**GENERAL CONDITIONS OF THE CONTRACT FOR THE PUBLIC PROCUREMENT-SALE OF** **THE** **SERVICES**

**1. BASIC CONCEPTS, DEFINITONS AND INTERPRETATION OF THE CONTRACT**

**1.1. Concepts and definitions**

1.1.1. The capitalised terms used in the Contract shall have the meaning as provided below:

1.1.1.1. **General Conditions** shall mean the part of the Contract, which is referred to as ‘General Conditions of the Contract for the Public Procurement-Sale of the Services’;

1.1.1.2. **Buyer** shall mean a person named as the Buyer in the Special Conditions who procures the Services specified in the Special Conditions and Annexes to the Contract;

1.1.1.3. **Initial** **Contract** **Value** shall mean the value indicated in the Special Conditions excluding Value-Added Tax (hereinafter referred to as the VAT);

1.1.1.4. **Services** shall mean the services specified in the Special Conditions and the Annexes to the Contract. The term ‘Services’ used in the Contract shall include all activities related to the provision of the Services, including, but not limited to, the provision of the Services, transfer of their results, elimination of defects, supply of products and submission of the documents related to the Services (instructions, certificates, etc.) if this is provided for in the Contract, or is necessary for the creation and transfer of the Service results to the Buyer;

1.1.1.5. **Statement of** **Transfer and Acceptance of the Services** shall mean the documentby which the Provider transfers and the Buyer accepts the Services and/or the Service results, and by which the Parties certify that the provided Services meet the specified requirements. If the Contract provides for the phased provision of the Services or their provision in periods, the Statement of Transfer and Acceptance of the Services may be concluded for each phase or period separately;

1.1.1.6. **Service** **Defects** shall mean non-compliance of the quality of the provision or the Service results identified by the Buyer or/and third parties at any time during the Contract or during the warranty period of the Services with the requirements of the Contract or/and laws and other legal acts, hidden defects, disruptions in the operation, etc., which would prevent the use of the Service results for the purpose the Buyer intended to use them (the Services), or which would reduce the benefits and efficiency of the Services in such a way that the Buyer, knowing of such defects, would not have procured the Services at all, or would not have paid such a price for the Services;

1.1.1.7. **Invoice**shall mean the invoice, VAT invoice or other payment document issued by the Provider and submitted to the Buyer for payment for the Services duly delivered by the Provider and accepted by the Buyer. If the Contract provides for the phased provision of the Services or their provision in periods, the Invoice may be issued for each phase or period separately;

1.1.1.8. **Special Conditions** shall mean the part of the Contract, which is referred to as ‘Special Conditions of the Contract for the Public Procurement-Sale of the Services’ and which contains terms and conditions (such as the Initial Contract Value, time limits for the provision of the Services, etc.) and other specific data (such as Parties, Services, etc.) describing procurement of a Procurement object, listed annexes, as well as specified changes and supplements to the General Conditions (if any);

1.1.1.9. **Arrangement** shall mean a document concluded by the Parties in the course of amending the terms and conditions of the Contract to the extent permitted by the Law on Public Procurement;

1.1.1.10. **Contract Price** shall mean the amount payable to the Provider under the Contract, including any mandatory fees, charges and costs;

1.1.1.11. **Conditions of the Contract** shall mean General Conditions and Special Conditions together;

1.1.1.12. **Contract** shall mean a Contract for the Public Procurement-Sale of the Services consisting of the Conditions of the Contract, annexes and arrangements listed in the Special Conditions;

1.1.1.13. **Party** shall mean the Buyer or the Provider, each individually, depending on the context;

1.1.1.14. **Parties** shall mean the Buyer and the Provider jointly;

1.1.1.15. **Provider** shall mean a person named as a provider in the Special Conditions who provides the Services referred to in the Special Conditions;

1.1.1.16. **Order** shall mean a written order of the Buyer for the provision of the Services sent to the Provider (as a text message, e-mail, via the information system specified by the Buyer, etc.). The Order shall be sent by the means and to the contacts specified in the Special Conditions and shall be considered properly sent and received in accordance with the procedure laid down in the Special Conditions;

1.1.1.17. **Law on Public Procurement** shall mean the Law of the Republic of Lithuania on Public Procurement.

1.1.1.18. The meanings of other capitalised terms in the Contract shall be specified in the text of the Agreement.

1.1.2. Concepts not defined in the Contract shall be understood and interpreted as defined by the Law on Public Procurement and other laws and legal acts in force at the time of conclusion and performance of the Contract.

1.1.3. Other concepts and definitions used in the Contract shall have a general meaning or a special meaning closest to the nature of the Contract unless otherwise specified and explained in the Contract.

**1.2. Interpretation of the Contract**

1.2.1. The Contract shall be concluded and interpreted in accordance with legal acts of the Republic of Lithuania.

1.2.2. If the General Conditions and/or Special Conditions contradict the requirements of the Law on Public Procurement and other legal acts, the provisions of the Law on Public Procurement and other legal acts shall apply.

1.2.3. A day in the Contract shall mean a calendar day.

1.2.4. A working day in the Contract shall mean any day, except Saturday, Sunday and holidays in Lithuania as indicated in the Labour Code of the Republic of Lithuania.

1.2.5. Time limits under the Contract shall be estimated in years, months, weeks, weekdays, calendar days, hours and minutes.

1.2.6. Qualification, reliance on the capacities of other economic operators, scope of the Services, review shall be understood as laid down in the Law on Public Procurement and the secondary legislation.

1.2.7. Where the requirement of a Statement on the Transfer and Acceptance of the Services as a separate document is not mandatory, the Parties shall agree thereon and expressly refer thereto in the Special Conditions: Invoice shall be deemed to be the Statement on the Transfer and Acceptance of the Services. In cases where an Invoice is issued and the Statement on the Transfer and Acceptance of the Services is not signed, provisions of the Contract on the issue of the Statement on the Transfer and Acceptance of the Services shall also apply to the issue of Invoice.

1.2.8. To inform, notify, warn or respond shall mean to provide information, notification, warning or response in accordance with the procedure laid down in the General and/or Special Conditions.

1.2.9. To approve shall mean to submit a written confirmation or to sign the document without reservation or subject to reservation unless the person, when signing the document, states that they refuse to approve it.

1.2.10. Unless otherwise stated in the Contract, words used in singular form shall also mean plural form and vice versa; words of one family shall include the corresponding words of another family; the word ‘person’ shall mean both natural persons and legal entities.

1.2.11. If the meaning expressed in numbers and words differs in the Contract, the meaning given in words shall be adhered to.

1.2.12. If references to legal acts are provided, the updated versions of the legal acts must be applied unless otherwise specified.

**1.3. Primacy of documents**

1.3.1. The documents constituting the Contract shall be understood as complementing each other. In the event of any inconsistency or ambiguity in the conditions of the Contract documents, such inconsistency or ambiguity shall be eliminated by interpreting the documents in the following order of priority:

1.3.1.1. Technical Specification;

1.3.1.2. Special Conditions;

1.3.1.3. General Conditions;

1.3.1.4. Procurement documents (except for Technical Specification);

1.3.1.5. Tender bid;

1.3.1.6. Other annexes listed in Special Conditions.

1.3.2. In the event the Conditions of the Contract are changed by the Arrangement of the Parties, the newly agreed Conditions of the Contract shall prevail over the modified ones.

1.3.3. If the Parties conclude an Arrangement on the addition of a new condition to the Conditions of the Contract or to the Annex, in the event of inconsistency or ambiguity, such a condition shall have primacy over the other Conditions of the Contract or other conditions of that Annex as appropriate.

1.3.4. If the Parties agree on a new Annex, the Parties shall agree on the ranking of the new Annex in the list of Annexes and its significance for the interpretation of the Contract. If a new Annex is inserted into the list of Annexes, it shall be assigned a sequence number with the upper index, considering the order of priority and importance of Annexes (e.g. Annex No 41).

**2. Subject-matter of the Contract**

2.1. The Provider undertakes to provide the Services, which comply with the requirements of the Contract, under the conditions and in accordance with the procedure laid down in the Contract to the Buyer, and the Buyer undertakes to accept the Services, which comply with the conditions of the Contract and have been properly provided, and to pay the Provider the price specified in the Contract under the conditions and procedure laid down therein.

2.2. When performing the Contract, the Parties undertake to comply with all the requirements of laws and other legal acts applicable to the performance of the Contract. A Party shall have the right to require the other Party to comply with all the   requirements of laws and legal acts applicable to the performance of the Contract. None of the conditions of the Contract shall be and may not be construed as a waiver by the Buyer of any other rights and guarantees established in laws or other legal acts and not covered in the Contract regarding the improper provision or quality of the Services, or as a waiver by the Provider of other rights and guarantees established in laws or other legal acts and not covered in the Contract regarding the receipt of payment for the Services.

2.3. The Provider shall ensure that the Services meet the requirements of the Technical Specification and conditions of the Provider’s tender bid, are of high quality, delivered in a timely and appropriate manner in accordance with the terms and conditions of the Contract and in such a way that it is the most responsive to the interests of the Buyer, in accordance with the best generally accepted professional, technical standards and practices, using all the necessary skills and knowledge.

**3. PROVIDER AND OTHER PERSONS INVOLVED FOR THE PERFORMANCE OF THE CONTRACT**

**3.1. Qualifications and other obligations assumed by the Provider in the tender bid**

3.1.1. The Provider shall be responsible for ensuring that they are competent, reliable and capable (including the capacity of the economic operators whose capacity the Provider relies on) of fulfilling the requirements of the Contract throughout the term thereof:

3.1.1.1. Have the right to engage in the activities necessary for the performance of the Contract; Upon the Buyer’s request, the Provider shall provide documents proving that the Contract is performed only by persons entitled to do so;

3.1.1.2. Meet the mandatory requirements laid down in the Procurement documents for the qualification of tenderers and do not have grounds for exclusion laid down in the Procurement documents;

3.1.1.3. Comply with the obligations set out in the tender bid, including, but not limited to, values and parameters of the qualitative, environment and/or social criteria (hereinafter referred to as the **Qualitative Criteria**) set out in the Procurement documents. The procedure for checking compliance with the obligations referred to in this point shall be laid down in the Specific Conditions;

3.1.1.4. Ensure the imposition of the established quality management system and/or environmental management system standards, where required by the Procurement documents, and have the supporting documents;

3.1.1.5. Comply with the interests of national security and not to be registered (permanently residing or having citizenship) in the countries or territories deemed to be unreliable if such requirements were established in the Procurement documents.

