

PRELIMINARY CONTRACT FOR PROCUREMENT OF THE GOODS

10 October
September 2016 No. *KPS-621*

Lithuanian Armed Forces, code 188732677, Šv. Ignoto g. 8, LT-01144 Vilnius, Lithuania represented by Lt. Col. Ramūnas Baronas, the Commander of the Logistics Support Command of the Lithuanian Armed Forces, acting in accordance with the official powers granted by Order of the Commander of the Lithuanian Armed Forces of 1 April 2015 No. V-409, (hereinafter referred to as the **Buyer**), and B. Stumpp & S. Baier Gesellschaft für personenbezogene Schutzausrüstungen mbH, legal entity code HRB No. 4956, August-Bebel-Strasse 14, 01809 Heidenau, Germany, represented by the Managing Director Karin Schickram, acting in accordance with the Articles of Association of the company (hereinafter referred to as the **Seller**), both hereinafter collectively referred to as the **Parties** and individually as a **Party**, acting in accordance with the Law on Public Procurement of the Republic of Lithuania, have concluded this Preliminary Contract for Public Procurement of the Goods, hereinafter referred to as "the Contract", and agreed on the following conditions:

1. DEFINITIONS

1.1. Definitions used in the contract:

1.1.1. **Procurement Contract** shall mean the purchase and sale contract entered into by and between the **Buyer** and the **Seller** in accordance with the provisions of the present Preliminary Contract.

1.1.2. **Preliminary Contract** shall mean the contract entered into by and between the **Buyer** and the **Seller** for the purpose of establishing the conditions for the Procurement Contracts to be awarded during the Preliminary Contract period.

1.1.3. Prices of the Goods shall mean the prices of the goods offered by the **Seller**, as specified in Annex 1 to the Preliminary Contract "Product prices and preliminary quantities" (hereinafter referred to as Annex 1), which may not be increased by making proposals for a specific quantity of goods, when awarding a purchase and sale contract.

2. SCOPE OF APPLICATION AND OBJECT OF THE PRELIMINARY CONTRACT

2.1. By the Preliminary Contract the **Buyer** and the **Seller** agree to establish the conditions under which, during the period of validity of the Preliminary Contract and in accordance with the procedure established in the Preliminary Contract, the **Parties** will be able to conclude the **Procurement Contracts** for the **field boots** (hereinafter referred to as the goods), referred to in the in Annex 1 to the Preliminary Contract and compliant with the technical requirements of Annex 2 to the Preliminary Contract "Technical specification of the field boots" (hereinafter referred to as the Annex 2).

2.2. The **Buyer** shall have no obligation to purchase the total quantity of goods specified in Annex 1 to the Preliminary Contract.

2.3. The **Seller** undertakes to:

2.3.1. for the period of validity of the preliminary contract, to enter into a Procurement Contract with the **Buyer**, in accordance with this Preliminary Contract and annexes thereto, and properly perform the present Preliminary Contract and the **Procurement Contracts** awarded;

2.3.2. upon the awarding of the first **Procurement Contract** for the respective goods, to agree upon and approve the working samples of the goods (in 2 copies, one to the Buyer and one to the Seller), which would be compliant with the terms and conditions of the relevant **Procurement Contract** and annexes thereto and present the operating/maintenance manuals, and quality assurance plan drafted in accordance with AQAP 2105 or ISO 10005, or an equivalent standard. The working samples, the operating/maintenance manuals and the quality assurance plan shall be valid for the entire period of validity of the Preliminary Contract and shall apply to each **Procurement Contract** awarded in line with the Preliminary Contract. The working samples of the goods may be subject to re-approval during the validity period of the **Preliminary Contract**;

2.3.3. During the period of validity of the Preliminary Contract, to maintain the organizational and technical ability and capacity, which would be no worse than at the moment of signing the Preliminary Contract. If during the period of validity of the Preliminary Contract the **Buyer** would receive the information that the **Seller's** qualification may not be compliant with the minimum qualification requirements established in the tender documents, the **Buyer** may request the **Seller** to present the documents testifying its compliance with the qualification requirements established in the tender documents. Should it be found, upon the assessment of the submitted documents, that the **Seller** is non-compliant with the qualification requirements established, the **Buyer** shall be entitled to terminate the Preliminary Contract.

3. PRICES OF THE GOODS

3.1. The prices of the goods are set out in Annex 1 to the Preliminary Contract. The prices of goods shall be inclusive of all costs and taxes related to the sale of the goods. The prices of the goods referred to in Annex 1 to the Preliminary Contract shall remain fixed for the entire period of validity of the Preliminary Contract, they can be subject to re-calculation in the case established in paragraph 3.1 of the Preliminary Contract.

3.2. In the event of a change of the amount of the rate of the Value Added Tax the goods are subject to, after the conclusion of the Preliminary Contract, the prices of the goods shall be re-calculated and recorded in a written agreement between the **Parties**.

3.3. The goods under the Procurement Contract entered into during the period of validity of the Preliminary Contract shall be supplied for the prices as specified in Annex 2 to the **Procurement Contract**.

4. PROCEDURES FOR AWARDING THE PROCUREMENT CONTRACT

4.1. The **Buyer**, during the period of validity of the Preliminary Contract, shall be entitled to place to the **Seller** an order for the goods and enter into the **Procurement Contract** for the goods with the **Seller**. The order shall specify the following: the name of the goods, amount of the goods, order date, and other information requested to be provided by the **Seller**.

4.2. The **Buyer** undertakes to place the order to the **Seller** by CVP IS means of communication.

4.3. The **Seller** undertakes no later than in three (3) business days by means of CVP IS to confirm its consent with entering into the **Procurement Contract** under the order placed by the **Buyer**, specifying the prices of the goods, which may not be higher than the prices of the products established in the Preliminary Contract.

4.4. The **Seller** undertakes to come to sign the **Procurement Contract** within the time period specified by the **Buyer**.

4.5. In case of the **Seller's** refusal, by means of CVP IS, to enter into the **Procurement Contract** for the goods ordered, the **Purchaser** shall be entitled to terminate the Preliminary Contract.

5. NOTIFICATIONS

5.1. Unless specified otherwise, the **Parties** to the Preliminary Contract shall exchange with written notices with each other.

5.2. the notices sent by the **Parties** to the Contract shall be considered to have been submitted in writing, provided that they have been submitted by mail, fax, e-mail, delivered by hand at the addresses indicated in the contract by the **Parties** thereto. Should the recipient report a different address, the documents must be delivered to the new address. If the recipient did not specify a different address in its notification, the reply to it shall be sent to the same address to which the notification was sent.

5.3. If the sender requires acknowledgment of receipt, it shall specify such a requirement in the notification being sent.

6. VALIDITY OF THE PRELIMINARY CONTRACT

6.1. The Preliminary Contract shall enter into force upon its signing by the **Parties**.

6.2. The Preliminary Contract shall be valid for **four (4) years**, unless it is terminated on the grounds specified in paragraph 7 of the Preliminary Contract.

7. TERMINATION OF THE PRELIMINARY CONTRACT

7.1. A Preliminary Contract may be terminated:

7.1.1. by a written agreement of the **Parties**;

7.1.2. in event of the force majeure taking longer than one (1) month provided that the **Parties** do not sign an additional agreement on amendment of the present Preliminary Contract, to allow the **Parties** to continue fulfilment of their contractual obligations.

7.2. The **Buyer**, having notified the Seller in writing at least five (5) days in advance, shall have the right to unilaterally terminate the Preliminary Contract, provided that:

7.2.1. during the validity period of the Preliminary Contract, the **Seller** waives in writing or fails to arrive to sign any one of the **Procurement Contracts** by the established deadline, under the conditions established in Annex 3 to the Preliminary Contract "Draft Contract for Public Procurement of the Goods (hereinafter referred to as Annex 3);

7.2.2. if for any one of the reasons specified in paragraphs 9.2.1 to 9.2.7 of the General Part of the Procurement Contract at least one of the **Procurement Contracts** is terminated before the expiry of the validity period of the Preliminary Contract;

7.2.3. the **Seller** fails to comply with the obligations established in paragraph 2.3 of the Preliminary Contract;

7.2.4. the **Seller** makes an offer of the prices of the goods that are higher than the prices of the goods specified in Annex 1 to the Preliminary Contract.

