

CONTRACT ON PROCUREMENT OF SERVICES

13 December 2019 No. S-235
Vilnius

State Enterprise "Oro navigacija", corporate ID number 210060460, represented by Mindaugas Gustys, Chief Executive Officer, acting in accordance with the Articles of Association of the Enterprise (hereinafter – the Customer), and **Thales LAS France SAS**, corporate ID number (business licence ID): 319 159 877, represented by Juergen Prause, Sales Manager (hereinafter – the Supplier), hereinafter referred to as the "Party" or jointly as the "Parties", after having taken the results of the Procurement of Maintenance Services for Air Traffic Control System TopSky (Eurocat X) by way of negotiated procedure without publication of notice, have entered into the Contract on Procurement of Maintenance Services for Air Traffic Control System TopSky (Eurocat X) (hereinafter – the Contract), and have agreed as follows:

I. SUBJECT MATTER OF THE CONTRACT

1. According to the Contract, the Supplier undertakes to provide Maintenance Services (hereinafter – the Services) for Air Traffic Control System TopSky (Eurocat X) (hereinafter – the System) in compliance with all requirements laid down in the Contract and Annex 2 thereto, and the Customer hereby undertakes to accept the Services provided in compliance with the requirements laid down in the Contract and Annex 2 thereto, and to pay for the Services under the procedure established in the Contract.

II. PRICE OF SERVICES AND PROCEDURE FOR PAYMENT

2. Total price of the Services – 100.000,00 EUR (one hundred thousand euros 00 cents) excluding VAT.
3. Payment for the Services provided will be done in two (2) installments – each for every 3 months of Services. The Supplier shall submit first invoice for the 3 months of Services provided to the Customer not earlier than 3 months after the date Contract became valid and provision of services started. Second invoice shall be submitted only after all the contractual obligations have been fulfilled.
4. The Customer shall pay to the Supplier for the Services provided not later than within 14 days after the date of submission of an invoice to the Customer.
5. The Contract is subject to the fixed price. Price of the Services established in the Contract shall remain unchanged (except for change in the VAT rate) during the entire period of validity of the Contract. If the VAT rate changes, the amounts that must be paid to the Supplier under the Contract shall also change accordingly.
6. The invoices shall be submitted via the Information System "E-Invoice" [Lithuanian: E. sąskaita]. The website for the Electronic Service "E-Invoice" is available at www.esaskaita.eu. The number and date of the Contract shall be indicated in the invoice.

III. CONDITIONS FOR PROVISION OF SERVICES

6. The Supplier's services provided to the Customer shall comply with the requirements laid down in Annex 2 to the Contract.
7. The Customer shall submit requests/ failure-related requests/orders to the Supplier in accordance with the procedure established in Annex 2, by e-mail sebastien.bellaiche@thalesgroup.com, phone: +33 1 41 30 29 14.
8. The Supplier's services provided shall be granted a warranty period specified in Annex 2 to the Contract. During the warranty period, the Supplier shall fix the non-compliances/shortcomings of the Services, at its own expense, within the time limit established in Annex 2 to the Contract.

IV. LIABILITY OF THE PARTIES

9. Rights and obligations of the Supplier:
 - 9.1. The Supplier undertakes to provide the Services under the procedure and within the terms established in Annex 2 to the Contract;
 - 9.2. The Supplier undertakes to ensure that the Contract is performed only by persons having the right to engage in respective activity;

9.3. The Supplier shall follow the Customer's lawful instructions relevant to performance of Services and inform the Customer (upon the latter's request) on the course of provision of Services.

10. Rights and obligations of the Customer:

10.1. The Customer undertakes to pay to the Supplier for the Services provided within the term established in the Contract;

10.2. The Customer undertakes to meet the obligations established in Annex 2 to the Contract.

11. If the Supplier fails to fulfil his obligations on time, the Customer shall have the right to require an interest of 0.04 per cent of the Contract price for each day of delay.