3.1.2. In the event the Provider is a group of providers operating under the joint venture agreement, they shall be jointly and severally liable to the Buyer for the performance of the Contract. If the Provider relies on the capacities of economic operators to meet the requirements of financial and economic capacity, the Provider shall be jointly and severally liable with such economic operators for the performance of the Contract (if required in the Procurement documents).

3.1.3. The Provider shall also be responsible for ensuring that they, the sub-providers and specialists directly engaged in the Contract comply with the professional qualifications and other requirements laid down by laws and other legal acts and/or Procurement documents and have the right to engage in the activities for which they are engaged.

**3.2.** **The use and replacement of sub-providers and specialists**

3.2.1. The Provider undertakes to ensure that the Contract will be performed by the sub-providers and/or specialists who meet the requirements set out in the Procurement documents. The actions of these persons in the performance of the Contract shall have the same consequences and liability to the Provider as their own actions. The Provider shall be responsible for the acts or omissions of its sub-providers and specialists.

3.2.2. Sub-providers and/or specialists involved for the performance of the Contract (if involved) shall be specified in the Special Conditions.

3.2.3. The Provider may change and/or involve the sub-providers and/or specialists specified in the Contract in cases and following the procedure specified in this Section of the Contract.

3.2.4. A new sub-provider or a specialist may begin to fulfil their obligations assigned by the Provider under the Contract no earlier than the date of signature of the Arrangement.

3.2.5. If the Provider involves a new sub-provider or replaces the existing sub-provider or the specialist without a written consent of the Buyer, or contractual obligations are performed by sub-providers or specialists who do not meet the qualification requirements established in the Procurement documents, quality management system and/or environmental management system standards, the requirements on the absence of grounds for exclusion, compliance with national security interests and requirements not to be registered (permanently residing or having citizenship) in the countries or territories deemed to be unreliable (if applicable) as well as the conditions specified in the tender bid to justify the qualitative criteria set out in the Procurement documents (if applicable), the Provider shall be subject to a penalty charge established in the Special Conditions.

3.2.6. The Provider shall have the right to involve new sub-providers for the performance of the Contract who were not specified in Special Conditions and whose capacity has not been used to justify the qualification requirements provided for in the Procurement documents.

3.2.7. Upon conclusion of the Contract but not later than the commencement of performance of the Contract, the Provider undertakes to inform the Buyer of the names, code of legal entity, contact details and representatives of the sub-providers known at that time whose capacity has not been used by the Provider to justify the qualification requirements provided for in the Procurement documents.

3.2.8. The Provider may, at any time during the performance of the Contract, change sub-providers whose capacity has not been used by the Provider to justify the qualification requirements provided for in the Procurement documents at its own discretion.

3.2.9. The Provider shall inform the Buyer of the involvement and/or change of a new sub-provider whose capacity the Provider has not relied on to justify the qualification requirements provided for in the Procurement documents at any time during the performance of the Contract and not later than 5 (five) working days before the involvement and/or change thereof. The Buyer (if applicable in the Procurement documents) must check the absence of grounds for exclusion of the sub-provider and the sub-provider’s compliance with national security interests and requirements not to be registered (permanently residing or having citizenship) in the countries or territories deemed to be unreliable. If the situation of the sub-provider does not meet at least one of the said requirements, the Buyer shall require the replacement of the sub-provider by someone who meets the requirements. The Buyer shall inform the Provider in writing within 5 (five) working days of the consent to use and/or replace a new sub-provider whose capacity the Provider has not relied on in support of the qualification requirements provided for in the Procurement documents. When the Buyer has agreed, the Parties shall sign an Arrangement, which shall be considered an integral part of the Contract.

3.2.10. The sub-providers whose capacity the Provider has relied on to meet the qualification requirements established in the Procurement documents may be changed only in the following cases:

3.2.10.1. Where a sub-provider is subject to insolvency proceedings or out-of-court bankruptcy proceedings, they become insolvent or there is a probability of insolvency, they suspend economic activity or when similar situations arise in accordance with the procedure laid down in laws and other legal acts;

3.2.10.2. Where a sub-provider is no longer able to fulfil all or part of the obligations provided for in the Contract for objective reasons (e.g. if the sub-provider refuses to participate in the performance of the Contract, if legal relationship with the Provider is terminated, etc.).

3.2.10.3. The Provider or the sub-provider must replace the sub-provider if it appears that they do not meet the requirements established in the Procurement documents.

3.2.11. The specialists of the Provider (or sub-providers) who are going to perform the Contract may be replaced in the following cases:

3.2.11.1. At the initiative of the Provider for objective reasons (such as holidays, illness, termination of employment relations, etc.) after provision of the data on a new specialist who is going to be appointed and their qualifications as well as documents proving compliance with other requirements established in the Procurement documents;

3.2.11.2. At the initiative of the Buyer if the Buyer has reasonable suspicions that the specialist appointed by the Provider for the performance of the Contract is not competent to perform the prescribed duties.

3.2.11.3. The Provider or the sub-provider must replace the specialist if it appears that they do not meet the requirements established in the Procurement documents.

3.2.12. A new specialist and/or sub-provider must meet the requirements for the specialist and/or sub-provider provided for in the Procurement documents at the time of the submission of the Provider’s request to replace the specialist and (or) sub-provider.

3.2.13. The Provider shall provide the Buyer with the following documents not later than 5 (five) working days before the planned replacement of the sub-provider whose capacity the Provider has relied on to meet the qualification requirements established in the Procurement documents, and/or the specialist:

3.2.13.1. A reasoned written request to change a sub-provider and/or a specialist, explaining the reasons of replacement. The Buyer shall reserve the right to request evidence to support the reasons of replacement;

3.2.13.2. Documents proving the qualification of a new sub-provider and/or specialist, compliance with the required quality management system and/or environmental management system standards (if applicable), the absence of grounds for exclusion and compliance with national security interests and requirements not to be registered (permanently residing or having citizenship) in the countries or territories deemed to be unreliable (if applicable) in accordance with the requirements of the Contract.

3.2.14. Upon receipt of the Provider’s request along with other documents specified in the Contract, the Buyer shall evaluate the possibilities of replacement within 5 (five) working days and inform the Provider in writing of the consent to replace the sub-provider whose capacity the Provider relied on to meet the qualification requirements provided for in the Procurement documents and/or the specialist. When the Buyer has agreed, the Parties shall sign an Arrangement, which shall be considered an integral part of the Contract.

**3.3. Replacement of joint venture partners**

3.3.1. The Provider, performing the Contract as a group of providers within the framework of joint activity agreement, shall have the right to eliminate a joint venture partner (hereinafter referred to as the Partner) if due to objective and reasonable circumstances the Partner is no longer able to perform the Contract, including, but not limited to cases where the Partner does not comply with the provisions of the Law on Public Procurement or other legal acts, poses a threat to national security; the Partner has been imposed international sanctions within the meaning of the Law on International Sanctions of the Republic of Lithuania (hereinafter referred to as the Law on Sanctions); the Partner is in difficult financial situation resulting in the non-performance of the Contract and/or refusal to perform it; or other objective reasons for the withdrawal of the Partner from the joint venture agreement has arisen.

3.3.2. The Provider, performing the Contract as a group of providers within the framework of joint activity agreement, shall have the right to replace the Partner if, due to reorganisation, restructuring or bankruptcy proceedings, the rights and obligations of the original Partner are wholly or partly taken over by the other Partner. Such replacement of the Partner shall not lead to other substantial changes to the Contract and shall not be aimed at avoiding the application of the Law on Public Procurement and other legal acts.

3.3.3. The Provider shall submit to the Buyer the following documents not later than 10 (ten) working days before the intended replacement or elimination of the Partner:

3.3.3.1. A reasoned written request to change the composition of the Provider and evidence justifying at least one circumstance for elimination of the Partner or its replacement specified in the Contract;

3.3.3.2. A draft of the new joint venture agreement or the draft amendment to the existing joint venture agreement stating that, if the Partner withdraws, the obligations of the withdrawing Partner are fully taken over by the remaining Partner and/or a newly involved Partner;

3.3.3.3. Documents confirming the qualification of the remaining Partner or a newly involved Partner and, if applicable, documents proving the requirements of quality management and/or environmental management system standards. In all cases, the qualification of the remaining Partner or a new Partner must not be lower than that of the withdrawing Partner (meeting the qualification requirements established in the Procurement documents, which were met by the withdrawing Partner and meeting the qualification of specialists specified in the tender bid of the withdrawing Partner and other conditions to support the qualitative criteria established in the Procurement documents (if applicable). Where a new Partner is involved, documents shall also be provided, in accordance with the requirements specified in the Procurement documents, justifying the absence of grounds for exclusion of the Partner involved and compliance with national security interests and requirements not to be registered (permanently residing or having citizenship) in the countries or territories deemed to be unreliable (if applicable).

3.3.4. Upon receipt of the Provider’s request with other documents specified in the Contract, the Buyer shall evaluate the possibilities of replacement within 10 (ten) working days and inform the Provider in writing about the consent to eliminate or replace the Partner or about the rejection of the request. When the Buyer has agreed, the Parties shall sign an Arrangement, which shall be considered an integral part of the Contract. Before signing the Arrangement, the Buyer shall be provided with a copy or transcript of the new joint venture agreement or amendment of the existing joint venture agreement.