7.3. Upon termination of the Preliminary Contract on any one of the grounds specified in paragraphs 7.2.1 to 7.2.4 of the Preliminary Contract, the **Seller** within seven (7) working days from the date of termination of the Preliminary Contract must pay to the **Buyer** **EUR 30 000.00 (thirty thousand euro 00 cents)** as the minimum damages pre-agreed by the **Parties**, but no more than the total value of the obligations non-complied with in accordance with the Preliminary Contract.

7.4. The payment of the minimum damages pre-agreed by the **Parties** shall not relieve the **Seller** from the obligation to fully reimburse the damages incurred by the **Buyer** due to the **Seller's** defective performance of the Contract.

7.5. The termination of the Preliminary Contract shall not affect the performance of any currently effective **Procurement Contract** awarded before the termination Preliminary Contract.

8. FORCE MAJEURE

8.1. Neither of the **Parties** shall be held liable for the partial or complete failure to fulfil its obligations provided that it proves that the obligations have not been fulfilled due to force majeure.

8.2. A **Party** to the contract, which is unable to meet its obligations due to force majeure, must immediately, but not later than within ten (10) days from the occurrence or becoming aware of the force majeure, notify the other **Party** in writing.

8.3. Force majeure shall mean the circumstances specified in Article 6.212 of the Civil Code of the Republic of Lithuania and the rules for exemption from liability in the event of force majeure, adopted by the Resolution of the Government of the Republic of Lithuania of 15 July 1996, No. 840.

9. DISPUTE SETTLEMENT PROCEDURE

9.1. The contract shall be concluded and must be interpreted in accordance with the law of the Republic of Lithuania.

9.2. All the disputes or disagreements with regard to the Preliminary Contract, having arisen between the **Buyer** and the **Seller**, shall be settled by negotiations, and in the event of failure to resolve the dispute, it will be examined in accordance with the laws of the Republic of Lithuania in a court of the Republic of Lithuania according to the office of the **Buyer**.

10. INFORMATION ABOUT THE SUB-SUPPLIERS

10.1. No sub-supplier will be invoked.

11. FINAL PROVISIONS

10.1. A Preliminary Contract is drawn up in the Lithuanian and English languages, in quadruplicate - two for each **Party**. In the event of any differences in interpretation of the Preliminary Contract, preference should be given to the text of the Preliminary Contract in the English language.

10.2. Neither of the **Parties** shall be entitled to transfer to a third party any rights and obligations under the present Preliminary Contract without the prior written consent of the other **Party**.

10.3. During the period of validity of the Preliminary Contract, the manufacturer of the goods referred to in Annex 1 to the Preliminary Contract, may be changed by signing the Agreement on the Amendment of the Preliminary Contract, upon the **Seller** having submitted to the **Buyer** the documents showing that the goods would be compliant with the requirements specified in the technical specification of the relevant product, presented in Annex 2 to the Preliminary Contract, and having agreed upon a working sample of the goods.

10.4. All the following annexes to this Preliminary Contract shall form an integral part of the Preliminary Contract:

Annex 1 "Prices and preliminary amounts of the goods, 1 sheet;

Annex 2 "Technical Specification of the field boots, 3 sheets;

Annex 3 "Draft Contract for Public Procurement of the Goods", 13 sheets;

10.5. During the period of validity of the contract, the terms and conditions of the Preliminary Contract may not be changed, with the exception of such terms and conditions of the contract the change whereof would not be in violation of the principles and objectives established in Article 3 of the Public Procurement Law and a consent of the Public Procurement Office with such changes to the contract has been received. The adjustment of the terms and conditions of the contract in the circumstances provided therein shall not be considered to be the change of the terms and conditions of the Preliminary Contract, provided that those circumstances have been established in a clear and unambiguous manner and were presented in the tender documents.

11. Buyer's details

Lithuanian Armed Forces

Code 188732677

VAT code LT 887326716

Šv. Ignoto 8, LT-01144 Vilnius

Account No. LT48 7300 0100 0246 0179

Swedbank, AB

Contact person: Vida Pošiūnienė, Head of Clothing and Equipment Section of Material Resources Department of the LAF, tel. +370 5 278 5226, e-mail: vida.posiuniene@mil.lt.

BUYER

Lithuanian Armed Forces

On behalf of Lithuanian Armed Forces
Commander of the Logistics Support Command

Lt. Col. Ramūnas Baronas

L.S.



12. Seller's details

B. Stumpp & S. Baier Gesellschaft für
personenbezogene Schutzausrüstungen mbH

Code: HRB No. 4956

VAT Number: DE811410450

August-Bebel-Strasse 14, 01809 Heidenau

IBAN: DE96850503003000019226

SWIFT code (BIC): OSDDDE81XXX

Ostsächsische Sparkasse Dresden

Contact person: Managing Director
Karin Schickram, tel.+49 (0) 3529/513345,
k.schickram@stumppbaier.com
(position, name, phone, email)
Responsible for the quality of the goods supplied

SELLER

B. Stumpp & S. Baier Gesellschaft für personenbezogene Schutzausrüstungen mbH

Managing Director

Karin Schickram

L.S.

Bernhard Stumpp & Siegfried Baier,
Gesellschaft für personenbezogene
Schutzausrüstungen mbH
August-Bebel-Straße 14, D-01809 Heidenau
Tel.: +49 (0) 3529/513345 Fax 513347

10 October 2016

Annex No. 2.

to the Contract for public procurement of the goods No. KPS- 624

PRELIMINARY AMOUNTS AND PRICES OF THE GOODS

No	Name of the good	Unit of measur ement	Preliminary quantity	Price of the unit of measurement, EUR ex. VAT	Total, EUR (ex. VAT)	Manufacturer of the good (country, company)	Delivery of the good
1	2	3	4	5	6	7	7
1	Field boots	pair	80 000	64.25	5,140,000.00	Germany, B. Stumpp & S. Baier GmbH	5 months from entry into force of the procurement contract concluded on the basis of the preliminary contract
Preliminary amount EUR ex. VAT:					5,140,000.00		

Preliminary amount, EUR ex. VAT, in words: five million one hundred forty thousand euros, 00 cents.

BUYER

Lithuanian Armed Forces

On behalf of Lithuanian Armed Forces
Commander of the Logistics Support Command

Lt. Col. Ramūnas Baronas

L.S.



SELLER

B. Stumpp & S. Baier Gesellschaft für
personenbezogene Schutzausrüstungen mbH

Managing Director

Karin Schickram

Bernhard Stumpp & Siegfried Baier,
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Tel.: +49 (0) 3529/513345 Fax 513347

10 October

2016

Annex No. 2

to the Contract for public procurement of the goods No. KP1-624

TECHNICAL SPECIFICATION OF THE FIELD BOOTS

1. Field boots (hereinafter referred to as the boots) is a military protective leather footwear intended for use on rough surfaces and for protection of the feet from mechanical injury, slipping, and to ensure the comfort of the feet.

2. The boots must comply with the requirements of NSN codes from 8430-12-362-8650 to 8430-12-362-8700 (the NSN code changes according to the size of a boot)

3. Each pair of the boots must be accompanied with an information leaflet in English and Lithuanian languages, stating:

- the supplier;
- the manufacturer (if different from the supplier);
- instructions for boot care

4. The footwear must be individually packaged in pairs in boxes. The boxes must be resistant to long-term storage and multiple transportations and have multiple ventilation openings (at least 3). Each box must bear a label stating:

- the supplier's name or trademark;
- the manufacturer's name or trademark (if different from the supplier);
- the country of origin to be specified for the imported goods, if different from the country of the registered office of the manufacturer;
- product name (used in the planning and accounting of the Lithuanian Armed Forces);
- size;
- date and number of the contract;
- code of the batch and lot of the goods;
- date manufactured;
- NSN code given by the Lithuanian Armed Forces.

