or other equivalent material, the quality and characteristics of which are not worse, heat-reflecting material) and duplicated (top layer) with natural fur.

23. Threads shall be strong, non-fading, reinforced polyester or polyamide (or equivalent material, the characteristics and quality of which are not worse), impregnated (moisture resistant), and black.

24. The footwear produced must be ergonomically and orthopaedically balanced. Shades of details are not allowed in products and between the same pair of shoes and details must be symmetrical.

25. The technological processing and quality of the products and of all materials used in the manufacture shall meet the general quality requirements of this category/type of products for technological processing of products, seams, materials. There can be no broken threads, broken stitches, unstitched gaps, joints at the rows of stitches, stitch omissions, lop-sided rows of stitches. The materials to be joined shall not be damaged and shall be without slashes. The density of the stitches shall be uniform, ensuring the strength of the seams. All materials and accessories used shall be without defects and not damaged during the technological process.

V. PACKAGING AND LABELLING

26. Each pair of the shoes shall be marked with the size (foot length) and circumference in millimetres in accordance with the requirements of clause 6.1 of LST ISO 9407 (e.g., 280/-265). The inner side of the footwear shall indicate:

- The supplier's name or trademark.
- The manufacturer's name or trademark (if different from the supplier).
- Information on the materials from which the parts of the footwear are made (shall be indicated on at least one side of each pair of the footwear. The information may be printed on the inside, glued, imprinted or displayed on a label attached to the footwear).
- The size (length of the foot, mm) (**numbers** shall be indicated in bold and in enlarged font).
- Foot circumference, mm (**numbers** shall be indicated in bold and in enlarged font).
- Number and date of the contract.
- Lot and consignment index of the goods.
- Date of manufacture (year, month).

27. The chosen labelling method shall ensure that the information provided is legible throughout the entire period of use of the footwear.

28. The footwear shall be packaged individually in pairs in boxes. Instruction in the Lithuanian language shall be placed in the box, containing recommendations on the use, maintenance and storage of the footwear. Boxes shall be durable for long storage and multiple transportation; boxes shall have holes for ventilation (at least 3). Each box shall be marked with a label indicating:

- The supplier's name or trademark.
- The manufacturer's name or trademark (if different from the supplier).
- For imported goods, the country of origin of the goods shall be indicated, if it does not coincide with the country in which the manufacturer's registered office is located.
- the name of the product (used in the accounting and planning of the Lithuanian Armed Forces).
- The size (length of foot, mm) (**numbers** shall be indicated in bold and in enlarged font).
- Foot circumference, mm (**numbers** shall be indicated in bold and in enlarged font).
- Date and number of the contract.
- Lot and consignment index of the goods.
- Date of manufacture (year, month).
- NSN code provided by the Lithuanian Armed Forces.

Note: The label shall be securely affixed, and the labelling details shall be of a sufficient size to allow easy reading and understanding of the information provided.

29. Boxes shall be placed in cardboard boxes containing 5 or 10 pieces. Boxes shall be suited for long storage and multiple transportations. Each box shall contain the footwear of only one size. Cardboard boxes shall be labelled indicating:

- The supplier's name or trademark.
- The manufacturer's name or trademark (if different from the supplier).
- For imported goods, the country of origin of the goods shall be indicated, if it does not coincide with the country in which the manufacturer's registered office is located.
- For imported goods, the name or trademark and address of the importer.
- The name of the product (used in the accounting and planning of the Lithuanian Armed Forces).
- Date and number of the contract.

5

- Lot and consignment index of the goods.
- The size (length of foot, mm) (**numbers shall be indicated in bold and in enlarged font**).
- Foot circumference, mm (**numbers shall be indicated in bold and in enlarged font**).
- Quantity (**numbers shall be indicated in bold and in enlarged font**).
- Date of manufacture (year, month).
- NSN code provided by the Lithuanian Armed Forces.

VI. APPROVAL OF WORKING SAMPLES

30. Production shall be allowed to commence only after approval of the working sample. The working samples shall be approved after receiving the products suitable for approval and all the necessary documentation.

31. The working samples submitted for approval shall comply with the requirements specified in the technical specification, and shall be produced in high quality, i.e., without defects in technological processing or materials used, fully cleaned, correctly labelled and individually and orderly packed in boxes. The samples shall be accompanied by all relevant documentation (listed in sub-paragraphs of point 32.2).