**3.4. Agreements on direct payment to sub-providers**

3.4.1. If the sub-providers so request, the Buyer shall pay them directly. The Buyer shall provide for the direct payment option to the sub-providers specified in the Contract under the following conditions and procedure:

3.4.1.1. Upon conclusion of the Contract and not later than the commencement of performance of the Contract, the Provider undertakes to inform the Buyer in writing of the names, contact details and representatives of the sub-providers known at that time. The Buyer shall also require the Provider to inform about the changes in the said information during the entire performance of the Contract;

3.4.1.2. The Buyer shall inform sub-providers in writing about the direct payment option not later than within 3 (three) working days from the date of receipt of the information specified in point 3.4.1.1 of the General Conditions;

3.4.1.3. To take advantage of such an opportunity, the sub-provider shall submit a written request to the Buyer. Where the sub-provider expresses its wish to make use of the direct payment option, a tripartite agreement shall be concluded between the Buyer, the Provider and that sub-provider, which describes the procedure for direct payment to the sub-provider, considering the requirements set out in the Contract and the sub-provision agreement;

3.4.1.4. The direct payment option to sub-providers shall not relieve the Provider of the responsibility for the performance of the Contract.

**4. COOPERATION BETWEEN THE PARTIES**

**4.1. Duty of cooperation between the Parties**

4.1.1. In the performance of the Contract, the Parties shall cooperate to the fullest extent possible and exchange information promptly, as well as submit written notifications of the occurrence or existence of any event, condition or circumstance, which may affect the performance of the Contract or cause its breach, to each other without delay.

4.1.2. The Parties undertake to ensure that they provide each other with documents and/or other information necessary for the proper performance of their obligations under the Contract.

4.1.3. If a Party encounters an obstacle to the implementation of the Contract, it shall immediately but not later than within 5 (five) working days warn the other Party of such obstacles and take all reasonable measures within its power to remove those obstacles.

**4.2.** **Contact persons**

4.2.1. Each Party must appoint a contact person responsible for the performance of the Contract (e.g., acceptance of the Service result, delivery and receipt of Orders, etc.) at the time of conclusion of the Contract and specify their contact details in the Special Conditions.

4.2.2. In the event a Party wishes to revoke the designated contact person and appoint another person or wishes to appoint another person to perform the contact person’s functions during the period of temporary inability of the contact person to perform its functions, the Party must inform the other Party thereof in advance and provide the other Party with the contact details of such person: name, surname, e-mail and telephone number.

4.2.3. In the event it becomes apparent that the contact person of a Party is temporarily unable to perform its duties (due to illness, injury or other unforeseen reasons), the Party must immediately but not later than the next working day appoint another contact person to perform the functions of the contact person on a temporary basis and notify the other Party. In the event of replacement of the persons performing the functions of contact persons, the Arrangement shall not be concluded in accordance with point 20.5 of the General Conditions.

**5.** **DOCUMENTS PROVIDED DURING THE PERFORMANCE OF THE CONTRACT**

5.1. If the Provider has to prepare and/or provide the Buyer with instructions for the use of the Service results, they must be clear and detailed so that the Buyer can properly use the Service results following the said instructions.

5.2. In the event training and/or testing is required under the Contract, the Provider shall send instructions for use prior to such training and/or testing to the Buyer, and it shall revise and supplement the instructions for use after training and/or testing, having considered the progress and results of training and/or testing.

5.3. If the documents necessary for the use of the Service results require translation, the Provider shall bear the costs thereof. If the Provider translates the documents necessary for the use of the Service results independently, it shall be responsible for the accuracy of translation of these documents.

**6. COMPLETION OF PROVISION OF THE SERVICES AND ACCEPTANCE OF THE SERVICE RESULTS**

**6.1. Completion of provision of the Services**

6.1.1. Provision of the Services shall be deemed to have been completed when all the following conditions are met:

6.1.1.1. The Provider has provided all Services in accordance with the requirements of the Contract as well as laws and other legal acts;

6.1.1.2. The Provider has transferred to the Buyer all necessary documentation, including instructions for use, certificates and guarantees (if required);

6.1.1.3. The Provider has trained the Buyer’s staff on how to use the Service result (if required);

6.1.1.4. The Statement on the Transfer and Acceptance of the Services or Statements on the Transfer and Acceptance of the Services have been signed in case the Services are to be provided in phases or in periods, or any other document provided for in the Contract has been signed and the Services are deemed to have been accepted from signature of the said document;

6.1.1.5. The Provider has fulfilled other conditions provided for in the laws and other legal acts, in the Contract and the tender bid, which must be fulfilled to consider the provision of the Services to be completed and has provided the Buyer with documents proving this.

**6.2.** **Transfer and acceptance of the Services, which are provided once, periodically or upon the Buyer’s Order**

6.2.1. The Provider must provide the Services and transfer the Service result to the Buyer (if applicable), and the Buyer must accept the good quality Services that meet the requirements of the Contract and laws as well as other legal acts. The Services must be provided in the manner and within the time limits specified in the Special Conditions.

6.2.2. The Service result shall be transferred to the Parties by signing the Statement on the Transfer and Acceptance of the Services, which is executed in 2 (two) copies with the same legal effect (except where the Statement on the Transfer and Acceptance of the Services is signed with a secure electronic signature, one for each Party). Where the requirement of a Statement on the Transfer and Acceptance of the Services as a separate document is not mandatory, the Parties shall agree thereon and expressly refer thereto in the Special Conditions: Invoice shall be deemed to be the Statement on the Transfer and Acceptance of the Services.

6.2.3. Upon provision of the Services by the Provider, the Buyer shall check them and must:

6.2.3.1. Not later than within 5 (five) workings days from the actual provision of the Services and the submission of the Statement on the Transfer and Acceptance of the Services, accept the Service result by signing the Statement on the Transfer and Acceptance of the Services; or

6.2.3.2. Accept the Service result with reservations by signing the Statement on the Transfer and Acceptance of the Services and the Defect Report produced during check of the Services where the Buyer must indicate defects in the Services or shortcomings in the documents provided by the Provider, which were noticed during the acceptance process of the Services and set forth the procedure for eliminating those defects or shortcomings (hereinafter referred to as the **Defect Report**); or

Refuse to accept the Service result and to hand over (or send) the Defect Report on defective Services or part thereof to the Provider.

6.2.4. The Statement on the Transfer and Acceptance of the Services shall specify the date on which the Provider provided the Services and all the necessary documents.

6.2.5. If defects in the Services are identified, which cannot be considered as non-compliance with the requirements set out in the Contract, and their elimination does not prevent the Buyer from using the Service result for the intended purpose, the Buyer may accept the Services with reservations, produce a Defect Report and set reasonable time limits for the Provider to eliminate defects in the Services. The Provider shall eliminate defects in the Services within reasonable term limits specified by the Buyer in accordance with Section 7.3 of the General Conditions ‘Elimination of defects in the Services’. If the Provider misses time limits for the elimination of defects in the Services, the provisions of Section 7.4 of the General Conditions ‘Buyer’s rights in case the Provider did not eliminate defects in the Services’ shall apply.

6.2.6. If the Buyer fails to submit (send) the Defect Report to the Provider within 5 (five) working days from receipt of the Statement on the Transfer and Acceptance of the Services, it shall be deemed that the Buyer has accepted the Services and has no claims against them.

6.2.7. The risk of loss or damage, or accidental destruction of the products related to the Services shall pass to the Buyer from to the Provider at the moment of actual acceptance of the Services.

6.2.8. The Buyer shall have the right to use the Service result only after signing the Statement on the Transfer and Acceptance of the Services.

6.2.9. If the Provider has provided the Services prior to the deadline specified in the Special Conditions for the provision of the Services but they have defects, and the Provider has failed to eliminate these defects by the deadline for the provision of the Services specified in the Special Conditions, the Provider shall be subject to penalty charges specified in the Special Conditions until the date of provision of the adequate Services.

**6.3. Transfer and acceptance of the Services provided in phases**

6.3.1. The Provider must provide the Services and transfer the Service result to the Buyer in phases, and the Buyer must accept the good quality Services that meet the requirements of the Contract and laws as well as other legal acts provided at a specific phase. The Services shall be provided in phases in accordance with the sequence of phases and deadlines specified in the Special Conditions.

6.3.2. The Service result provided at a specific phase shall be transferred to the Parties by signing the Statement on the Transfer and Acceptance of the Services, which is executed in 2 (two) copies with the same legal effect (except where the Statement on the Transfer and Acceptance of the Services is signed with a secure electronic signature, one for each Party). Where the requirement of a Statement on the Transfer and Acceptance of the Services as a separate document is not mandatory, the Parties shall agree thereon and expressly refer thereto in the Special Conditions: Invoice shall be deemed to be the Statement on the Transfer and Acceptance of the Services.

6.3.3. The Buyer shall sign each Statement on the Transfer and Acceptance of the Services provided that all previous phases have been accepted, unless otherwise specified in the Special Conditions.

6.3.4. After provision of the Services at all phases, i.e. after completion of the Services, a final Statement on the Transfer and Acceptance of the Services shall be signed.

6.3.5. After the Provider has provided the Services at a specific phase, the Buyer shall verify the Service result and must:

6.3.5.1. Not later than within 5 (five) working days from the actual provision of the Services at a specific phase and submission of the Statement on the Transfer and Acceptance of the Services, accept the Service result of a specific phase by signing the Statement on the Transfer and Acceptance of the Services; or

6.3.5.2. Accept the Service result at a specific phase with reservations by signing the Statement on the Transfer and Acceptance of the Services and the Defect Report produced during the check of the Service phase where the Buyer must indicate defects in the Services of a specific phase observed during the Service phase check or shortcomings in the documents provided by the Provider and set forth the procedure for eliminating those defects or shortcomings (hereinafter referred to as the **Defect Report**); or

6.3.5.3. Refuse to accept the Service result of a specific phase and to forward (or send) the Defect Report to the Provider regarding the improperly provided Services of that phase.

6.3.6. The Statement on the Transfer and Acceptance of the Services must specify the date when the Provider provided the Services at a specific stage and all the necessary documents (if applicable).