The label must be securely affixed, the labelling attributes must be of sufficient size for the information presented to be easily legible and comprehensible.

5. The boxes shall be placed in cardboard cases, 5 pieces in each. The cases must be resistant to long-term storage and multiple transportation. Each case must contain the footwear of a single size. Cardboard cases shall be labelled with labels, specifying:

- the supplier's name or trademark;
- the manufacturer's name or trademark (if different from the supplier);
- the country of origin to be specified for the imported goods, if different from the country of the registered office of the manufacturer;
- product name (used in the planning and accounting of the Lithuanian Armed Forces);
- size;
- quantity;
- date and number of the contract;
- code of the batch and lot of the goods;
- date manufactured;
- NSN code given by the Lithuanian Armed Forces.

FIELD BOOTS



Sketch 1



Sketch 2

BUYER
Lithuanian Armed Forces

On behalf of Lithuanian Armed Forces
Commander of the Logistics Support Command

Lt. Col. Ramūnas Baronas
L.S.



SELLER
B. Stumpp & S. Baier Gesellschaft für
personenbezogene Schutzausrüstungen
mbH

Managing Director

Karin Schickram

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10 October 2016

Annex No. 3

to the Contract for public procurement of the goods No. LT-628

CONTRACT FOR PUBLIC PROCUREMENT OF THE GOODS

I. SPECIAL PART

_____ 2016 No.

Vilnius

The Lithuanian Armed Forces, code 188732677, Šv. Ignoto g. 8, LT-01144 Vilnius, represented by Lt. Col. Ramūnas Baronas, the Commander of the Logistics Support Command of the Lithuanian Armed Forces, acting in accordance with the official powers granted by Order of the Commander of the Lithuanian Armed Forces of 1 April 2015 No. V-409, (hereinafter referred to as the **Buyer**), and B. Stumpp & S. Baier Gesellschaft für personenbezogene Schutzausrüstungen mbH (hereinafter referred to as B. Stumpp & S. Baier GmbH), legal entity code HRB No. 4956, August-Bebel-Strasse 14, 01809 Heidenau, Germany, represented by the Managing Director Karin Schickram, acting in accordance with the Articles of Association of the company (hereinafter referred to as the **Seller**), both hereinafter collectively referred to as the Parties and individually as a Party, acting in accordance with the Law on Public Procurement of the Republic of Lithuania, have concluded this Contract for Public Procurement of the Goods, hereinafter referred to as "the Contract", and agreed on the following conditions:

1. Object of the Contract:

1.1. The **Seller** undertakes to sell and deliver to the Buyer the **field boots** (hereinafter referred to as the goods) in compliance with the requirements established in Annex No. 1 to the Contract "Technical Specification of the Field Boots" (hereinafter referred to as Annex 1) and manufactured in accordance with the working sample approved.

1.2. The **Buyer** undertakes to pay for the goods delivered, which are in compliance with the requirements established in Annex 1 to the Contract and the working sample approved by the Buyer in accordance with the procedures laid down in this Contract.

1.3. The quantities and the prices of the goods are given in Annex 2 to the Contract "Quantities and Prices of the Goods" (hereinafter referred to as Annex 2).

1.4. The **Buyer** does not undertake to buy all the quantities of the goods specified in Annex 2 to the Contract.

2. The price of the Contract shall be EUR ____ (____ euros, __ cents) excluding the value added tax (hereinafter referred to as the VAT). The price of the goods is inclusive of all other taxes (excluding the VAT) and all the **Seller's** costs (storage, packaging, transportation, delivery and all the other costs that may impact the price or arise during the performance of the Contract).

3. Place, deadline and terms and conditions of delivery of the goods:

3.1. The **Seller** undertakes to deliver to the **Buyer** the goods in compliance with the requirements established in the Contract, by the sizes defined in Annex 3 to the Contract "Supply of the Goods by Sizes" (hereinafter referred to as Annex 4 to the Contract), within **five (5)** months from the date of entry of the contract into force, in accordance with the terms and conditions of the contract for procurement of the goods.

3.2. A certificate of transfer and acceptance of the goods will not be signed.

3.3. The **Seller** must indicate the indices of a lot and consignment of the goods on the packaging of the goods as well as in an invoice. The quantities of the goods in VAT invoice shall be indicated according to the sizes.

3.4. the goods shall be delivered to the **Buyer's** warehouses located in Savanorių pr. 8, Vilnius, Depot Storage Service of the Lithuanian Armed Forces.

4. The Payment procedure:

4.1. The **Buyer** shall settle with the **Seller** according to the procedures laid down in paragraph 4 of the General Part of the Contract. A certificate of transfer and acceptance of the goods will not be signed.

4.2. Upon the **Buyer's** decision, the advance of up to thirty (30) per cent on the amount specified in paragraph 2.1 of the Special Part of the Contract may be paid.

5. The **Buyer** shall be entitled to terminate the Contract in accordance with the General Part of the Contract:

5.1. upon the **Seller** being late to deliver the goods more than thirty (30) days from the deadline defined in paragraph 3.1 of the Special Part of the Contract;

5.2. upon the **Seller's** failure to fulfil the requirements established in paragraph 6.6 of the Special Part of the Contract;

5.3. in the cases provided for in paragraph 9.2 of the General Part of the Contract;

5.4. by a written agreement between the Parties, in event of the force majeure taking longer than thirty (days) provided that the both Parties had not signed agreements on amendment of the present Contract, to allow the Parties to continue fulfilment of their obligations.

6. The quality of the goods:

6.1. the goods shall be compliant with the requirements laid down in Annex 1 to the Contract and the working sample approved. The packaging and labelling of the goods shall be compliant with the requirements of the Rules for Labelling and Indication of Prices of the Things (Goods) Being Sold in the Republic of Lithuania, approved by the minister of Economy by Order of 15 May 2002 No. 170 "On the approval of the rules for labelling and indication of prices of the things (goods) sold in the Republic of Lithuania" (in their current version, or of the relevant legal act having supplanted them (if adopted)), as well as the requirements specified in Annex 1 to the Contract.

6.2. The **Seller** undertakes to enable the authorized representative of the **Buyer** to exercise the control over the quality of production of the goods in the process of the production (materials and raw materials from which the goods are made), their original documents of acquisition.

6.3. The **Seller** warrants that the goods and materials they are made of are without defects and comply with the requirements established in paragraph 6.1 of the Special Part of the Contract.

6.4. The **Seller** (unless it is also a manufacturer of the goods) must ensure that the manufacturer of the goods producing the good would comply with the requirements for the goods and the quality thereof, established in the Contract. The **Seller** shall be responsible for the fulfilment and supervision of these requirements. The **Seller** shall be responsible for the quality control of the good during the production as well as for delivery of the good-quality goods, which would be in compliance with the requirements of the contract, to the **Buyer**.

6.5. the quality of the goods shall be assessed and the goods accepted upon delivery of the goods to the **Buyer**. The laboratory testing may be carried out according to the procedures established in paragraphs 5.5 to 5.7 of the General Part of the Contract. The quantity of the goods taken for laboratory testing shall be not more than three (3) pairs from the lot of the goods.

6.6. The **Seller** undertakes, no later than within ninety (90) days from the entry into force of the Contract, to fulfill the obligations specified in paragraphs 3.5.1 to 3.5.3 of the General Part of the Contract. The product quality assurance plan must be prepared in accordance with LKS AQAP 2105 or ISO 10005 or equivalent standards. *(Applicable where the Contract is awarded for the first time in respect of a respective goods, specified in Annex 1 to the Preliminary Agreement).*

7. Warranty of quality:

7.1. the quality warranty period for the goods delivered by the **Seller** shall be twenty four (24) months in the conditions of active service, calculated from the date of issue of the goods from the **Buyer's** warehouse, thirty six (36) months from the date of signing of the documents of the receipt

to the warehouse.

