

GENERAL PART OF THE CONTRACT

1. CONCEPTS USED IN THE CONTRACT

Persons

- 1.1. **Service provider** shall mean a person or a group of persons specified in the SP of the Contract, providing the Services indicated in the Contract to the Client.
- 1.2. **Client** shall mean a legal person indicated in the SP of the Contract purchasing the Services specified in the SP of the Contract from the Service provider.
- 1.3. **Party** shall mean the Client or the Service provider, each individually. The Parties shall mean the Buyer and the Service provider both together.
- 1.4. **Third party** shall mean any other natural or legal person, who is not the Party.
- 1.5. **Contracting Authority** shall mean a legal entity properly authorized by the Client organizing and conducting public procurement procedures on behalf and in the interests of the Client.
- 1.6. **Subcontractor** shall mean a legal or natural person, who is hired for the provision of the Services indicated in the Contract under a valid mutual agreement with the Service provider.

General concepts

- 1.7. **Procurement** shall mean an open tender procedure held by the Contracting Authority for the award of the Service provision contract.
- 1.8. **Services** shall mean the Services indicated in part 1 of the SP of the Contract, also delivery and/or installation, and/or implementation, etc. of certain goods provided for in the Contract.
- 1.9. **Service price** shall mean the amount indicated in part 2 of the SP of the Contract, which cannot be exceeded during the validity period of the Contract (except for cases when the recalculation of the Service price is planned), with the Client paying the Service provider for the provided Services according to the Service tariffs (if specified), including all expenses and taxes.
- 1.10. **Service tariffs** shall mean the tariffs indicated in part 2 of the SP of the Contract (if indicated) to be paid by the Client to the Service provider for the Services provided, including all expenses and taxes.

Documents

- 1.11. **Contract** shall mean this Contract consisting of the documents listed in paragraph 2.2 of the GP of the Contract.
- 1.12. **GP of the Contract** shall mean this document, which is an integral and inseparable part of the Contract, establishing standard provisions of the Contract and standard rights, obligations and liability of the Buyer and the Service provider.
- 1.13. **SP of the Contract** shall mean a special part of the Contract setting forth the object of the Contract, scope, price and tariffs of the Services (if applicable), deadlines for the provision of the Services and other conditions agreed upon by the Parties.
- 1.14. **Technical specification** shall mean the document establishing requirements for the Services.
- 1.15. **Procurement conditions** shall mean the totality of documents presented during the Procurement procedure held by the Contracting Authority, pursuant thereto the Service provider has presented his tender offer;
- 1.16. **Tender offer** shall mean the totality of documents presented by the Service provider during the Procurement procedure held by the Contracting Authority for the provision of the Services under this Contract.
- 1.17. **Call for contract award** shall mean a notice submitted to the Service provider whereby the Service provider is invited to conclude a Contract and is informed about the period of time for concluding the Contract.
- 1.18. **Legislation** shall mean laws and international treaties of the Republic of Lithuania, also, the legislation of the European Union or decrees of individual or normative nature of public authorities of any third country, which, regardless of their legal force and/or jurisdiction, are binding on any Party and/or affects the

performance of the Contract, as well as internal legal acts of the Client, which the Service provider was familiarized with.

Dates and deadlines

- 1.19. **Day** shall mean a calendar day, unless otherwise established by Contract documents.
- 1.20. **Working day** shall mean a business day in the Republic of Lithuania, unless otherwise established by Contract documents.
- 1.21. **Year** shall mean a period of 365 days, unless otherwise established by Contract documents.
- 1.22. **Effective date of the Contract** shall mean the day of signing of the Contract or another effective date indicated in the SP of the Contract.