6.3.7. If defects in the Services are identified, which cannot be considered as non-compliance with the requirements set out in the Contract, the Buyer may accept the Service result of a specific phase with reservations, produce a Defect Report and set reasonable time limits for the Provider to eliminate defects in the Services. The Provider shall eliminate defects in the Services within reasonable term limits specified by the Buyer in accordance with Section 7.3 of the General Conditions ‘Elimination of defects in the Services’. If the Provider misses time limits for the elimination of defects in the Services, the provisions of Section 7.4 of the General Conditions ‘Buyer’s rights in case the Provider did not eliminate defects in the Services’ shall apply.

6.3.8. If the Buyer fails to submit (send) the Defect Report to the Provider within 5 (five) working days from receipt of the Statement on the Transfer and Acceptance of the Services, it shall be deemed that the Buyer has accepted the Services at a specific phase and has no claims against them.

6.3.9. The Buyer shall have the right to use the result of the Services provided in phases only after signing the final Statement on the Transfer and Acceptance of the Services, unless otherwise provided in the Special Conditions.

6.3.10. The time limit for the performance of any subsequent phase of the Services related to the provision of the previous phase of the Services shall not be automatically extended when the Buyer does not sign the Statement on the Transfer and Acceptance of the Services of the previous phase due to the fault of the Provider.

6.3.11. If the Provider has provided the Services prior to the deadline specified in the Special Conditions for the provision of the Services at a specific phase but they have defects, and the Provider has failed to eliminate these defects by the deadline for the provision of the Services of a specific phase specified in the Special Conditions, the Provider shall be subject to penalty charges specified in the Special Conditions until the date of provision of the adequate Services.

**7.** **WARRANTY OBLIGATIONS OF THE PROVIDER**

**7.1. Warranty periods (if applicable)**

7.1.1. The Service result shall be subject to the statutory warranty period and/or the warranty period applicable by the Provider, which is specified in the tender bid, Technical Specification or Special Conditions. The warranty period shall start from the day of signing of the Statement on the Transfer and Acceptance of the Services.

7.1.2. Warranty periods shall be suspended for as long as the Buyer is unable to properly use the Service result due to defects identified when the Provider is held responsible for them. If the Buyer is unable to use only a specified part of the Service result due to defects in the Services, the warranty periods shall be suspended only regarding such part.

7.1.3. The Provider shall not be liable for any defects in the Services, which have been caused by improper use or maintenance of the Service result, or for the fault of the Buyer, its staff or third parties provided there is no fault of the Provider for such defects in the Services, improper use or maintenance of the Service result.

**7.2.** **Claims for defects in the Services**

7.2.1. Having identified defects in the Services within the warranty periods (if applicable) or at any time throughout the period of the Contract, the Buyer shall, immediately but not later than within 30 (thirty) days and not later than by the end of the warranty period, submit a written claim to the Provider and establish reasonable time limits if they have not been specified in the Special Conditions to eliminate defects in the Services.

7.2.2. The Provider shall eliminate all defects in the Services free of charge when the Provider is held liable for such defects within reasonable time limits set in the Buyer’s claim, which are calculated from the date of receipt of the claim, unless specific time limits have been set in the Special Conditions.

7.2.3. If the Provider does not agree with defects in the Services, each of the Parties may call upon an independent expert report. If the Provider, for more than 10 (ten) days from the Buyer’s request, does not respond or does not invite an independent expert who has been agreed with the Buyer to solve the dispute (the Buyer cannot unreasonably withhold its consent to use the expert proposed by the Provider), or/and if the dispute has lasted longer than 30 days from the Buyer’s first request), the Buyer shall have the right to independently call for an expert report. In this case, the costs of the independent expert report shall be borne:

7.2.3.1. By the Buyer if the Service result meets the requirements specified in the Contract as well as in laws and other legal acts;

7.2.3.2. By the Provider if the Service result does not meet the requirements specified in the Contract as well as in laws and other legal acts.

7.2.4. Conclusions of the expert report shall be binding on the Parties.

7.2.5. The Buyer shall not lose the right to claim for defects in the Services, and the Provider shall have the duty to eliminate all defects in the Services free of charge regardless of whether those defects may have been identified at the time of signing the Statement on the Transfer and Acceptance of the Services.

**7.3. Elimination of defects in the Services**

7.3.1. The Provider must eliminate the defects in the Service result free of charge. If defects in the products relating to the Services have been identified, the Provider must remedy these defects by repairing the products or parts thereof, or by replacing the product with a new product or part thereof.

7.3.2. The Buyer must provide access to the Provider to eliminate defects in the Services, enabling the Provider to do that within the specified time limits. If defects in the products relating to the Service provision are eliminated at the place of use of the products, the Buyer and the Provider must agree on the time for elimination of defects in the products.

7.3.3. If defects in the products relating to the Service provision are repeatedly identified in the repaired part thereof, the Provider shall replace them with new good quality products unless the Buyer agrees in writing with further repair of the products.

7.3.4. After defects in the Service result have been eliminated, the warranty period for the Service result (or for the repaired or new products or parts thereof relating to the Services) shall start to run again from the date, on which the properly provided Services (or products relating to the Services) have been transferred to the Buyer.

7.3.5. If the elimination of defects in the result of the part of the Services affects other parts of the Services, the Buyer may require the Provider to perform repeated tests, which have been performed under the Contract (if any). The Buyer must submit such a written claim to the Provider within 30 (thirty) days after the elimination of defects. Such tests shall be performed in accordance with the terms and conditions of the previous tests except that in all cases they are performed at the risk and at the expense of the Provider.

7.3.6. Having eliminated all defects in the Services, the Provider must inform the Buyer thereof.

7.3.7. Within 5 (five) working days after receipt of the Provider’s notification of the elimination of defects in the Services, the Buyer must check the defects specified in the Defect Report or in the Buyer’s claim and confirm in writing, which defects in the Services have been eliminated properly.

**7.4.** **The Buyer’s rights in case the Provider did not eliminate defects in the Services**

7.4.1. If the Provider refuses to eliminate or does not eliminate defects in the Services within reasonable time limits set by the Buyer, the Buyer shall have the right to:

7.4.1.1. Eliminate defects in the Services either by itself or by hiring third parties and inform the Provider thereof in advance, and to demand that the Provider reimbursed the costs of the expert report and elimination of defects in the Services as well as covered the losses incurred; or

Demand that the Provider reduced the amount due and refunded the overpayment resulting from this reduction within 30 (thirty) days from the deadline set for the Provider to eliminate the defects in the Services if this is not contrary to the principles of the Law on Public Procurement; or

7.4.1.3. Refuse the Services and not pay for such Services or claim for repayment of the amount paid for the Services and terminate the Contract.

7.4.2. The amount payable to the Provider under the Contract shall be reduced to the extent equivalent to the decrease in value of the Services for the Buyer due to the inadequate result of the part of the Services or defects in the products relating to the provision of the Services if value of such result of the part of the Services and/or value of the products might be deducted from the total value of the Services. The decrease in value of the Services shall include, among other things, the Buyer’s costs for the identification and elimination of defects in the part of the Services and/or the products (if the price of the part of such Services and/or products was indicated at the time of procurement).

7.4.3. The Provider shall be obliged to pay a monetary claim of the Buyer in accordance with point 7.4.4 of the General Conditions within 30 (thirty) days or within a longer reasonable period specified in the Buyer’s claim.

7.4.4. The Buyer shall require the Provider to pay penalty charges specified in the Special Conditions for the delay in the elimination of defects in the Services.

**8.** **TIME LIMITS FOR THE PROVISION OF THE SERVICES**

**8.1.** **Time limits for the provision of the Services and provision schedule**

8.1.1. The Provider must provide the Services in accordance with the time limits specified in the Special Conditions.

8.1.2. If applicable, the Buyer shall plan a provision schedule of the Services and submit it to the Provider for agreement (hereinafter referred to as the **Schedule**) not later than within 14 (fourteen) working days from the entry into force of the Contract or within another time limit specified in the Procurement documents.

8.1.3. If relevant, the Schedule must indicate, which Services can be provided in parallel, and which can only be provided in the established order of priority.

**8.2. Penalty charges for delays in providing the Services**

8.2.1. If the Provider misses time limits for the provision of the Services set out in the Special Conditions, it shall be subject to penalty charges specified in the Special Conditions until the date of the provision of the Services.

8.2.2. If the Provider misses the time limit for the provision of the Services or their phase, penalty charges shall be calculated from the deadline of the provision of the Services or their phase (not inclusive) until the date of the provision of the Services or their phase (inclusive) determined in accordance with the Statements on the Transfer and Acceptance of the Services.

8.2.3. If the Provider has been imposed penalty charges under this Contract, the amount payable by the Buyer for the Services shall be reduced by the amount of accrued penalty charges. The Buyer shall also have the right to unilaterally deduct penalty charges from any amounts payable to the Provider in accordance with the procedure established by legal acts, notifying the Provider in writing about the deduction of such penalty charges.

**9. MEANS OF SECURING THE DISCHARGE OF CONTRACTUAL OBLIGATIONS**

The discharge of contractual obligations of the Parties shall be secured by the means of securing the discharge of contractual obligations specified in Section 8 of the Special Conditions, the procedure for securing the performance of contractual obligations set out in Section 10 of the General Conditions, the advance security specified in point 12.1.3 of the General Conditions (if the Special Conditions establish the amount of the advance and require the advance security), penalty charges specified in Section 9 of the Special Conditions.

**10. PERFORMANCE SECURITY (IF APPLICABLE)**

10.1. The provisions of this Section shall apply if the Special Conditions establish that the Provide must forward the first demand bank guarantee or a suretyship bond of the insurance company or other performance security specified in the Special Conditions to ensure the proper performance of the Contract.

**Note:** Where the Special Conditions state that the Buyer requires a performance security issued by a credit union, the provisions of this Section shall apply depending on the need, and the Buyer may include additional requirements complying with the provisions of laws and other legal acts in the Special Conditions for the provision of such performance security.

