

Rates Recalculation Conditions

Rates will be recalculated on the following conditions during the term of the Contract:

1. The first recalculation will take place no earlier than on expiry of 12 (twelve) months after the effective date of the Contract.
2. During the term of the Contract, the Rates will be recalculated and changed not more often than once 12 (twelve) months.
3. The recalculation will be made on a periodic basis as agreed, on expiry of at least 12 (twelve) months after the effective date of the Contract or at least 12 (twelve) months after the last recalculation date, in the following circumstances:
 - 3.1. if, according to Statistics Lithuania State Data Agency, the annual inflation in the Republic of Lithuania (based on consumer price index (CPI)) reaches 7 or a higher percentage value, or the annual deflation falls to -7 or a lower percentage value (data source <http://www.stat.gov.lt>);
 - 3.2. the Party that has chosen to make a recalculation of Rates must give the other Party a written notice of its intent to recalculate Rates.
4. The Rates will be recalculated according to the formula presented below:

$$C_{pn} = S_n \times (1 + (I - X) / 100)$$

C_{pn} – Rates recalculated for the Work/Works and/or Service/Services and/or Good/Goods;

S_n – Rates stipulated in the Contract for the Work/Works and/or Service/Services and/or Good/Goods;

I – the percentage value of the annual inflation/deflation (in the case of deflation, the value is entered with a 'minus' sign) (based on consumer price index (CPI)). The last value of the annual inflation/deflation in the Republic of Lithuania published in the last month preceding the month in which the request for recalculating the Rates was made is used for the recalculation (in any case, no earlier than 13 (thirteen) month/months after the effective date of the Contract or after the last recalculation of the Rates due to inflation/deflation), e. g, if the request is made in December, the inflation/deflation value published in November will be used in the recalculation;

X – in case of deflation (-7), in case of inflation 7.

5. The recalculated Rates will enter into effect on the date of signature of the agreement on the amendment to the Contract by both Parties unless the agreement states otherwise.
6. The Works ordered prior to the effective date of the agreement on recalculation of the Rates will be paid for by the Customer at the current Rates, and the Works ordered after the said date shall be paid at the Rates upon recalculation.