2. ENTRY INTO FORCE, STRUCTURE AND INTERPRETATION OF THE CONTRACT

- 2.1. Given the consent to the conditions of this Contract presented by the Service provider in writing, the Contract shall take effect on the day of its signing or on another effective date indicated in the SP of the Contract.
- 2.2. This Contract shall be an integral and indivisible document consisting of the below-listed documents. The following order of priority of contractual documents shall be set for purposes of the interpretation and application of the Contract:
 - 2.2.1. SP of the Contract (with Annexes thereto, if included);
 - 2.2.2. Technical specification (with Annexes thereto, if included);
 - 2.2.3. GP of the Contract;
 - 2.2.4. Call for Contract award;
 - 2.2.5. final Tender offer of the Service provider;
 - 2.2.6. negotiation protocols of the Parties drawn up in the performance of Procurement procedures and a revised tender offer of the Service provider, if such documents were drawn up;
 - 2.2.7. interpretations and revisions of Procurement documents drawn up by the Client or the Contracting Authority, if presented;
 - 2.2.8. Procurement conditions;
 - 2.2.9. conditions of the call for applications with documents evidencing qualification drawn up by the Client or the Contracting Authority, if the Contract is concluded upon the Client's execution of procedures of the Procurement the value whereof is not lower than the set international procurement value limit;
 - 2.2.10. initial Tender offer of the Service provider;
 - 2.2.11. application of the Service provider with documents evidencing qualification, if the Contract is concluded upon the Contracting Authority's execution of procedures of the Procurement the value whereof is not lower than the set international procurement value limit.
- 2.3. If the Contract documents contain any ambiguities, inconsistencies or contradictions, the rules laid down in a superior document of the Contract shall always be regarded as replacing analogous rules established in an inferior document of the Contract from the effective date of the Contract.
- 2.4. The Contract shall be concluded, interpreted and applied according to the Lithuanian law.
- 2.5. Unless documents of the Contract establish otherwise, the text of the Contract shall be understood applying the following key rules of interpretation:
 - 2.5.1. words denoting a specific gender of a person shall mean any gender;
 - 2.5.2. words denoting the singular shall also mean the plural and those denoting the plural shall mean the singular;
 - 2.5.3. words "to agree", "agreed" or "agreement" shall always mean that a respective agreement must be formalized in writing;
 - 2.5.4. "in writing" shall mean all the rules established in documents of this Contract, also paper and/or electronic documents drawn up by either of the Parties, also any notices submitted to another Party by means of communication specified in the Contract.
- 2.6. All terms and concepts used in the Contract shall have a generic meaning or a specific meaning closest to the nature of the Contract, unless the Contract establishes or explains a different meaning thereof.

3. WARRANTIES AND REPRESENTATION OF THE PARTIES

- 3.1. Each of the Parties shall represent and warrant to the other Party that:

- 3.1.1. the Party has been properly established and lawfully operates according to the requirements of legislation of the country of its seat;
- 3.1.2. the Party has performed all the legal actions necessary for proper conclusion and validity of the Contract;
- 3.1.3. when concluding the Contract, the Party is not exceeding its competence or violating requirements of legislation, rules, statutes, court judgements, regulations, decrees, obligations and agreements binding thereon;
- 3.1.4. representatives of the Party having signed the Contract have been properly authorised by the Party to sign it, and personal data of the Parties and/or their representatives necessary for proper conclusion of the Contract are not considered confidential information;
- 3.1.5. the Party is not aware of any future changes in legal environment, which may affect the performance of the obligations of the Party under this Contract;
- 3.1.6. the Contract is a valid, legal obligation binding on the Party, the execution whereof may be requested under Contract conditions;
- 3.1.7. on the effective date of the Contract, the Parties find these Contract conditions to be clear and executable;
- 3.1.8. neither the conclusion of the Contract nor the execution of the obligations assumed by the Client or the Service provider by the Contract conflict with or breach (i) any decision, decree or instruction of a court, arbitration, state or municipal authority, which is applicable to the Parties; (ii) any agreement or a different arrangement the party where to is a respective Party, or (iii) the provisions of any law or another normative legal act applicable to the Parties.
- 3.2. The Service provider confirms that:
- 3.2.1. it does not participate in any prohibited agreements indicated in Article 5 of the Law on Competition of the Republic of Lithuania or agreements in breach of the principles laid down in Article 3 of the Law on Public Procurement of the Republic of Lithuania;
- 3.2.2. it has all the permits, licenses, employees, organizational and technical measures provided for by legislation necessary for the provision of the Services;
- 3.2.3. it has included in the Tender offer price all expenses necessary for the provision of the Services under the Contract, and shall assume all the risk of increasing Contract performance-related expenses of the Service provider as a result of the circumstances beyond the Client's control and/or of the performance of the Contract becoming more complex for the Service provider;
- 3.2.4. it has gotten familiar or undertakes to get familiar with all internal legal acts of the Client important for proper performance of obligations of the Service provider, and undertakes to properly execute them.
- 3.3. The Client confirms that:
- 3.3.1. it has held or authorized the Contracting Authority to hold the public procurement procedures necessary for the award of the Contract;
- 3.3.2. it shall accept the Services provided in the quality manner under provisions of the Contract, and shall pay for such Services.
- 3.4. Should it turn out that a warranty (-ies) and/or representation (-s) of the Party indicated in the Contract is (are) false and/or invalid, the Party shall reimburse another Party the losses incurred thereby as a result of such false and/or invalid warranty (-ies) and/or representation (-s).
- 3.5. Both the GP of the Contract and the SP of the Contract have been concluded in accordance with the provisions of the Law on Public Procurement and other legislation of the Republic of Lithuania. In presence of the situation, when the GP and/or the SP of the Contract is in conflict with the requirements laid down in the Law on Public Procurement of the Republic of Lithuania, the provisions of the Law on Public Procurement of the Republic of Lithuania shall apply. The Parties state and confirm that provisions of the Contract are in compliance with the provisions of the Procurement conditions.