7.2. paragraph 6.3 of the General Part of the Contract is applicable. The **Seller** shall be required to fulfil the obligations established in paragraph 6.3 of the General Part of the Contract no later than within thirty (30) days from the written notice of the **Buyer**.

7.3. paragraph 6.5 of the General Part of the Contract is applicable. Upon the **Buyer's** decision, the laboratory tests may be carried out during the warranty period of the goods, according to the procedures established in paragraph 6.5 of the General Part of the Contract. The quantity of the goods taken for laboratory tests shall be no more than three (3) pairs from the selected consignment of the goods or of each lot (if a consignment consists of several lots). Replacement of the defective goods with good-quality ones shall be carried out according to the provisions of paragraph 6.3 of the General Part of the Contract.

8. Security of the performance of obligations:

8.1. The amount guaranteed by a bank guarantee or a surety bond of an insurance company shall be EUR _____ (_____ euros, ____ cents) (7% of the price indicated in paragraph 2 of the Special Part of the Contract). The validity period of a bank guarantee or a surety bond of an insurance company shall be *longer by 2 (two) months than the period specified in paragraph 3.1 of the Special Part of the Contract; (applicable if the price of the Contract is greater than or equal to 50 thousand euros).*

8.2. a bank guarantee or a surety bond of an insurance company shall meet all the requirements established in paragraphs 12.1 to 12.3 of the General Part of the Contract; *(applicable in case the price of the Contract is greater or equal to 50 thousand euros).*

8.3. If the Contract price is less than 50 thousand euros, a bank guarantee or a surety bond of an insurance company shall not be required. The amount of the minimal damages agreed in advance between the Parties according to paragraph 11.4 of the General Part of the Contract shall be 7% of the price specified in paragraph 2.1 of the Special Part of the Contract.

9. Sub-suppliers

No sub-suppliers will be invoked.

10. Miscellaneous:

10.1. The **Seller** undertakes to:

10.1.1. fulfil the obligations defined in paragraph 8 of the General Part of the Contract and provide a copy of the signed Contract as well as the data required for identification of the goods purchased according to the forms provided in Annex 3 "Forms of Documents Needed for Codification" to the National Codification Bureau of the Material Resources Department of the Lithuanian Armed Forces by e-mail ncblt@mil.lt, tel. (8 5) 278 5250, fax (8 5) 210 3793;

10.1.2. along with each lot of the goods, provide a declaration of conformity of the manufacturer of the good according to the example of LST/EN ISO/IEC 17050-1 form A.2 or a certificate certifying that the goods meet the requirements established in the Contract;

10.1.3. upon the termination of the Contract due to the reasons indicated in paragraph 11.4 of the General Part of the Contract and/or paragraphs 5.1 to 5.3 of the Special Part of the Contract, to pay seven (7) percent from the price of the contract, as the minimal damages pre-agreed between the Parties, to the **Buyer** within fourteen (14) days (counting from the date of termination of the Contract), but no more than the value of all the outstanding obligations according to the Contract;

10.1.4. in the event of delay of the delivery of the goods within the time period specified in paragraph 3.1 of the Special Part of the Contract or in the event of delay to fulfil the obligations established in paragraph 3.2 of the Special Part of the Contract, to pay the minimal damages indicated in paragraph 11.1 of the General Part of the Contract to the **Buyer** for each day of delay.

10.2. *the manufacturer indicated in Annex 2 to the Contract "Quantities and Prices of the Goods" may be changed. An amendment to the Contract shall be drawn up in writing, upon the Seller's provision to the Buyer of the documents certifying that the goods will be compliant with the requirements specified in the technical specification of the respective goods, provided in Annex 1*

to the Contract, having agreed upon the working sample of the goods.

10.3. The **Seller** shall appoint its representative responsible for the quality of the goods being provided: Karin Schickram, Managing Director, tel. +49 (0) 3529/513345, e-mail k.schickram@stumpppbaier.com.

10.4. **The Buyer** shall appoint the contact person for performance of the Contract: Vida Pošiūnienė, Head of Clothing and Equipment Section of Material Resources Department of the LAF, tel. +370 5 278 5226, e-mail: vida.posiuniene@mil.lt.

10.5. Annexes to the Contract:

Annex 1 "Technical Specifications of the Field Boots" (to be enclosed when a contract for public procurement of the goods is awarded);

Annex 2 "Quantities and Prices of the Goods" (to be enclosed when a contract for public procurement of the goods is awarded);

Annex 3 "Supply of the Goods by Sizes" (to be enclosed when a contract for public procurement of the goods is awarded);

Annex 4 "Forms of Documents Needed for Codification".

11. Validity of the Contract.

The Contract shall remain valid until the complete fulfilment of all the contractual obligations.

12. Buyer's details

Lithuanian Armed Forces

Code 188732677

VAT code LT 887326716

Šv. Ignoto 8, LT-01144 Vilnius

Account No. LT48 7300 0100 0246 0179

Swedbank, AB

Correspondence, documentation to be sent to:

Material Resources Department of the LAF

Savanorių pr. 28, LT-03116 Vilnius

13. Seller's details

B. Stumpp & S. Baier Gesellschaft für personenbezogene Schutzausrüstungen mbH

Code of the company HRB No. 4956

VAT code DE811410450

August-Bebel-Strasse 14, 01809 Heidenau, Germany

IBAN: DE96850503003000019226

SWIFT code OSDDDE81XXX

Bank Ostsächsische Sparkasse Dresden

BUYER

Lithuanian Armed Forces

On behalf of Lithuanian Armed Forces GmbH
Commander of the Logistics Support Command

Lt. Col. Ramūnas Baronas
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SELLER

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CONTRACT FOR THE PURCHASE AND SALE OF GOODS

GENERAL PART

1. Definitions

1.1. For the purposes of this Contract, the following definitions shall apply:

1.1.1. Contract shall mean the General Part and the Special Part of this Contract for the Purchase and Sale of the Goods and the annexes to the Contract for the purchase and sale of Goods.

1.1.2. Parties shall mean the **Purchaser** and the **Seller**:

1.1.2.1. **Purchaser** shall mean the Party with the details specified in the Contract which purchases the Good under the terms and conditions laid down in this Contract;

1.1.2.2. **Seller** shall mean the Party with the details specified in the Contract which sells the Good under the terms and conditions laid down in this Contract.

1.1.3. **Recipient** – unit of the Purchaser, to which the Goods are delivered, indicated in the Special Part of the Contract or Annex(s) hereto.

1.1.4. Third Party shall mean any natural person or legal entity (including the state, public authorities, municipality, municipal authorities), which is not a party to this Contract.

1.1.5. Licences shall mean all licences and/or permits required for the performance of the Contract.

1.1.6. Object of the Contract shall mean the goods and all services relating to the selling thereof (personnel training, installation, delivery, etc.) agreed upon by the Parties in the Special Part hereof and corresponding to the requirements of stated by the Purchaser.

1.1.7. Minimal losses agreed by the Parties in advance shall mean an undisputable amount established in the Contract or calculated under the procedure set forth in the Contract which the **Seller** undertakes to pay to the **Purchaser** in the event of non-performance or improper performance of the obligation.

1.1.8. Rules of Marketing shall mean the price determined in the Contract or the rules of calculation and correction of the contract price.

1.1.9. Consignment of Goods shall mean the quantity of goods delivered at one time.

1.1.10. Lot of Goods shall mean consignments of goods manufactured from the same lot of material.

1.1.11. Lot of Materials shall mean a certain amount of material produced from the same raw materials obtained from the same **Seller** following the same technology and under the same terms and conditions. A certificate of conformity shall be considered a proof of the quality of a lot of material concerned.

1.2. The calculation of the minimal losses agreed by the Parties in advance shall commence as of the following day of the term of payment and expire upon the performance of obligations by the Party (the day of performance of the obligations shall be considered the final day of calculation).