32. For the approval of the working sample, the supplier shall present:

32.1. Two identical pairs of shoes, basic size 280/265 (specified in the technical specification).

32.2. A technical description of the product (technical documentation consisting of stapled and pre-approved documents, test reports, other documents) with the accompanying document/content, listing all the documents submitted:

32.2.1. A summary card for all materials and accessories used in the manufacture (small samples of all materials (all colours) and accessories (all colours) (if required) with specified basic characteristics/parameters (name/article, fibrous composition; surface density; width/thickness (No./tex/mm)/diameter, etc.; colour code (according to the PANTONE TEXTILE or RAL Classic colour catalogues), colour name, etc.).

32.2.2. Examples of labels and diagrams showing their location (must be coordinated).

32.2.3. Laboratory test reports of materials used in manufacture attesting their compliance with the requirements set out in the technical specification or a statement of the manufacturer of the materials that the materials used in production comply with the requirements laid down herein. Reports (or approval of the manufacturer of materials) shall be approved by the manufacturer or laboratory and presented in the original language with a translation into Lithuanian.

32.2.4. Instruction for the use and maintenance of the product, which contains recommendations on the use, maintenance, storage of footwear (must be coordinated).

33. The supplier shall provide a free form confirmation/letter that the working sample and all the information provided are correct and conform to the terms and conditions of the contract.

VII. ACCEPTANCE OF THE PRODUCTS

34. The products shall be accepted in accordance with the terms and conditions specified in the contract, in accordance with the procedure established by the Buyer, according to the working sample agreed and approved by the Buyer (in addition to the documentation provided for the approval of the working sample).

35. The Buyer shall have the right to conduct laboratory tests of the Goods. In the event that the results of the laboratory tests obtained do not comply with the requirements of the technical specification, the whole lot of the Goods shall be deemed defective.

THE BUYER

**Defence Materiel Agency under the
Ministry of National Defence**

Director

Sigitas Dzekunskas



THE SELLER

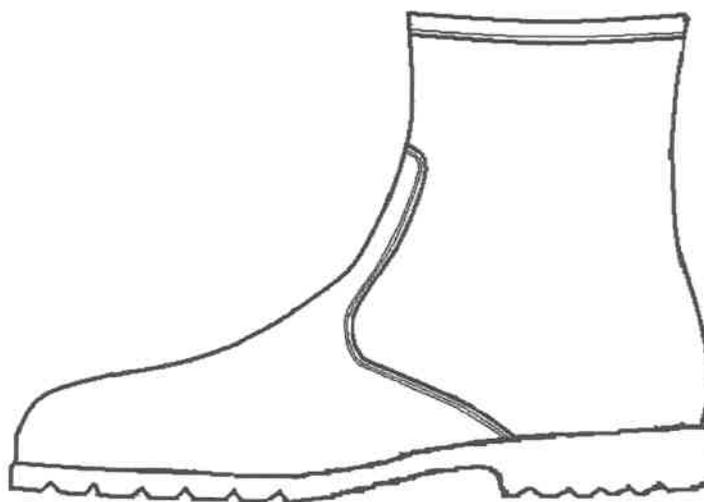
Calzaturificio Montebove SRL

Director

Gino Battellini

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MEN'S WINTER SHOES



Annex 3 to the Contract No. DPS-346
dated 27/06/2022

FORM FOR THE ORDERING OF GOODS

UNDER THE _____
(the date and number of the Contract)

_____ (date of placing the order, number)

| Name of the product | Quantity, (pcs.) | Deadline for the delivery of goods | Notes |
|---------------------|------------------|------------------------------------|-------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Prepared by: _____
(Position, name, surname and signature of the Buyer's responsible person).

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Defence Materiel Agency under the
Ministry of National Defence

Director

Sigitas Dzekunskas



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www.montebove.it



Annex 4 to the Contract No. DPS-346
dated 27 June 2022

FORMS OF DOCUMENTS REQUIRED FOR CODIFICATION
List of material goods to be codified

Applicant and the date:

Contract number:

Date of Contract signature:

Enclosed documents:

| No. | Supplier (seller) | NCAGE | Actual manufacturer | NCAGE | Manufacturer's number or other identification code | NSN code (if known) | Name | Price |
|-----|-------------------|-------|---------------------|-------|--|---------------------|------|-------|
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