4. OBJECT OF THE CONTRACT

- 4.1. The object of the Contract shall be the Services specified in part 1 of the SP of the Contract and described in the Technical specification.
- 4.2. The Services under the Contract shall be provided solely for the benefit and interests of the Client.

5. SCOPE AND PRICE OF THE SERVICES

- 5.1. The scope of the Services provided to the Client is defined in part 2 of the SP of the Contract.
- 5.2. The price and tariffs (if applicable) of the Services are presented in part 2 of the SP of the Contract.

- 5.3. The Service provider shall have included into the Service price all Service provision-related expenses, all taxes, including VAT, not limited to:
- 5.3.1. expenses related to the performance of obligations provided for in the Contract;
 - 5.3.2. expenses for acquiring tools necessary for the provision of the Services (if applicable);
 - 5.3.3. all expenses related to the preparation, approval and presentation of documents provided for in the Technical specification;
 - 5.3.4. expenses for the establishment in the Republic of Lithuania (if necessary to ensure the Service provision) or expenses related to the implementation of the right of free movement of services (for obtaining documents recognizing the right and acknowledgements from competent authorities of the Republic of Lithuania, and/or expenses of professional partnerships, etc.);
 - 5.3.5. expenses of the conclusion and performance of the Contract including expenses related to forced performance of the Contract;
 - 5.3.6. all direct and indirect expenses related to the provision of the Services and the price of any works necessary for the provision of the Services, which the Service provider as a specialist in the field should have and could have planned for, had he been diligent enough and properly considered the circumstance that the Service recipient seeks for the Service provider to provide the Services also performing the related works.
 - 5.3.7. other Service provision-related expenses.
- 5.4. VAT shall be calculated and paid at the time of occurrence of the obligation to calculate VAT in the procedure prescribed by applicable laws. In case of the change of the VAT rate provided for in applicable legislation of the Republic of Lithuania, the Service price specified in the Contract (exclusive of VAT) shall not change, while the total Service price shall be recalculated according to the change VAT rate. The risk of the change of VAT rate shall be attributed to the Client.
- 5.5. All payments and settlements under the Contract shall be made in the national currency of the Republic of Lithuania - the euro.

6. SERVICE QUALITY

- 6.1. The Services provided, the Service quality and personnel of the Service provider shall be subject to qualification requirements defined in part 3 of the SP of the Contract, the Technical specification and the Tender offer. The quality of the Services provided shall meet the legislation requirements and requirements normally applicable to this type of the Services.
- 6.2. Documents evidencing qualification of the Service provider and its personnel (if qualification is checked at the time of the Procurement procedure) have been submitted: in the performance of a simplified procurement procedure – in the documents laid down in paragraphs 2.2.8 and 2.2.10 of the GP of the Contract, and in the performance of the procurement procedure the value whereof is not lower than the set international procurement limit value – in the documents indicated in paragraphs 2.2.9 and 2.2.11 of the GP of the Contract. The Service provider must ensure the assurance of its equivalent qualification and/or qualification of its personnel throughout the entire validity period of the Contract.
- 6.3. At the Client's request, the Service provider must furnish to the Client sufficient evidence of the fact that it has all the necessary permits, certificates and/or other documents established by laws necessary for the provision of the Services in the Republic of Lithuania under the law within the period of time set by the Client.
- 6.4. The Service provider shall guarantee that at the time of signing a certificate (-s) of transfer - acceptance of the Service outcome, the Services will meet the requirements laid down in the Contract, they will be provided in a quality manner, without any errors, which would eliminate or reduce the value of the Services or the appropriateness of the outcome thereof for normal use.
- 6.5. If the deficiencies in the Service outcome have been observed after signing a certificate of transfer - acceptance of the Services, but no later than within the period of time set in part 3 of the SP of the Contract, the Client shall inform the Service provider about that in writing.
- 6.6. The Service provider shall eliminate the deficiencies, which occurred at no fault of the Client/ at no fault of third persons (except for subcontractors hired by the Client)/ for reasons other than *force majeure* circumstances on its own and at its own expense within the period of time set in part 3 of the SP of the Contract from the day of sending of the Client's notice on the detection of deficiencies.
- 6.7. If the Service provider fails to eliminate the detected deficiencies in the quality of the Services within the period of time set in part 3 of the SP of the Contract, the Service provider shall, at the Client's request, pay to the Client penalties (late fees and/or a fine) in the amount set in part 3 of the SP of the Contract and reimburse to the Client all direct losses incurred thereby as a result of that to the extent they are not covered by penalties. At the Client's request for the reimbursement of the incurred losses, penalties shall be included in the compensation of the losses.
- 6.8. If the Service provider fails to eliminate the detected deficiencies of the Services during the period of time set in part 3 of the SP of the Contract, the Client shall have the right to eliminate the deficiencies by