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

1.4. Unless otherwise set out in the Contract, the duration and other terms of the Contract shall be calculated in calendar days.

1.5. Should the payment term coincide with public holidays and days-off in the Republic of Lithuania, the payment term under the Contract shall be the following business day.

1.6. If required by the context, words in the singular may include the plural and vice versa.

1.7. Where the meaning expressed in words differs from the meaning expressed in numbers, the verbal meaning shall prevail.

2. Contract Price/Rates

- 2.1. Contract price/rates shall mean the amount that the **Purchaser** undertakes to pay to the **Seller** in accordance with the procedure and terms stipulated in the Contract.
- 2.2. Contract price/rates are stable and shall not be changed throughout the validity period of the Contract, unless the VAT/excise rate applicable to the goods changes after signing the Contract. The recalculated price/rates shall be executed by a written agreement of the Parties and applicable to the goods delivered after the day of entry into force of such agreement signed by the Parties (*if the Special Part provides for such a condition*).
- 2.3. The rates of the goods shall be changed in accordance with the rules of marketing established in the annex to the Contract. The recalculated price/rates shall be executed by a written agreement of the Parties and applicable to the goods delivered after the day of entry into force of such agreement signed by the Parties (*if the Special Part provides for such a condition*).
- 2.4. The Contract price shall be inclusive of the price of the goods, any costs and taxes. The rates of the goods shall be inclusive of all costs and taxes relating to the sale of the goods (*applicable if the Contract does not provide for the Contract price*). The **Seller** shall add all costs relating to the supply of the goods into the Contract price, including but not limited to:
- 2.4.1. Costs of logistics (transportation);
 - 2.4.2. Packing, loading, transit, unloading, unpacking, check-up, insurance and other costs relating to the supply of the goods;
 - 2.4.3. All costs relating to the issue and provision of the documents required by the **Purchaser**;
 - 2.4.4. Costs of on-site assemblage and/or launch into operation, and/or maintenance of the goods delivered;
 - 2.4.5. Costs of supply with the tools required for the assemblage and/or maintenance of the goods delivered;
 - 2.4.6. Costs of providing the use & care guides stipulated in the Technical Specification;
 - 2.4.7. Warranty repair costs of the goods.
- 2.5. The risk of foreign currency fluctuations and changes in manufacturers' prices shall be assumed by the **Seller**.

3. Terms and Conditions for the Supply of the Goods

- 3.1. The goods shall be delivered in accordance with the terms and procedure provided for in the Special Part of the Contract (or the annex(s) to the Contract).
- 3.2. The **Seller** shall deliver the goods at its own risk without additional payment. The **Purchaser** shall acquire the ownership right to the goods upon signing the Delivery and Acceptance Certificate by both Parties which shall only be signed in case the goods are of high quality and comply with the requirements set forth in the Contract and the annex(s) hereto (*if signed*). If the delivered goods are qualitative and corresponds to the requirements stated in the Contract and annex(s) hereto (*if signed*) the Delivery and Acceptance Certificate shall be signed within 30 days except when laboratory tests are carried out for the goods.
- 3.3. The **Purchaser** shall not pay for the goods supplied in excess of the amounts specified in the applications/orders.
- 3.4. If the **Seller** shall deliver consignment of the goods which is less than it is specified in the Contract /applications/orders, the **Purchaser** shall return the consignment of the goods to the **Seller**, it shall be deemed that the goods have not been delivered, and the penalties provided in paragraph 11.1 of the General part of the Contract shall be applied to the Seller (in case the delivery term of the goods is missed).
- 3.5. The **Seller** shall after the entry into force of the Contract carry out the following actions set out in the Special Part hereof under the terms established:
- 3.5.1. prepare, produce, agree with the **Purchaser** and approve the working reference samples of the goods purchased (2 copies; one to the **Purchaser** and one to the **Seller**) in compliance with the

requirements established in the Contract or the annex(s) hereto (*if the Special Part provides for such a provision*);

3.5.2. agree with the **Purchaser** and submit the plan for assurance of quality of goods to be provided prepared in accordance with the Recommendations of Preparation of the Plan for Assurance of Quality to be Provided or the standards laid down in the Special Part hereof (*if the Special Part provides for such a condition*);

3.5.3. agree the use & care guide for the good which shall accompany each good with the **Purchaser** (*if the Special Part provides for such a condition*).

3.6. The **Purchaser** shall return the working reference samples of the goods specified in Clause 3.5 hereof and the accompanying samples of the main and auxiliary materials used in the production of the goods to the **Seller** as soon as the **Seller** performs all contractual obligations, including warranty obligations.

3.7. If during the validity period of the Contract the manufacturer of the good changes/upgrades the model of the good purchased hereunder specified in the annex(s) to the Contract, the **Seller** shall have a right to deliver the goods of a new model upon negotiating and signing of an additional agreement with the **Purchaser**. The goods of a new model shall comply with the requirements for the purchased goods set forth in the Contract or the annex(s) hereto for the same price and their technical data may not be inferior to the technical data of the goods which constitute the subject-matter of the Contract. The goods of a new model shall match with other goods purchased hereunder and with the goods disposable by the **Purchaser**.

4. Terms and Conditions of Payment

4.1. The **Seller** shall be paid when the object of the Contract in conformity with the requirements established in the Contract and the annex(s) hereto is handed over to the **Purchaser** upon signing the Delivery and Acceptance Certificate by both Parties (*if signed*) within 30 (thirty) days of signing the Delivery and Acceptance Certificate (*if signed*) and receipt of the invoice (the invoice shall be also send by electronic means). If another payment terms are determined they shall be indicated in the Special Part of the Contract.

4.2. After delivery of the goods by the **Seller**, the **Purchaser** shall have the right to decide within 3 (three) days as to whether laboratory tests will or will not be performed in respect of the Goods (lot and/or consignment of the goods concerned) delivered by the **Seller** in order to make sure that the goods are in compliance with the requirements set out in the Contract and the annex(s) hereto. Should the **Purchaser** decide that laboratory tests will not be performed in respect of the goods, the goods in conformity with the requirements set forth in the Contract and the annex(s) hereto shall be accepted and the **Purchaser** shall pay the **Seller** for the goods accepted within 30 (thirty) days of receipt of the invoice. Should the **Purchaser** decide that laboratory tests in respect of the goods are required, the payment for the goods shall be made within 30 (thirty) days of receipt of the results of laboratory tests and confirmation that the goods meet the requirements set out in the Contract and the annex(s) hereto (*if the Special Part provides for such a condition*).

4.3. Where the **Purchaser** decides to pay for the goods in advance, the **Seller** shall be notified thereof and shall submit bank guarantee or security bond from an insurance company for advance payment for the amount of the advance payment paid by the **Purchaser** (the guarantee shall be valid 2 (two) months longer than the term for the delivery of the goods) and an invoice for advance payment within 5 (five) business days of receipt of the notice.

4.4. Record certifying that the guarantor shall irrevocably and unconditionally undertake to pay the **Purchaser** an amount not exceeding the amount indicated in the bank guarantee/security bond by transferring the money to the Purchaser's account within 14 (fourteen) days after receipt of written notice from the **Purchaser**, confirming termination of the Contract, shall be written in the bank guarantee or in the security bond.

4.5. It cannot be stated that the guarantor is liable only for compensation of direct damages. Any terms or conditions which would oblige the **Purchaser** to prove the guarantee or surety bond issuing company that the Contract with the **Seller** was terminated legally or otherwise shall allow the guarantee or surety bond issuing company not to pay (or delay payment) the amount secured by the guarantee or surety bond, cannot be specified.

4.6. Advance payment bank guarantee or insurance company surety bond not corresponding to the requirements stated in the Articles 4.3-4.5 of the General Part of the Contract shall not be accepted. In this case, it will be assumed that the **Seller** failed to provide an advance payment bank guarantee or surety bond from the insurance company Article 4.1 of the Contract shall be applied 4.7. The **Purchaser** shall pay the advance payment within 10 (ten) days of receipt of a bank guarantee for advance payment and an invoice for advance payment (*if the Special Part provides for such a condition*).