Instruction on how to fill in the list of material goods to be codified

| Section | Instruction |
|---|---|
| <i>Applicant and the date</i> | <i>Enter the name of the institution that is submitting the list and the date of filling in this list</i> |
| <i>Contract number</i> | <i>Enter the Contract number</i> |
| <i>Date of Contract signature</i> | <i>Enter the date of the Contract that includes the provision on codification.</i> |
| <i>Enclosed documents</i> | <i>Indicate the documents (or digital medium) to be enclosed (descriptions, drawings, etc.) and the number of pages of documents.</i> |
| <i>Supplier (Seller)</i> | <i>Indicate the supplier (seller) of material goods.</i> |
| <i>NCAGE</i> | <i>Enter the NCAGE code of the supplier (seller) -- if known</i> |
| <i>Actual manufacturer</i> | <i>If the supplier (seller) is not the actual manufacturer of the goods, please indicate the actual manufacturer.</i> |
| <i>NCAGE</i> | <i>Enter the NCAGE code of the actual manufacturer -- if known</i> |
| <i>Manufacturer's number of other identification code</i> | <i>Indicate the manufacturer's number or other number that unambiguously identifies material goods</i> |
| <i>NSN code</i> | <i>This section is to be filled in if material goods are purchased from a foreign country and the NSN code is known.</i> |
| <i>Name</i> | <i>Indicate the name of material goods proposed by the manufacturer.</i> |
| <i>Price</i> | <i>Indicate the price of material goods.</i> |



INFORMATION ABOUT THE MANUFACTURER OR THE SUPPLIER (EXAMPLE OF FILLING)

| No. | NCAGE | Name | Address | Phone | Fax | E-mail | Company code | Supplier (seller) | Manufacturer |
|-----|-------|------|---------|-------|-----|--------|--------------|-------------------|--------------|
| | | | | | | | | | |
| | | | | | | | | | |

Instruction on how to fill in the form "Information about the manufacturer or the supplier"

| Section | Instruction |
|--|---|
| NCAGE * | Enter the NCAGE code (if such is possessed and known) of the supplier (seller) or the manufacturer |
| Name | Indicate the exact name of the supplier (seller) or the manufacturer |
| Address | Indicate the exact address (including the postal code) of the supplier (seller) or the manufacturer |
| Phone | Enter the phone number (including the city code) of the supplier (seller) or the manufacturer |
| Fax | Enter the fax number (including the city code) of the supplier (seller) or the manufacturer |
| E-mail * | Enter the e-mail address of the supplier (seller) or the manufacturer |
| Company code | Enter the supplier's (seller's) or the manufacturer's company code |
| Supplier (seller) or the manufacturer | Mark (x) the appropriate option (i.e. whether the supplier (seller) is the actual manufacturer of material goods or is only a distributor of production of other manufacturers) |

* sections marked with the asterisk are not obligatory. Other sections not marked with the asterisk are obligatory.

THE BUYER

Defence Materiel Agency under the Ministry of National Defence

Director

Sigitas Dzekunskas

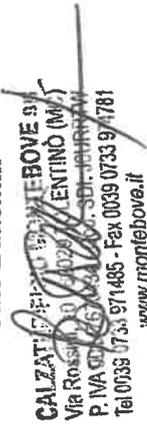


THE SELLER

Calzaturificio Montebove SRL

Director

Gino Battellini



Annex 5 to Contract No. DPS-346
of 27 June 2021

THE SUPPLY OF GOODS BY SIZES

MEN'S UNIFORM SHOES

| Foot length, mm | Circumference of foot II, mm | Quantity (pairs) | Remarks |
|-----------------|------------------------------|------------------|---------|
| 240 | 235 | 2 | |
| 250 | 245 | 10 | |
| 255 | 250 | 10 | |
| 260 | 250 | 50 | |
| 265 | 255 | 60 | |
| 270 | 260 | 230 | |
| 275 | 265 | 200 | |
| 280 | 270 | 200 | |
| 285 | 275 | 200 | |
| 290 | 275 | 230 | |
| 295 | 280 | 100 | |
| 300 | 280 | 100 | |
| 305 | 280 | 50 | |
| 310 | 280 | 47 | |
| 320 | 285 | 5 | |
| 330 | 285 | 5 | |
| 340 | 285 | 5 | |
| | Total quantity pairs: | 1504 | |



MEN'S WINTER SHOES

| Foot length, mm | Circumference of foot II, mm | Quantity (pairs) | Remarks |
|-----------------|------------------------------|------------------|---------|
| 240 | 235 | 2 | |
| 250 | 245 | 10 | |
| 255 | 250 | 30 | |
| 260 | 250 | 45 | |
| 265 | 255 | 50 | |
| 270 | 260 | 40 | |
| 275 | 265 | 60 | |
| 280 | 270 | 50 | |
| 285 | 275 | 40 | |
| 290 | 275 | 20 | |
| 295 | 280 | 10 | |
| 300 | 280 | 6 | |
| 305 | 280 | 5 | |
| 310 | 280 | 5 | |
| 320 | 285 | 2 | |
| 330 | 285 | 2 | |
| 340 | 285 | 2 | |
| | Iš viso: | 379 | |

THE BUYER

Defence Materiel Agency under the
Ministry of National Defence

Director

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THE SELLER

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Director

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