10.2. The Provider must provide the Buyer with the performance security, which type and amount is established in the Special Conditions: the first demand bank guarantee or the suretyship bond of the insurance company (the suretyship bond of the insurance company must be accompanied by the signed insurance certificate (policy ) and a document proving that the insurance premium for the issued **suretyship** bond has been paid), complying with the conditions specified in Section 10 of the Special Conditions within the time limit specified in the Special Conditions (hereinafter referred to as the **Performance Security**).

10.3. If the Provider does not provide the Buyer with the Performance Security of the amount specified in the Contract within the time limit set therein, the Provider shall be deemed to have refused to conclude the Contract and the Buyer shall have the right to propose the Contract to another Provider in accordance with the procedure provided for in the Law on Public Procurement.

10.4. Before providing the Performance Security, the Provider may request the Buyer to confirm that the Buyer agrees to accept the Provider’s proposed Performance Security. In this case, the Buyer must reply to the Provider not later than within 3 (three) working days from the date of receipt of the Provider’s request.

10.5. A bank (insurance company) must include irrevocable and unconditional commitment in the Performance Security to pay the Buyer the amount specified in the Performance Security by transferring the money to the Buyer’s account not later than within 15 (fifteen) days from the date of receipt of the Buyer’s written notification of the Provider’s breach of obligations under the Contract, partial or total failure to perform these obligations or their improper performance.

10.6. The Performance Security may not state that the bank (insurance company) is responsible only for the direct loss compensation. The bank (insurance company) does not have the right to demand the Buyer to justify its claim. The Buyer shall indicate in the notice to the bank (insurance company) that the amount of Performance Security is due because the Provider has partially or completely failed to perform the Contract and/or it has been terminated due to the fault of the Provider. The Buyer shall not undertake to prove the actual losses incurred, and the Provider confirms by signing the Contract and providing the Performance Security that the amount of the Performance Security is considered to be minimum losses of the Buyer that do not need to be justified.

10.7. The Performance Security shall take effect not later than the date of its submission to the Buyer.

10.8. The amount of the Performance Security shall be quoted and paid in euro.

10.9. The Performance Security must be in Lithuanian or another language (a translation into Lithuanian must be provided if the Buyer requests it).

10.10. The term of validity specified in the Performance Security shall be not less than the term of validity specified in the Special Conditions.

10.11. If the duration of the Contract is longer than 1 (one) year, the Provider shall have the right to provide a Performance Security valid for 1 (one) year; however, the Provider must extend the term of the Performance Security or provide a new Performance Security thereafter not later than 10 (ten) working days before the expiry of the Performance Security.

10.12. In case the time limit for the provision of the Services is extended under the conditions laid down in the Contract or is postponed due to the suspension thereof, or the provision of the Services or the elimination of defects in the Services is delayed, the Provider shall ensure validity of the Performance Security for the entire period of the Contract and shall provide the Buyer with a new or extended Performance Security not later than by the end of validity of the Performance Security.

10.13. If the Provider fails to extend the Performance Security or fails to provide a new Performance Security in a timely manner, the Buyer shall have the right to demand penalty charges specified in the Special Conditions for each day of delay.

10.14. The Buyer shall not accept the Performance Security and/or consider it invalid, and/or shall request the Provider to provide a new Performance Security to the Buyer; whereas the Provider must provide the Performance Security within the shortest possible period if the Performance Security does not meet the requirements of the Contract, or the Buyer has information related to the suspension or possible suspension of the activities of the bank (insurance company) that issued the Performance Security (including insolvency, liquidation or imposition of legal protection procedures).

10.15. If the Provider violates the obligations set out in the Contract, partially or completely fails to discharge the obligations (or performs them outside the terms and conditions of the Contract), the Buyer may use the Performance Security. To continue with the discharge of contractual obligations, the Provider must provide the Buyer with a new Performance Security, which amount is specified in the Special Conditions, within 10 (ten) working days from the date of receipt of the notification regarding payment of the Performance Security to the Buyer.

10.16. The Buyer may use the Performance Security in any of the following circumstances:

10.16.1. The Provider has failed to discharge its contractual obligations; it does not perform or inadequately performs its contractual obligations;

10.16.2. The Provider fails to comply with the Buyer’s demand to eliminate defects in the Services within a reasonable time limit;

10.16.3. If the Buyer has suffered losses (including but not limited to additional costs, income foregone or other direct and indirect damages, default interest and/or penalties (if default interest and/or penalties are provided for in the Special Conditions of the Contract) due to any actions of the Provider (acts or omissions);

10.16.4. The Provider unilaterally terminates the Contract without any valid reason (not in cases specified in the Contract).

**11. CONTRACT PRICE AND ITS RECALCULATION**

11.1. The Contract price, which the Buyer must pay to the Provider for the Services actually provided under the terms and conditions of the Contract, including all Arrangements, shall be calculated using the method or methods of calculating the price specified in the Special Conditions.

11.2. Initial Contract Value shall be specified in the Special Conditions.

11.3. The Contract price shall be deemed to include all costs incurred by the Provider in connection with the provision of all Services as well as with the proper discharge of the Provider’s other contractual obligations, including insurances, customs duties and other expenses incurred by the Provider when performing the contractual obligations.

11.4. The Contract price shall be reviewed in accordance with the procedure laid down in the Special Conditions.

**12. PAYMENT PROCEDURE**

**12.1.** **Advance payment (an advance) (if applicable)**

12.1.1. The provisions of Section 12.1 of the General Conditions shall apply if the Special Conditions state that an advance payment (an advance) is paid to the Provider (hereinafter referred to as the Advance).

12.1.2. The Buyer shall pay the Provider an Advance not exceeding the amount specified in the Special Conditions.

12.1.3. Where required by the Special Conditions, in order to receive an Advance and when applying for the payment thereof, the Provider shall submit the proforma invoice to the Buyer accompanied by an **Advance** security, i.e. a bank guarantee or a suretyship bond of the insurance company or any other performance security, which amount is not less than the Advance stated in the Special Conditions, (hereinafter referred to as the **Advance Security**) not later than within 10 (ten) working days from the date of entry into force of the Contract.

**Note:** Where the Special Conditions state that the Buyer requires an Advance Security issued by a credit union, the provisions of this Section shall apply depending on the need, and the Buyer may include additional requirements complying with the provisions of laws and other legal acts in the Special Conditions for the provision of such Advance Security.

12.1.4. Before providing the Advance Security, the Provider may request the Buyer to confirm that the Buyer agrees to accept the Provider’s proposed Advance Security. In this case, the Buyer must reply to the Provider not later than within 3 (three) working days from the date of receipt of the Provider’s request.

12.1.5. A bank (insurance company) must include irrevocable and unconditional commitment in the Advance Security to pay the Buyer the amount not exceeding the amount of the Advance paid and the Security amount by transferring the money to the Buyer’s account not later than within 15 (fifteen) days from the date of receipt of the Buyer’s written notification of non-performance of the Contract or termination thereof due to the fault of the Provider.

12.1.6. The bank (insurance company) does not have the right to demand the Buyer to justify its claim. The Buyer shall indicate in the notice to the bank (insurance company) that the amount of Advance Security is due because the Provider has partially or completely failed to perform the Contract and/or it has been terminated due to the fault of the Provider, and the Provider did not repay the advance.

12.1.7. The amount of the Advance Security shall be quoted and paid in euro.

12.1.8. The Advance Security must be in Lithuanian or another language (a translation into Lithuanian must be provided if the Buyer requests it).

12.1.9. The Advance Security that does not meet the requirements set out in this Section of the Contract shall not be accepted.

12.1.10. If the bank (insurance company) that issued the Advance Security is unable to discharge its obligations during the performance of the Contract, the Buyer may send a written demand to the Provider to provide a new Advance Security within 10 (ten) working days under the same conditions as the previous one.

12.1.11. The Buyer shall pay the Provider an Advance within the period provided for in the Special Conditions from the date of receipt of the proforma invoice and Advance Security (if applicable). The amount of the Advance paid shall be deducted from the amount due.

12.1.12. Upon termination of the Contract, the Provider must refund the received Advance to the Buyer within 5 (five) working days (if part of the Services has been already provided and the Buyer has accepted them and can use the Service result for its purpose, the part of Advance shall be refunded, which exceeds the price of the Services accepted by the Buyer). If the Provider fails to repay the received Advance, the Buyer shall use the Advance Security (if applicable). In cases where Point 12.1.3 of the General Conditions was not applied, the Provider shall pay penalty charges specified in the Special Conditions on the amount of Advance to be repaid for the period from the date of Advance payment until its repayment.

**12.2. Payment arrangements**

12.2.1. The Provider shall issue an Invoice only after the Parties have signed the Statement on the Transfer and Acceptance of the Services unless otherwise provided in the Special Conditions:

12.2.1.1. Electronic invoice that complies with the European standard for electronic invoices, the reference of which was published in the Commission Implementing Decision (EU) 2017/1870 of 16 October 2017 on the publication of the reference of the European standard on electronic invoicing and the list of its syntaxes pursuant to Directive 2014/55/EU of the European Parliament and of the Council (hereinafter referred to as the **European e-Invoicing Standards**) shall be submitted by means selected by the Provider.

12.2.1.2. The Provider may submit an electronic invoice not complying with the European e-Invoicing Standard only using the tools of the General Information System of Invoice Administration (hereinafter referred to as the SABIS).

12.2.2. The Buyer shall accept and process electronic invoices using tools of the information system SABIS, except, when in case of mobilisation, war or emergency, there are damages of the SABIS, which prevent communication and exchange of information between the Buyer and the Provider using the SABIS.

12.2.3. The Provider must submit the proforma invoices (if the Special Conditions provide for the Advance payment) in accordance with the procedure set out in this Section of the Contract.

12.2.4. The Buyer shall pay for the Services within the time limits set forth in the Special Conditions.

12.2.5. The Buyer shall be subject to the penalty charges in accordance with the procedure laid down in the Special Conditions for delays in payments under the Contract.

12.2.6. If the Services are provided in phases or periods, the said payment arrangements shall be applicable for each phase or period of the Service provision, unless otherwise specified in the Special Conditions.