5. Quality of the Goods

5.1. The goods shall comply with the requirements set forth in the Contract and the annex(s) hereto.

5.2. The **Seller** agrees that in compliance with the requirements of LKS STANAG 4107, the Government Quality Assurance Representative in Lithuania may apply to a relevant subdivision of the Government Quality Assurance of a NATO member country or organisation in the **Seller's** country to ensure the performance of supervision of the Government Quality Assurance during the validity period of the Contract (*if the Special Part provides for such a condition*). If the **Seller** is not a manufacturer, the said requirement shall be included into the contract between the **Seller** and the supplier manufacturing the goods by notifying the **Purchaser** thereof (*if the Special Part provides for such a condition*).

5.3. In case the non-conformity of the goods with the requirements laid down in the Contract and the annex(s) hereto is identified at the time of acceptance of the goods, the **Seller's** representatives shall be immediately invited, the certificate shall be issued in their presence, the goods shall not be accepted and the **Seller** shall be subject to contractual liability (in this case, the contractual liability shall apply if the term of delivery of the goods has already expired).

5.4. If a conflict over the quality of the goods cannot be resolved by mutual agreement of the Parties, the Parties shall reserve the right to invite independent experts. All costs relating to the work of experts shall be borne by the non-prevailing Party.

5.5. If in accordance with Clause 4.2 of the General Part hereof the **Purchaser** decides to carry out laboratory tests in respect of the goods from the consignment of the goods selected, the amount of the goods indicated in the Special Part hereof the compliance to the requirements set forth in the Contract and the annex(s) hereto of which will be tested shall be selected in the presence of the **Seller's** representative (*if the Special Part provides for such a condition*).

5.6. If laboratory tests inspecting the compliance of the goods with the requirements set out in the Contract and the annex(s) hereto reveal that the good does not comply with the said requirements, a certificate shall be executed, the remaining goods (lot and/or consignment) shall not be accepted and the total amount of goods shall be returned to the **Seller**. The payment for the goods shall not be made and it shall be deemed that the goods were not delivered, and the **Seller** shall be subject to the sanctions provided for in Clause 11.1 of the General Part hereof. If the laboratory tests reveal non-conformity of the goods with the requirements laid down in the Contract and the annex(s) hereto, the **Purchaser** shall not cover the costs of the goods used for testing purposes, while the **Seller** shall bear the cost of the laboratory tests and pay the **Purchaser** the liquidated damages of 10% of the value of the defective lot, which shall be intended to cover administrative costs of the **Purchaser** incurred through arrangement of laboratory test procedures. In such a case, the **Seller** shall replace the goods in non-conformity with the requirements established in the Contract and the annex(s) hereto returned to it with new goods in conformity with the requirements provided for in the Contract and the annex(s) hereto. The replacement of the goods shall be carried out in accordance

with the procedure established in the Special Part hereof (*if the Special Part provides for such a condition*).

5.7. If the laboratory tests conducted in respect of conformity of the Goods with the requirements set out in the Contract or the annex(s) hereto reveal conformity of the goods with such requirements, the **Purchaser** shall cover the cost of the laboratory tests, while the **Seller** shall replace the goods used for the purpose of laboratory testing with new goods free of charge.

6. Quality Guarantee Period of the Goods

6.1. The goods shall be covered by a quality guarantee period /useful life laid down in the Special Part of the Contract (or the annex hereto).

6.2. The **Seller** shall within the term specified in the Special Part of the Contract during the quality guarantee period replace the defective good by a new good in compliance with the requirements set out in the Contract or the annex(s) hereto for a period of elimination of defects at its own cost (*if the Special Part provides for such a condition*).

6.3. The **Seller** shall within the term specified in the Special Part of the Contract during the quality guarantee period of the goods remove the defects of the goods at its own cost or, if the defects cannot be removed, replace the defective good with a new good in compliance with the requirements set out in the Contract or the annex(s) hereto at its own cost / the **Seller** shall within the term specified in the Special Part of the Contract during the useful life replace the goods with the goods in conformity with the requirements set forth in the Contract or the annex(s) hereto at its own cost (*if the Special Part provides for such a condition*).

6.4. The **Seller** shall be notified of any defects of the goods identified during the quality guarantee period /useful life in writing (by fax or mail). Quality claims shall be accepted throughout the warranty period/useful life.

6.5. The Purchaser may decide to carry out laboratory tests in respect of the goods from the consignment of the goods selected or from each lot of the goods (if the consignment consists of several lots) during the quality guarantee period, the amount of the goods indicated in the Special Part hereof the compliance to the requirements set forth in the Contract and the annex(s) hereto of which will be tested shall be selected in the presence of the **Seller's** representative (*if the Special Part provides for such a condition*). If the laboratory tests reveal non-conformity of the goods with the requirements laid down in the Contract and the annex(s) hereto the whole consignment/lot shall be rejected as defective and the Seller shall cover all the costs of laboratory tests.

6.5. In case the good is replaced with a new good, it shall be covered by a new quality guarantee period specified in the Special Part of the Contract which shall be calculated as of the day of signing the taking-over certificate of a new good.

6.6. The quality guarantee period of the goods which the **Purchaser** could not use during the period of elimination of defects shall be extended for a period equal to the period of elimination of defects.

6.7. The warranty specified in the Special Part of the Contract (or the annex hereto) shall not apply if the **Seller** is able to prove that the defects of the goods originated due to incorrect or improper conduct of the **Purchaser** or the third parties, or *force majeure*.

7. Force Majeure

7.1. The Party shall be released from responsibility for the non-performance of any contractual obligations if it can prove that such non-performance was due to unusual circumstances which the Parties could not control or reasonably foresee or prevent the occurrence of such circumstances or

the consequences thereof. For the purposes of this Contract, *force majeure* shall be considered to be the circumstances defined in Article 6.212 of the Civil Code of the Republic of Lithuania and the Rules Governing the Release from Liability in the Event of *Force Majeure* approved by Government of the Republic of Lithuania Resolution No. 840 of 15 July 1996. In identifying *force majeure* circumstances, the Parties shall follow Resolution No. 222 of the Government of the Republic of Lithuania of 13 March 1997 “On the Approval of the Procedure of the Issue of Certificates Testifying the Presence of *Force Majeure* Circumstances” or the regulatory legal acts replacing it. In the presence of *force majeure* circumstances, the Parties shall be exempted from liability for the non-performance of the contractual obligations, partial non-performance or improper performance thereof in accordance with the procedure established in the legal acts of the Republic of Lithuania, and the term for the performance of obligations shall be extended.

7.2. The Party requesting a release from liability shall notify the other Party of the *force majeure* circumstances in writing immediately but no later than within 10 (ten) business days of the day of the occurrence or discovery of existence of such circumstances by providing evidence to all reasonable precautions taken by it and to every possible effort made by it to reduce the costs or negative consequences, as well as communicate the expected term for the performance of obligations. The notice shall be also required upon the expiry of the grounds for the non-performance of obligations.

8. Codification

8.1. The **Seller** shall within 5 (five) days of entry into force of the Contract submit a signed copy of the Contract accompanied by the information required for identification of the goods purchased in accordance with the forms “List of Tangibles to be Codified” and “Information about the Manufacturer or the Supplier” provided in the annex hereto to the address specified by the **Purchaser**. The **Seller** shall provide the completed and signed forms in electronic or paper form (*if the Special Part provides for such a condition*).

8.2. At the **Purchaser's** request, the **Seller** shall within 5 (five) days submit the additional technical documentation required for codification free of charge (e.g. technical characteristics, drawings, photographs, catalogues, links, etc.).