11.1. Limit of all aggregated liquidated damages for delay: 10% of the Contract value;

11.2. Limit of Liability is 100% of the Contract value. Indirect damages, such as but not limited to loss of profit, are excluded.

12. In the event of the Customer's failure in making a payment in due time, the Supplier shall be entitled to claim default interest amounting to 0.04 percent of the outstanding amount for each day of delay.

13. The penalties established in the Contract shall be acknowledged by the Parties as predetermined minimum losses resulting from a breach of a respective condition of the Contract by the other Party and the injured Party shall not be required to prove the amount thereof. Payment of penalties shall not preclude the injured Party from claiming compensation of damages not covered by the penalty.

14. The payment of liquidated damages for delay shall not release the Parties from performance of obligations envisaged in the Contract.

V. FORCE MAJEURE CIRCUMSTANCES

15. The circumstances and events that are beyond control of the Parties and cannot be foreseen and prevented by the Parties, arising after the Contract has entered into force, such as fire, flood, earthquake, other natural disasters, national, government resolutions, war, etc., as defined in Article 6.212 of the Civil Code of the Republic of Lithuania, are referred to as *Force Majeure* circumstances.

16. A Party shall be exempt from liability for failure to fulfil the contractual obligations, if it proves that the non-performance of the Contract is due to *Force Majeure* circumstances. The effect of these circumstances on fulfilment of contractual obligations of the Parties shall be proved in writing, i.e. by providing the competent authority's certificate attesting to the existence of *Force Majeure*.

17. The Party affected by *Force Majeure* circumstances shall immediately notify the other Party, by telephone, fax or other means of communication, of the beginning and end of *Force Majeure* circumstances that have impeded the performance of the Contract.

18. If, due to *Force Majeure* circumstances, fulfilment of obligations of both or one of the Parties has been made impossible for a period exceeding 1 (one) month, the Customer and/or the Supplier shall be entitled to suspend performance of contractual obligations without any compensation to the other party. If after 1 (one) more month *Force Majeure* circumstances do not cease to exist, either of the Parties shall be entitled to terminate the Contract by giving a written notice to the other Party 7 (seven) days in advance.

VI. VALIDITY OF CONTRACT AND PROCEDURE FOR TERMINATION THEREOF

19. The Contract shall become valid from the day it is signed and shall remain valid 6 months.

20. The Contract may be terminated by a mutual written agreement of the Parties.

21. The Customer or the Supplier may terminate the Contract after having notified the other party at least 60 (sixty) calendar days in advance.

22. The Customer shall be entitled to terminate the Contract unilaterally by giving a written notice to the Supplier 14 calendar days in advance, if:

22.1. the Supplier fails in following the Customer's instruction regarding rectification of inadequately implemented contractual obligations within a time period reasonably established by the Customer;

22.2. bankruptcy, restructuring, or liquidation proceedings have been initiated in respect of the Supplier or the latter suspended the economic activities thereof;

22.3. for other causes established in the Law on Procurement Procedures of Entities Operating in the Water, Energy, Transport, or Postal Services Sectors of the Republic of Lithuania and the Anti-corruption policy of State Enterprise „Oro navigacija“.

23. The Supplier shall be entitled to terminate the Contract unilaterally by giving a written notice to the Customer at least 14 calendar days in advance, if the Customer delays making a payment for a period

exceeding 30 calendar days.

VII. CONFIDENTIALITY

24. The Parties to the Contract undertake not to disclose, give or otherwise transfer to third parties any information obtained from the other Party for the performance of the Contract, to protect it in a proper and reasonable manner in accordance with the applicable professional standards, to use this information only for the purpose of fulfilment of contractual obligations, and to reproduce this information only to the extent necessary for fulfilment of the contractual obligations. The Confidentiality requirements do not apply to the information that is, or has become, public during the validity period of the Contract or is rightfully available to the Supplier or without limitation has been disclosed to a third party by a third party or has to be disclosed under the requirements of valid legislation.