12.2.7. If the Parties enter into a tripartite agreement with the sub-provider regarding direct payment, the Buyer shall transfer the amount due to the sub-provider to the sub-provider’s bank account specified in the tripartite agreement and transfer the balance to the Provider’s bank account after the Statement on the Transfer and Acceptance of the Services provided is concluded in accordance with the requirements of the Contract and the tripartite agreement and the Provider sends the invoice for the Services to the Buyer.

**12.3. Other payment issues**

12.3.1. The Buyer must transfer payments to the Provider to the bank account of the Provider specified in the Special Conditions.

12.3.2. The Buyer shall have the right to deduct the amounts receivable from the Provider from payments to the Provider under the Contract (to make unilaterally offsetting). For this reason, the Provider shall not be entitled to transfer or pledge the rights of claim in respect of receivables under the Contract to third parties or otherwise dispose of them without the consent of the Buyer.

12.3.3. All payments under the Contract shall be made in euro.

12.3.4. The Party being late with the due payments under the Contract must pay the other Party penalty charges specified in the Special Conditions.

**13. CONFIDENTIAL INFORMATION**

13.1. The Parties undertake to respect confidentiality and, without a written consent of the other Party, not to disclose the information of that Party indicated as confidential to any employees of the Party, to any third parties associated with the Party, or to any other third parties who do not need to use this information for their business purposes, except in the cases specified below.

13.2. A Party shall have the right to disclose confidential information of the other Party in the following cases:

13.2.1. Disclosure of confidential information is necessary for the proper performance of contractual rights or obligations of the Party; however, in such case, the information may be disclosed only to the extent necessary for the performance of contractual rights or obligations and only to such third parties whom this information is necessary, provided that third parties receiving confidential information assume the same confidentiality obligations as those laid down in this Contract. If third parties disclose confidential information, the Party shall be responsible for their actions as for its own;

13.2.2. Confidential information must be disclosed in accordance with the requirements of laws and other legal acts, including cases when required by entities of public administration, as defined in the Law on Public Administration of the Republic of Lithuania.

13.3. Before disclosing confidential information, the Party must inform the other Party (in so far as this is not prohibited by laws or other legal acts) of the necessity or the requirement received from the entity of public administration to disclose confidential information and take reasonable measures to ensure the confidentiality of the disclosed information.

13.4. The Party shall be held liable for:

13.4.1. Any unlawful, including accidental, disclosure or transmission of confidential information or any part thereof of the other Party, or unlawful use of confidential information;

13.4.2. Failure to take all reasonable steps and actions to preserve and protect confidential information of the other Party or any part thereof, to prevent its further unlawful disclosure, transfer or use.

13.5. In the event of unjustified disclosure of confidential information of the other Party, the Party shall be liable to pay the other Party a fine, which amount is specified in the Special Conditions.

**14. PROTECTION OF PERSONAL DATA**

14.1. The Parties undertake to ensure the security of personal data and the lawful processing of personal data in accordance with the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation) and other legal acts governing the processing of personal data.

14.2. The Parties shall confirm that, if personal data is processed in to ensure the proper performance of the Contract, the Parties undertake to conclude a separate arrangement on the processing of data, which determines the subject matter and duration of the processing, the nature and purpose of the processing, the type of personal data and the categories of data subjects and the obligations and rights of the data controller.

**15. INTELLECTUAL PROPERTY**

15.1. All the results and related rights acquired in the course of the performance of the Contract, including intellectual property rights, except for personal non-property rights to intellectual property results, shall be the property of the Buyer, which is transferred to the Buyer from the signature of the Statement on the Transfer and Acceptance of the Services without any reservation, which the Buyer may use, publish, convey or transfer to third parties without the explicit consent of the Provider unless the Special Conditions provide for otherwise, or intellectual property rights may not be transferred into ownership because of the nature of the Services or/and exclusive rights, patents etc.

15.2. The Provider undertakes to indemnify the Buyer for any claims arising from intellectual property rights, including, but not limited to, patent, trademark, the right (registered or not) of industrial design owner (user), the right arising from applications for the registration of any of the said rights, copyright, the (sui generis) right of database manufacturers, names of firms, companies, organisations, businesses or name owners and other similar rights or obligations regardless of their registration in the Republic of the Republic of Lithuania or in other countries, or non-registration, except for cases when such breach is caused by the Buyer’s fault.

15.3. The Provider shall not have the right to use the Buyer’s symbols, name and trademark in advertising, marketing without a prior written consent of the Buyer, as well as to use results of intellectual activities produced by the Buyer. In case of violation of the requirement, the Provider shall be subject to the fine specified in the Special Conditions.

**16. DECLARATIONS AND GUARANTEES**

16.1. Each Party shall declare and guarantee to the other Party that:

16.1.1. All necessary decisions have been legally adopted and are in force; permissions and consents have been obtained; also, other legal actions necessary for the conclusion, validity and performance of the Contract have been legally executed and are valid;

16.1.2. When concluding a Contract, the Party shall not exceed its competence and shall not violate the applicable laws and other legal acts, decisions of a court or arbitration court, administrative acts, contracts or other obligations under applicable private law, public law, the European Union law or international law;

16.1.3. A representative of the Party has all the necessary powers to conclude and perform the Contract. When concluding and signing the Contract, a representative of the Party does not violate the Articles of Association, regulations and other internal documents of thereof, the rights and legitimate interests of the Party’s management and other bodies and/or creditors; when concluding the Contract, it is acting in good faith and reasonable manner with regard to the members of the Party and bodies of the Party and creditors;

16.1.4. The Party has assessed all circumstances, which are essential for the conclusion and performance of the Contract. None of the conditions and circumstances specified in the Contract adversely affect the Party’s will to conclude the Contract under the terms and conditions specified therein, and to discharge the obligations arising from the Contract;

16.1.5. The Contract is concluded in accordance with the principles of good faiths, reasonableness, justice and equality of Parties, without the use of deception or pressure. The Parties have disclosed to each other all information, which is of fundamental importance for the conclusion and performance of the Contract;

16.1.6. All declarations and guarantees of the Party are comprehensive and do not leave behind any circumstances that would make these declarations or guarantees false.

16.2. The Provider shall additionally declare and guarantee to the Buyer that the Provider, sub-providers, joint venture partners and specialists have all valid and lawful permits, licences, certificates, attestation documents provided for in laws and other legal acts, which are required for the performance of the Contract.

16.3. The Provider shall declare that the rights of disposal, management and use of the Service result provided are not limited, and no third parties have any claims to the Service result transferred under the Contract.

16.4. When performing the Contract, the Provider undertakes to comply with the obligations of environmental, social and labour law laid down in European Union and national law, collective agreements and international conventions referred to in Annex 5 to the Law on Public Procurement.

**17. GENERAL LIABILITY ISSUES**

17.1. Payment of penalty charges for delay or breach of the contractual obligations shall not exempt a Party from the performance of its obligations under the Contract.

17.2. Payment of penalty charges and/or the receipt of the Performance Security shall not deprive the Party of the right to demand the other Party to compensate for the losses incurred by it. The penalty charges provided for in this Contract shall be deemed to be minimal losses of the Parties that do not need to be justified. Each of the Parties shall be entitled to receive indemnity from the other Party for the improper performance or non-performance of contractual obligations of the other Party, up to the Initial Contract Value, unless the legislation provides for a higher amount to be reimbursed. The limitation of liability provided for in this point shall not apply if the damage is caused by breach of confidentiality obligations, personal data protection legislation or intellectual property rights.

17.3. In the event any of the declarations or guarantees provided in this Contract prove to be substantially incorrect, false or misleading, the Party committing a breach shall be liable to the injured Party for any loss suffered by the injured Party as a result of such incorrect, false or misleading declaration or guarantee.

17.4. The legal remedies provided for in this Contract shall not restrict the Parties’ right to use other legal remedies.

17.5. The limitations of liability under the Contract shall be not applicable where the damage is caused intentionally or by gross negligence, also where non-material damage, health injury or death is suffered, as well as damage (loss) to third parties is caused, including cases where the damage caused by one Party to third parties is compensated by another Party.

17.6. Upon expiry of the Contract, the Parties shall not be exempt from liability for breach of the Contract. Upon expiry of the Contract, the Parties shall not lose the right to claim compensation for losses incurred due to the failure to perform the Contract and to pay penalty charges.

**18. FORCE MAJEURE**

18.1.Liability under the Contract shall not be applicable, and the Parties may be released from civil liability in whole or in part on the following grounds:

18.1.1. In the event of *force majeure*: the provisions of the Article 6.212 of the Civil Code of the Republic of Lithuania and the Rules approved by Resolution No 840 of the Government of the Republic of Lithuania of 15 July 1996 On the Approval of the Rules of Release from Liability in the Event of *Force Majeure* shall apply;

18.1.2. Because of the actions taken by the Member States of the European Union: where the obligation under the Contract cannot be fulfilled due to the mandatory and unforeseen actions (acts) of the public authorities of the European Union, which the Parties were not entitled to challenge and could not have been foreseen in advance.

18.2.A Party seeking release from liability must notify the other Party of *force majeure* circumstances immediately but not later than within 5 (five) days of the occurrence or discovery of such circumstances, providing evidence that it has taken all reasonable precautions and has made every effort to reduce costs or negative consequences, as well as to notify of the possible deadline for the discharge of obligations. The Party shall also provide the other Party with appropriate notice when the grounds for non-performance of the obligations cease to exist.

18.3.The grounds for releasing any Party from the obligations shall arise from the moment when the *force majeure* occurs or, if no notification was sent in due time, from the moment of sending a notification. If any Party fails to send the notification or fails to inform the other Party in due time, it must compensate the other Party for the damage caused by the failure to provide the notification in due time or the fact that no notification has been sent.

18.4. If *force majeure* circumstances persist for more than 1 (one) month from the date of receipt of the notification, either Party may terminate the Contract by notifying the other Party 5 (five) working days prior to such termination. *Force majeure* shall not be considered the circumstances when the Party does not have the necessary financial resources, or the debtor’s counterparties violate their obligations, or the debtor violates its obligations to counterparties.