9. Termination of the Contract

9.1. The Contract may be terminated:

9.1.1. By written agreement of the Parties;

9.1.2. If force majeure circumstances persist for a longer period than the number of days indicated in the Special Part of the Contract (depending on the specific characteristics of performance of the Contract a particular period from 14 till 60 days may be indicated in the Special Part of the Contract) and the Parties have not executed any agreements to amend the Contract permitting the Parties to continue the performance of their contractual obligations.

9.2. The **Purchaser** may terminate this Contract unilaterally by a prior 7 (seven) day written notice to the **Seller** if:

9.2.1. The **Seller** is late to deliver the goods by the term specified in the Special Part hereof;

9.2.2. The **Seller** is in delay to provide (or informs that will not provide) the goods in accordance with the contractual obligations;

9.2.3. The **Seller** increases the prices/rates of the goods, except for the case set forth in Clause 2.2 of the General Part of the Contract;

9.2.4. The **Seller** fails to comply with or improperly complies with the warranty obligations set forth in Clause 6 of the General Part of the Contract;

9.2.5. The **Seller** fails to perform the obligation laid down in Clause 12.4 of the General Part of the Contract (*in case the performance of the Contract will be secured by a surety bond or a bank guarantee*);

9.2.6. The quality of the goods delivered by the **Seller** is in non-conformity with the requirements established in the Contract and the annex(s) hereto;

9.2.7. The **Seller** fails to provide a bank guarantee for advance payment valid for a period not shorter than the period specified in Clause 4.3. of the General Part of the Contract in due time (*if the terms and conditions of the Contract provide for advance payment*).

9.2.8. The **Seller** is under liquidation procedure or applied to the court for bankruptcy or restructuring proceedings, or is the subject of bankruptcy or restructuring proceedings, or judicial decision on the initiation of bankruptcy proceedings was decreed.

9.3. Upon termination of the Contract, the **Seller** shall within 10 (ten) days of termination of the Contract return the advance payment paid for the goods that were not delivered to the **Purchaser** (if the advance payment was paid).

10. Dispute Settlement Procedure

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

10.2. All disputes or disagreements arising between the Parties in relation to the Contract shall be solved by way of negotiations; if the Parties fail to solve the dispute, it shall be examined in accordance with the procedure established by the legal acts of the Republic of Lithuania at the courts of the Republic of Lithuania in respect of the domicile of the **Purchaser** (or if the Purchaser is not a legal person but the unit of the Lithuanian Armed Forces - "according to a legal person's - the Lithuanian Armed Forces").

11. Liability

11.1. In the event of delayed delivery of the goods by the term specified in the Special Part hereof, the **Seller** shall pay the **Purchaser** the liquidated damages of 0.2 % of the amount of the value of undelivered goods for each day/hour of delay (applied depending on the term of the obligation indicated in a special part of the contract), the payment of which shall not release the **Seller** from the obligation to cover all the losses incurred by the **Purchaser** in relation to the **Seller's** failure to perform or improper performance of the Contract. The **Seller** undertakes to pay the liquidated damages within the period specified in the invoice or the claim.

11.2. Where the **Seller** fails to fulfil its obligations within the term indicated in the Article 6.2 of the Special Part of the Contract the **Seller** shall pay the **Purchaser** the liquidated damages agreed by the Parties in advance, which shall make up 0.2% of the value of the goods which are not replaced for each day/hour of delay, the payment of which shall not release the **Seller** from the obligation to cover all the losses incurred by the **Purchaser** in the event of the **Seller's** failure to perform or improper performance of its obligations relating to the warranty/useful life of the goods.

11.3. Where the **Seller** fails to fulfil its obligations within the term indicated in the Article 6.3 of the Special Part of the Contract during quality guarantee/useful life period, the **Seller** shall pay the **Purchaser** the liquidated damages agreed by the parties in advance, which shall make up 0.2% of the value of the goods which are not replaced for each day/hour of delay, the payment of which shall not release the **Seller** from the obligation to cover all the losses incurred by the **Purchaser** in the event of the **Seller's** failure to perform or improper performance of its obligations relating to the warranty/useful life of the goods.

11.4. Where the Contract is terminated on the grounds specified in Clauses 9.2.1, 9.2.2, 9.2.3, 9.2.5, 9.2.6 (9.2.7. (*if advance payment is provided for in the terms and conditions of the Contract*)), the **Seller** shall within 14 (fourteen) days (as of the day of termination of the Contract) pay the **Purchaser** the liquidated damages, which equal to 7 (seven) % of the contract price (or the total tender price (including VAT – *in case VAT is included into the contract price*) (a specific percentage or specific fixed amount indicated in the Special Part of the Contract)) which shall not exceed the total value of all outstanding obligations under the Contract. The payment of the

liquidated damages shall not release the **Seller** from the obligation to cover all the losses incurred by the **Purchaser** due to non-performance or improper performance of the Contract by the **Seller**.

11.5. If the Contract is terminated on the grounds provided for in Clause 9.2.4. of the General Part hereof, the **Seller** shall within 7 (seven) days (as of the day of termination of the Contract) pay the **Purchaser** the liquidated damages equal to the purchase value of defective goods which shall not exceed the total value of the outstanding obligations hereunder. The payment of the liquidated damages shall not release the **Seller** from the obligation to cover all the losses incurred by the **Purchaser** due to non-performance or improper performance of the Contract by the **Seller**.

11.6. Other cases of application of contractual liability to the **Seller** are specified in the Special Part hereof.

11.7. Delayed financing from the budget shall be deemed the grounds for absolute release of the **Purchaser** from civil liability and payment of default interest on overdue payment.

12. Validity of the Contract

12.1. The Contract shall take effect from the signature of both Parties (*this condition shall apply if the performance of the Contract will not be secured by a security bond or a bank guarantee*) and submission of the Contract performance guarantee of a bank or the security bond of an insurance company by the **Seller** to the **Purchaser** which guarantees the payment of the amount indicated in Clause 11.4 of the General Part hereof (if the **Purchaser** terminates the Contract on any grounds listed in Clauses 9.2.1 – 9.2.7, the guarantor/surety shall pay the amount indicated in Clause 11.4 of the General Part hereof). The guarantee or the security bond indicating that the guarantor or the surety is liable only for indemnification of direct damages shall not be accepted as the guarantor or the surety must undertake to indemnify the specific Contract performance amount indicated in Clause 11.4 hereof) (*in case the contract performance will be secured by a security bond or a bank guarantee*).

12.2. The guarantor/surety shall irrevocably and unconditionally undertake to perform the duty and pay the amount undertaken by transferring the amount to the **Purchaser's** account within 14 (fourteen) days of a written notice confirming the termination of the Contract at the **Seller's** fault on the grounds provided for in the Contract (*in case the contract performance will be secured by a security bond or a bank guarantee*).

12.3. The **Seller** shall within 5 (five) business days of signing the Contract submit the Contract performance guarantee of a bank or the security bond of an insurance company specified in Clause 12.1 of the General Part hereof to the **Purchaser** which shall be valid two months longer than the term of delivery of the goods provided for in the Special Part hereof. Payment of the amount specified in the Contract Performance Guarantee of a bank or the security bond of an insurance company shall not be deemed to constitute full compensation of damages incurred by the **Purchaser** and shall not release the **Seller** from the obligation to cover such damages in full (*in case the performance of the contract will be secured by a security bond or a bank guarantee*).

12.4. If the legal entity which has issued the Contract performance guarantee (a bank or an insurance company) is unable to perform its obligations in the period of validity of the Contract, the **Seller** shall within 10 (ten) days provide a new Contract performance guarantee under the same terms and conditions. If the **Seller** fails to provide a new Contract performance guarantee, the **Purchaser** shall have the right to terminate the Contract under the procedure stipulated in Clause 9.2.5 of the General Part hereof.

12.5. The Contract Performance Guarantee shall be returned within 10 (ten) days of expiry of the performance guarantee upon a written request of the **Seller**.