VIII. ETHICS

25. The Parties shall always act in accordance with the national and foreign laws and regulations applicable to the prevention of risks of corruption and influence peddling.

26. Whether directly or through third parties, the Parties shall not offer or promise any gift or advantage to a person, for himself or for others, with the purpose that this person abuses or because this person would have made illegitimate use of its real or supposed influence in order to obtain distinctions, jobs, contracts or any other favorable decision.

27. The Parties shall not solicit or accept for itself any offer, promise, gift or advantage of any kind, to make illegitimate use of its influence for the purpose of making or obtaining any favorable decision.

28. The Parties declares to have implemented a compliance program with their national laws.

29. Any violation by the Parties of any provision of this Article shall be deemed a material breach of its contractual obligations, entitling the other Party either to suspend the Contract performance as long as the breach is not satisfactorily remedied or to terminate the Contract immediately and without prejudice to any other remedy for which it may be entitled under contractual and/or legal provisions.

IX. FINAL PROVISIONS

30. The Customer shall be entitled to transfer the Customer's rights and obligations in the Contract to another state enterprise, private limited company or a legal entity of any other form, who would take over the Customer's rights and obligations in the event of reorganization and/or restructuring of the Customer under the procedure established by legislation without a separate written consent of the Supplier. The Customer shall undertake to inform the other Party to the Contract about transfer of the rights and obligations to another legal entity within 5 business days since transfer of the rights and obligations.

31. All annexes, amendments and supplements to the Contract shall be made in writing and shall be integral parts of the Contract.

32. The Parties shall be obliged to notify each other about any changes in their legal addresses, telephone numbers or other details. All notices sent by one Party to the other Party prior to receiving notification of change in the latter's address shall be deemed duly submitted to that Party.

33. Conclusion of the Contract, the interpretation and application thereof are governed by the laws of the Republic of Lithuania

34. All disputes shall be resolved by way of negotiations, in the event of the Parties' failure to resolve a dispute by way of negotiations within 30 days, such dispute may be handled by a court of law under the procedure established by the laws of the Republic of Lithuania.

35. The terms and conditions of the Contract may be amended only in cases and under the procedure established by the Contract and the Law on Procurement Procedures of Entities Operating in the Water, Energy, Transport, or Postal Services Sectors of the Republic of Lithuania during the validity period of the Contract.

36. The Contract has been written in two identical copies in the Lithuanian language and two identical copies in the English language, where each constitutes the original and will be given to each of the Parties. In case of divergence in interpretation, the English text shall prevail.

37. Persons responsible for performance of the Contract:

37.1. The Customer's representative: Mindaugas Rudokas, tel. +370 706 94775, e-mail rudokas.m@ans.lt;

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37.2. The Supplier's representative: Sebastien BELLAICHE, tel. +331 41302914, e-mail: sebastien.bellaiche@thalesgroup.com.

X. ANNEXES TO THE CONTRACT

- 38. Annex 1. Supplier's Tender.
- 39. Annex 2. Technical Specification.

Customer

SE Oro navigacija
B. Karvelio str. 25, LT-02184, Vilnius

Corporate ID number: 210060460
VAT payer's number: LT100604610

Tel.: 8 706 94502; fax: +370 706 94522
Bank account No. LT037044060001166081
AB SEB bankas

Supplier

Thales LAS France SAS
Registered address: 2, avenue Gay Lussac, 78990
Elancourt, France

Corporate ID number : 319 159 877 RSC Versailles
Postal address: 3, avenue Charles Lindbergh, 94150
Rungis, France

Tel.: +33 (0) 1 79 61 46 99

Bank account No.

IBAN: FR76 3000 7999 9904 1754 9900 069

Bank: NATIXIS BANK PARIS

BANK ADDRESS: NATIXIS 30 Avenue Pierre Mendès
France 75013 PARIS

BIC CODE: NATXFRPPXXX

Mindaugas Gustys
Chief Executive Officer



Juergen Prause
Sales Manager