**19. INVALIDITY OF THE PROVISIONS OF THE CONTRACT**

19.1. If any provision of the Contract is or becomes invalid, whether in full or in part, the Parties shall conclude an Arrangement as soon as possible and replace the invalid provision with another provision which, as far as possible, would have the same economic and legal effect as was sought in the event of the agreement on the invalid provision of the Contract. Such an invalid provision shall not invalidate other provisions of the Contract provided this does not violate laws and other legal acts, and it may be assumed that the Contract would have been lawfully concluded and without inclusion of the invalid provision.

19.2. If the amendment of the General Conditions provided for in the Special Conditions is or becomes invalid, whether in full or in part, the version of the General Conditions prior to the amendment may not be applicable. In such a case, the Parties shall act in accordance with point 19.1 of the General Conditions.

**20. AMENDMENTS TO THE CONTRACT**

20.1. Conditions of the Contract may not be changed during the term of the Contract, except for those conditions, the amendment of which is provided for in the Contract and/or is possible in accordance with the provisions of the Law on the Public Procurement.

20.2. Amendments to the Contract shall be made by concluding an Arrangement between the Parties.

20.3. The Party, initiating the Arrangement, shall send a notice of amendment to the Contract to the other Party and a justification for the existence of an actual and legal basis for concluding the Arrangement. The other Party must analyse and evaluate the received information within 5 (five) working days (or within another time limit agreed in writing by the Parties), submit their comments and proposals based on the provisions of the Contract and mandatory provisions of laws and other legal acts.

20.4. An Arrangement shall enter into force from the date of its conclusion unless otherwise specified in the Contract. The Buyer must make the Arrangement public in accordance with the procedure laid down in Articles 33 and 86 of the Law on Public Procurement.

20.5. Changes in the contact details and details of entities specified in the Special Conditions shall not be considered as an amendment to the Contract (except for the replacement of the Provider, joint venture partner, sub-provider or specialist), and the Party shall change those details unilaterally by informing the other Party thereof. In any event, the amendment to the Contract may not substantially alter the Contract.

**21. SUSPENSION OF THE CONTRACT**

21.1. In the absence of fault of the Provider, and in the event of circumstances, which the Party to the Contract could not foresee when concluding the Contract and which prevent the Party from discharging its contractual obligations, and/or in the event of other unforeseen circumstances, the Parties to the Contract shall be entitled to initiate the suspension of provision of the Services (part of them) until the relevant circumstances cease to exist.

21.2. Provision of the Services (part of them) may be suspended if any of the following conditions occurs:

21.2.1. In the *force majeure* circumstances provided for in Section 18 of the General Conditions, the time limits for discharge of the contractual obligations shall be suspended from the moment the obstacle appears, or, if it has not been notified in a timely manner, from the moment of notification, and they shall be updated when the said circumstances no longer prevent the performance of the Contract;

21.2.2. The Provider may not provide the Services in accordance with the procedure specified in the Contract (e.g., the Buyer cannot ensure technical capacities for the provision of the Services for objective reasons), and the Provider is, therefore, unable to perform the Contract;

21.2.3. Due to procurement of unforeseen products, services and/or works related to the Procurement object, the need of which became apparent only during the performance of the Contract;

21.2.4. The performance of another procurement contract of the Buyer that directly affects this Contract is delayed without any fault on the Buyer’s part;

21.2.5. In the event of evidence-based barriers or obstacles caused to the Provider by other third parties not by the reason of the Provider’s contractual obligations, which have not been performed in a timely or proper manner in accordance with the conditions and procedures of the Contract;

21.2.6. In the event of amendments to the applicable legal act, or upon the entry into force of a new legal act, which affects the performance of this Contract;

21.2.7. The need to suspend the contractual obligations arose due to suspended, redistributed, unreceived, etc. funds allocated by the Buyer for the procurement of the Services or a lack of funding;

21.2.8. Due to judicial (arbitration) disputes with the Buyer or third parties, the subject-matter of which is directly related to the performance of the Contract.

21.3. Where the suspension of provision of the Services (the part thereof) is caused by the circumstances specified in point 21.2 of the General Conditions and lasts not more than 3 (three) months, such suspension shall be deemed to be an amendment to the Contract under the terms and conditions laid down therein and shall be documented following the procedure provided for in point 21.6 of the Contract.

21.4. Where provision of the Services (the part thereof) is suspended due to the circumstances other than those mentioned in point 21.2 of the General Conditions, or/and the circumstances specified in point 21.2 of the General Conditions continue for more than 3 (three) months, and/or are outside the procedure laid down in this Section, it shall be considered as an amendment to the Contract that must be executed in accordance with the provisions of the Law on the Public Procurement and documented following the procedure provided for in point 21.6 of the Contract.

21.5. Performance of contractual obligations may be suspended only during the term of the Contract under the following procedure:

21.5.1. In the event of circumstances that prevent the Provider from discharging its contractual obligations, the Provider shall immediately inform the Buyer thereof. The Provider in its written request must describe the circumstance of suspension (point 21.2 of the General Conditions) and provide arguments, objective facts and evidence supporting the occurrence of such circumstance and possible duration. The Buyer, having assessed the request, shall inform the Provider in writing within 3 (three) working days of the decision taken regarding the suspension of contractual obligations. If the Provider fails to provide specific arguments, facts based on evidence, the Buyer shall have the right to send a written refusal to suspend the contractual obligations.

21.5.2. After the Buyer has informed the Provider in writing and provided a reasoned explanation of the circumstances and the term necessary to suspend the performance of the contractual obligations, the Provider shall inform the Buyer and confirm its agreement with the suspension in writing not later than within 3 (three) working days. The Provider shall have the right to object to the suspension of contractual obligations only if the Provider is able to eliminate, at its own expense and on its own, the circumstances, which led to the necessity to suspend the performance of the contractual obligations.

21.5.3. Upon receipt of a written notice of the Buyer about the suspension, the Provider shall immediately but not later than within 3 (three) working days after the date of sending the confirmation to the Buyer suspend the performance of the contractual obligations or part thereof. If the performance of contractual obligations or part thereof has been suspended, the Parties may not fulfil any of the obligations assigned to them under the Contract or part of the Contract.

21.6. The Parties shall formalise suspension of the performance of contractual obligations by means of a written Arrangement, describe reasons and set the term of suspension, as well as enclose documents confirming the grounds for suspension; the Arrangement shall be signed by the representatives authorised by the Parties. Such Arrangements shall become an integral part of the Contract.

21.7. The performance of contractual obligations shall be suspended for no longer than the duration of a specific, justified circumstance.

21.8. The Parties shall agree that the suspension term of contractual obligations is not included in the performance term of the Contract; the contractual obligations shall not be fulfilled during that term, and the Buyer shall not make any payments, pay fines or reimburse for downtime to the Provider.

21.9. If time limits for the performance of contractual obligations have been suspended on the grounds laid down in the Contract, they shall be updated after extinction of the circumstances, which led to the suspension, or after the term specified in the Arrangement between the Parties, whichever is earlier. In the event the time limits for performance of obligations provided for in the Contract are renewed before expiry of the suspension period specified in the Arrangement between the Parties, the Parties shall document the date of renewal of the time limits for performance of obligations provided for in the Contract in writing.

21.10. After renewal of the performance of the Contract, time limits for the performance of outstanding obligations (part of them) and validity of the Contract shall be extended for the period remaining for their performance (validity of the Contract) at the time of their suspension.

21.11. If the performance of contractual obligations has been suspended for a period exceeding 3 (three) months, after that period, a Party may require the other Party to renew the performance of the Contract by sending a written notice. If the Party fails to renew the performance of the Contract without reasonable circumstances within 10 (ten) days from the relevant notice, the other Party may terminate the Contract by giving a notice to the other Party 10 (ten) days prior to such termination.

**22. TERMINATION OF THE CONTRACT**

The Contract may be terminated in cases provided for in Article 90 of the Law on Public Procurement and in the Contract, including the possibility of termination by the Arrangement between the Parties.

**22.1. Claims for breach of the Contract**

22.1.1. If the Party breaches the Contract or laws and other legal acts, the other Party shall have the right to make a written claim thereto and specify what provision of the Contract or laws and other legal acts has been violated and in what way the opposite Party has violated it, as well as to set a reasonable time limit for remedy of the breach.

22.1.2. Upon receipt of the claim, the Party must respond thereto without delay but not later than within 5 (five) working days and indicate what measures will be taken to remedy the breach within the time limit set in the claim or to propose another reasonable time limit in a reasoned manner. The right of the Provider to propose another time limit shall not be considered as the Buyer’s obligation to accept that time limit. The proposed time limit of the Party who received the claim shall substitute the time limit specified in the claim only if it is approved by the other Party.

**22.2. Termination of the Contract at the initiative of the Buyer**

22.2.1. The Buyer shall terminate the Contract unilaterally by notifying the Provider in writing at least 5 (five) days prior to such termination if the Provider commits a material breach of the Contract specified in the Special Conditions, or breach of the Contract, which has features of the material breach of the Contract specified in the Civil Code of the Republic of Lithuania and, upon receipt of the Buyer’s claim, fails to remedy the breach within the time limit specified in the claim.