12.6. The provisions of the Contract may not be amended during the validity term of the Procurement Contract, except for the provisions of the Contract which, if amended, would not constitute a breach of the principles and objectives stipulated in Article 3 of the Law on Public Procurement and provided that such amendments to the provisions of the Contract have been

authorised by the Public Procurement Office. Correction of the provisions of the Contract under the circumstances provided for herein, if such circumstances are clearly and unequivocally defined and stated in the Terms and Conditions of Tender, shall not be deemed to constitute amendments to the provisions of the Contract.

12.7. Should the Parties identify technical oversights or spelling mistakes (false transfer of provisions from a tender or the procurement terms and conditions, etc.), the persons responsible for the performance of the Contract or the details of the Parties specified herein change during the period of validity of the Contract, the Parties may by a written agreement correct the provisions of the Contract without applying to the Public Procurement Office. Such correction of the provisions of the Contract shall not be considered a change of the provisions of the Contract.

12.8. The Contract may be extended under the terms and conditions laid down in the Special Part hereof.

12.9. The expiry term of the Contract provided in the Special Part of the Contract shall not end the obligations of the Parties indicated in the Contract and shall not release from civil liabilities in the event of breach of the Contract.

13. Correspondence

13.1. The notices in the Lithuanian/English languages (*applicable where the contract is executed in English*) delivered between the **Purchaser** and the **Seller** shall be executed in writing. The notices between the Parties shall be sent by mail, e-mail, fax or delivered in person. The notices shall be sent to the addresses and numbers specified in the details of the Parties in the Special Part hereof. If the sender requires an acknowledgement of receipt, the sender shall indicate such a request in its notice. In case any deadline of reply to a written notice is established, the sender should include a request of acknowledgement of receipt of a written notice.

13.2. The Parties shall within 3 (three) business days notify one another in writing of the change in the contact details of the Party specified in the Special Part hereof. Either Party failing to notify of the change of its details in a timely manner shall not be entitled to file any claims in respect of any actions performed by the other Party following the details of the Party provided in this Contract.

14. Confidentiality

14.1. The Parties shall ensure that the information communicated by one Party to another will be used for the purposes of the Contract exclusively and shall not be used in such a way that would inflict harm on the Party communicating the information.

14.2. The Parties shall ensure the confidentiality of all information known to them and/or entrusted to them throughout the validity of the Contract, upon expiry or termination hereof.

14.3. Unless otherwise provided for in the legal acts of the Republic of Lithuania, the **Seller** shall not use the information entrusted to it by the **Purchaser** either in its personal interest or in the interest of any third parties or disclose such information to other parties without a prior written agreement of the **Purchaser**.

15. Final Provisions

15.1. The Contract has been executed in the Lithuanian/English/Lithuanian and the English languages in two/four counterpart copies (one/two copies to each Party) (*depending on the languages in which the contract will be executed*). Both texts are equally authentic and legally binding. In the event of any discrepancies between the texts in the Lithuanian and English languages, the text in English shall prevail (applicable where the contract is concluded with a foreign seller in the Lithuanian and English languages).

15.2. The Contract is constituted of the General Part and the Special Part, as well as the annex(s) hereto. All annexes to this Contract shall constitute an integral part hereof.

15.3. Neither Party shall be entitled to assign its rights and obligations under the Contract to any third party without a prior written consent of the other Party.

15.4. Unless otherwise provided in the Special Part of the Contract the **Seller** shall pay the **Purchaser** the minimum losses agreed upon by the Parties in advance to an extent of 5 percent of the of the contract/tender price for breach of obligation stated in the Article 15.3 of the Contract.

15.5. The **Seller** warrants that it has all licences required for the performance of the Contract. The **Seller** shall cover the **Purchaser's** losses in case any claims are put forward to the **Purchaser** or proceedings brought regarding the violations related to the patents or licences concerning the Contract or committed in the period of performance of the Contract.

15.6. The Parties hereby confirm that when entering into the present Contract they did not exceed or breach their competence (articles of association, regulations, statute, any resolution, decision, order of the managing body of the Party (owner, incorporator or other competent entity), any binding legal act (including local, individual), transaction, court decision (ruling, judgement), etc.).

15.7. The person/persons appointed by the **Seller** who act on behalf of the **Seller**, accept and confirm the orders for the goods placed by the **Purchaser**, the estimate for the goods supplied, participate in the meetings with the **Purchaser** and carry out other actions required for the proper performance of the Contract are specified in the Special Part hereof.

15.8. The person/persons appointed by the **Purchaser** who act on behalf of the **Purchaser**, place orders for the goods, the estimate for the goods to the **Seller**, participate in the meetings with the **Seller** and carry out other actions necessary for the proper performance of the Contract are specified in the Special Part hereof.

BUYER

Lithuanian Armed Forces

On behalf of Lithuanian Armed Forces
Commander of the Logistics Support Command

Lt. Col. Ramūnas Baronas

L.S.



SELLER

**B. Stumpp & S. Baier Gesellschaft für
personenbezogene Schutzausrüstungen
mbH**

Managing Director

Karin Schickram

L.S.

Bernhard Stumpp & Siegfried Baier,
Gesellschaft für personenbezogene
Schutzausrüstungen mbH
August-Bebel-Straße 14, D-01809 Heidenau
Tel.: +49 (0) 3529/513345 Fax 513347

FORMS OF THE DOCUMENTS REQUIRED FOR THE CODIFICATION

List of Codified Tangible Assets

Presenter of the list and date:

Contract number:

Date of Contract:

Attached documents:

No.	Supplier	NCAGE	Actual manufacturer	NCAGE	Factory number or other identification code	NSN code (if available)	Name	Price

Instructions for filling-in of the list of codified tangible assets

Column	Instruction
Presenter of the list and date	Enter the service that is submitting the list and date when the list is filled in
Contract number	Enter the Contract number.
Contract date	Enter the date of the Contract that includes provisions regarding codification.
Attached documents	Indicate what documents (or electronic files) are attached (description, drawings, etc.), number of pages of documents.
Supplier	Indicate the supplier of tangible assets.
NCAGE	Enter the supplier's NCAGE code, if available.
Actual manufacturer	If supplier is not the actual manufacturer of tangible assets, indicate the actual manufacturer.
NCAGE	Enter the NCAGE code of the actual manufacturer, if available
Factory number or other identification code	Indicate the factory number (article) given by the actual manufacturer or other unique identification number of the tangible assets.
NSN code	This column is be filled in, if foreign tangible assets are purchased and NSN code is available.
Name	Indicate name of tangible assets offered by the manufacturer
Price	Indicate price for tangible assets.

Annex 4 (page 2) to Agreement No. _____
concluded on _____ 2016

INFORMATION ON MANUFACTURER OR SUPPLIER

No.	NCAGE	Name	Address	Phone No.	Fax No.	E-mail address	Company code	Supplier	Manufacturer

Instructions for filling-in of form „Information on the Manufacturer or Supplier“

Column	Instruction
NCAGE *	Enter the supplier's or manufacturer's NCAGE code (if it is granted and available).
Name	Indicate exact name of the supplier.
Address	Indicate exact address of supplier or manufacturer (and zip code).
Phone No.	Enter the phone number of the supplier or manufacturer (city code is necessary).
Fax No.	Enter the fax number of the supplier or manufacturer (city code is necessary).
E-mail address	Enter the e-mail address of the supplier or manufacturer.
Company code	Enter the company number of the supplier or manufacturer.
Supplier (manufacturer)	Mark the right variant (XX) (i.e. whether the supplier is the actual manufacturer of tangible assets or it acts only as a distributor of products of other manufacturers).

* fields marked with asterisk are not obligatory. Other fields, not marked with asterisk, are obligatory.

BUYER

Lithuanian Armed Forces

On behalf of Lithuanian Armed Forces

Commander of the Logistics Support Command



[Signature]

Lt. Col. Ramūnas Baronas

SELLER

B. Stumpp & S. Baier Gesellschaft für
personenbezogene Schutzausrüstungen mbH

Managing Director

[Signature]

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