22.2.2. The Buyer shall have the right to terminate the Contract or part thereof unilaterally by sending a written notice to the Provider at least 10 (ten) days prior to such termination if:

22.2.2.1. The Provider is subject to insolvency proceedings or out-of-court bankruptcy proceedings, they become insolvent or there is a probability of insolvency, they suspend economic activity or when a similar situation arises in accordance with the procedure laid down in laws and other legal acts;

22.2.2.2. The Provider’s situation changes, and it meets grounds for exclusion laid down in the Procurement documents;

22.2.2.3. Legal acts related to the subject matter of the Contract, the performance thereof, or the activities performed by the Buyer regarding which the Contract has been concluded, change and, as a result, the Buyer decides to terminate the Contract;

22.2.2.4. The Buyer decides to stop the activities, which require the Services procured under the Contract; therefore, the need for the Contract disappears;

22.2.2.5. The governing body of the Buyer makes a decision and the need for the Contract disappears as a result;

22.2.2.6. The Buyer’s financial situation changes (get worse), or the Buyer does not receive or loses financing and, therefore, decides to terminate the Contract;

22.2.2.7. There are changes in the organisational structure of the Buyer, i.e. legal status, nature or management structure, and this may affect the proper performance of the Contract or the need for the Contract;

22.2.2.8. There is no need for the Services procured;

22.2.2.9. The Buyer receives an order or recommendation from the authorities supervising procurements to terminate the Contract;

22.2.2.10. The Provider is late to provide an extension of the Performance Security for more than 10 (ten) working days from the expiry date of the last Performance Security or refuses to provide it;

22.2.2.11. The Provider refuses to eliminate or does not eliminate defects in the Services within reasonable time limits set by the Buyer;

22.2.2.12. The Provider breached the Contract or laws and other legal acts and does not remedy the breach within the time limit specified in the written claim of the Buyer;

22.2.2.13. In accordance with the procedure established by the Law on the Protection of Objects of Importance to Ensuring National Security, the Government of the Republic of Lithuania shall adopt a decision confirming that the Contract does not meet the interests of national security (it is applicable if the Buyer operates in the areas, which are considered a part of economic sector of strategic importance to ensuring national security, or is deemed to be a substantial entity);

22.2.2.14. The circumstances referred to in Articles 37 (8) and/or 47 (8) of the Law on Public Procurement have been identified;

22.2.3. The Contract shall be considered null and void if it is established that the performance of the Contract is in conflict with mandatory international sanctions implemented in the Republic of Lithuania as defined in the Law on International Sanctions and other international legislation, legal acts of the European Union and the Republic of Lithuania (at least to one of the applicable sanctions). The moment of invalidity of the Contract shall be determined in accordance with the said Law.

22.2.4. The Buyer shall immediately but not later than within 5 (five) days terminate the Contract unilaterally or suspend its performance for the period of implementation of mandatory international sanctions as defined in the Law on International Sanctions and other international legislation, legal acts of the European Union and the Republic of Lithuania, by notifying the Provider in writing thereof if the Contract entered into force before the imposition of these international sanctions in the Republic of Lithuania. It shall be forbidden to assume new obligations under the Contract, the performance of which would be contrary to international sanctions implemented in the Republic of Lithuania.

22.2.5. If the Contract is terminated in the event of a material breach thereof by the Provider, or the Provider unreasonably terminates the performance of the Contract in conflict with the procedure laid down therein, and if the Special Conditions do not provide that the proper performance of the Contract is ensured by the Performance Security, the Provider undertakes to pay the Buyer a fine specified in the Special Conditions and to compensate for the losses related to the termination of the Contract. If the Special Conditions provide that the proper performance of the Contract is ensured by the Performance Security, the Provider undertakes to pay the remaining part of the fine specified in the Special Conditions and to compensate the Buyer for the losses related to the termination of the Contract to the extent they are not covered by the Performance Security. If the Buyer claims compensation for the losses incurred, the amount of fine shall be credited with the loss compensation.

22.2.6. The Buyer shall have the right to terminate the Contract unilaterally in other cases specified in the Special Conditions (if applicable) as well as in laws and other legal acts.

22.2.7. The Contract shall be deemed to be terminated on the day following the expiry of the notice period for the termination thereof.

22.2.8. In cases where the Provider remedies the breach, or the circumstances that led to the initiation of the procedure for termination of the Contract no longer prevail, the Contract may not be terminated and the notice of termination of the Contract shall cease to be valid if the Provider presents information about the breach remedy or extinction of the circumstances that led to the initiation of the procedure for termination of the Contract.

**22.3. Termination of the Contract at the initiative of the Provider**

22.3.1. The Provider shall have the right to terminate the Contract unilaterally by sending a written notice to the Buyer not less than 30 (thirty) days prior to such termination if the Buyer violates the terms of payment to the Provider (except in cases when the Buyer exercises its right to withhold payments), and the Buyer’s debt to the Provider exceeds 20% (twenty) of the Initial Contract Value, and the Buyer does not pay the amounts due to the Provider within 30 (thirty) days upon receipt of the Provider’s claim.

22.3.2. The Provider shall have the right to terminate the Contract unilaterally by sending a written notice to the Buyer not less than 10 (ten) days prior to such termination if:

22.3.2.1. The Buyer is subject to insolvency proceedings, out-of-court bankruptcy proceedings, it becomes insolvent or there is a probability of insolvency, the Buyer suspends activities, or a similar situation arise in accordance with the procedure laid down in laws and other legal acts;

22.3.2.2. The Buyer breaches the Contract or laws and other legal acts and does not remedy the breach within the time limit specified in the written claim of the Provider except for the case specified in Point 22.3.1 of the General Conditions.

22.3.3. If the circumstances referred to in point 22.3.1 of the General Conditions relate only to a separate part of the Contract or separate Arrangement, the Provider shall have the right to terminate the Contract only in respect of that part or terminate only such Arrangement.

22.3.4. The Provider shall have the right to terminate the Contract unilaterally in other cases specified in laws and other legal acts.

22.3.5. If the Contract is terminated in the event of a material breach thereof by the Buyer, or the Buyer unreasonably terminates the performance of the Contract in conflict with the procedure laid down therein, the Buyer undertakes to pay the Provider a fine specified in the Special Conditions and to compensate for the losses related to the termination of the Contract.

22.3.6. The Contract shall be deemed to be terminated on the day following the expiry of the notice period for the termination thereof.

22.3.7. In cases where the Buyer remedies the breach within the time limit for notice of termination of the Contract, or the circumstances that led to the initiation of the procedure for termination of the Contract no longer prevail, the Contract may not be terminated and the notice of termination of the Contract shall cease to be valid if the Buyer informs the Provider about the breach remedy or extinction of the circumstances that led to the initiation of the procedure for termination of the Contract.

**22.4. Rights and obligations of the Parties in the event of termination of the Contract**

22.4.1. Termination of the Contract shall not affect validity of the terms and conditions of the Contract, which determine the dispute settlement procedure, as well as other terms and conditions of the Contract, which, in substance, remain valid after termination thereof.

22.4.2. Upon termination of the Contract, the Parties shall:

22.4.2.1. Make sure that the Services provided before the date of termination of the Contract and other actions performed meet the requirements of the Contract, and the Parties no longer make any claims against each other;

22.4.2.2. Pay for the Services provided before the termination of the Contract that meet the requirements thereof;

22.4.2.3. Within 10 (ten) days from the date of receipt of the notice of termination of the Contract or the date of conclusion of the Arrangement on termination of the Contract, to transfer to each other all the documents to be transferred in accordance with the provisions of the Contract.

**23.** **CHANGE OF THE PRODUCT MODEL OR A MANUFACTURER**

23.1. In cases when products are procured together with the Services, the Provider shall have the right to change the model of products and/or the manufacturer if all the following conditions are met:

23.1.1. If the products specified in the tender bid are no longer produced, or their delivery has been substantially disrupted and manufacturer’s confirmation has been received, and/or the products, their manufacturer poses a threat to national security and/or supply of the products is in conflict with the mandatory international sanctions implemented in the Republic of Lithuania as defined in the Law on International Sanctions, and/or the products, their components or/and the manufacturer does not comply with the provisions of Article 45(21) of the Law on Public Procurement;

23.1.2. If the products substituted fully comply with all the requirements of the Procurement documents; they are at least of the same or better quality than the products described in the tender bid, and the Provider presents supporting documents; If the Provider has provided samples of the products during the Procurement procedures, the products to be delivered must be of at least the same quality as the samples provided;

23.1.3. If the Provider submitted a written request to the Buyer with the documents supporting the substitution and received the written consent thereof not later than 10 (ten) days before the intended substitution of the products. The Buyer shall have the right to object to the substitution of the products and terminate the Contract if the Provider has not provided evidence, or the evidence provided does not justify the compliance of the substituted products with the Procurement documents and prove the equivalent or better quality than that of the products specified in the Contract;

23.1.4. The Parties have concluded a written Arrangement to the Contract on the substitution of the products.

23.2. In case specified in this Section of the General Conditions, the products must be delivered at a price not higher than that indicated in the tender bid.

**24. COMMUNICATION PROCEDURE AND LANGUAGE**

24.1. The Contract shall be concluded in Lithuanian. If the Contract or any document forming an integral part thereof is concluded in another language or translated into another language, in all cases only the text of the Contract drawn up in Lithuanian shall be considered authentic (if there are discrepancies, the text in Lithuanian shall prevail).

24.2. If a Party notifies the other Party of its new contact details and the other Party receives such notification, it shall send all notifications and information to be sent under the Contract to the new contact details. If a Party does not notify of a change in contact details, or until the other Party does not receive such a notification, sending of the notification to the last contact details known to the Party shall be deemed adequate and relevant.

24.3. If a notification is delivered in person or sent by post or courier, it must be served upon signed acknowledgement and considered received on the date indicated in the acknowledgement of receipt.

24.4. If a notification is sent by e-mail, it shall be deemed to have been received by the Party on the next working day.

24.5. If a notification is sent in several different ways, the recipient shall be deemed to have received it when it received the first notification.

**25. CLAIMS AND DISPUTE RESOLUTION**

25.1. Any disputes, disagreements or claims arising out of or in connection with the Contract, its breach, termination or validity must be settled by negotiation between, in particular, the managers of the Parties or persons authorised by them.

25.2. If the Parties do not settle the dispute by negotiation, such dispute, disagreement or claim arising out of or in connection with this Contract or its breach, termination or invalidity shall be finally settled in courts of the Republic of Lithuania in accordance with the procedure laid down in the laws of the Republic of Lithuania.

25.3. Disputes shall not give rise to any grounds for the Parties to refuse the discharge of their obligations under the Contract.

\_\_\_\_\_\_\_\_\_