himself or by hiring third persons, while the Service provider shall compensate the Client's expenses incurred for the elimination of deficiencies and, at the Client's request, pay to the Client a fine in the amount of 20 (twenty) percent of the value of the Services, the deficiencies whereof were detected.

6.9. In the provision of the Services, the Service provider shall ensure the compliance with occupational safety, environmental protection requirements and other requirements established by laws applied to the provision of the Services (if applicable).

7. RIGHTS AND DUTIES OF THE CLIENT

7.1. The Client shall undertake:

7.1.1. to perform the Contract properly and fairly;

7.1.2. to cooperate with the Service provider during the performance of the Contract by providing the information reasonably necessary for the performance of the Contract, the necessity for the presentation whereof emerged at the time of the performance of the Contract;

7.1.3. upon the Service provider's proper fulfilment of his contractual obligations, to accept the Services provided if they meet the Service requirements established by the Contract;

7.1.4. upon the Service provider's proper fulfilment of his contractual obligations, to pay the Service provider for the properly provided Services the price and/or tariffs set in part 2 of the SP of the Contract (if they have been indicated) in the procedure and following the deadline established in the Contract;

7.1.5. to grant the necessary authorizations for the Service provider to act on behalf of the Client (if such authorizations are necessary);

7.1.6. to properly perform all other obligations provided for in the Contract and applicable legislation.

7.2. The Client shall have the right:

7.2.1. to conduct any inspections, which the Client sees necessary without any separate notice, in case of a suspicion that the Service provider will not be able to provide the Services in a timely manner or that the Services are provided in a faulty, non-professional manner or in breach of the requirements;

7.2.2. to demand during the Service provision for the replacement of an employee of the Service provider/ a person performing the duties of the Service provider on a basis of a written and reasoned request, if he believes this person to be neglectful or improperly fulfilling the duties.

7.3. The Service provider shall undertake:

7.3.1. to perform the Contract properly and fairly;

7.3.2. to provide the Services to the Client within the period of time established in the Contract (if stages of the provision of the Services are specified in the Contract - within the period of time set in individual stages) and to transfer to the Client the outcome of the Services indicated in the Contract, and to rectify the detected deficiencies;

7.3.3. to provide the Services in a professional and quality manner as provided for in the Contract, also, on time, during the period of time set for the provision of the Services in part 5 of the SP of the Contract;

7.3.4. to assume the risk of the loss or damage of goods provided along with the Services before the moment of signing a certificate of transfer - acceptance of the Service outcome;

7.3.5. to present all the documents provided for in the Technical specification and to advise the Client on other issues related to contractual obligations of the Service provider;

7.3.6. to ensure that Services to the Client were provided by persons having the qualification and experience necessary for the provision of the Services, which meet the requirements laid down in part 3 of the SP of the Contract;

7.3.7. to immediately inform the Client in writing of any circumstances, which interfere or may interfere with the Service provider's ability to provide the Services within the deadlines and in the procedure set in the Contract;

7.3.8. to ensure the compliance with occupational safety, fire safety, environmental protection and other requirements established by legislation applied in the provision of the Services (if applicable);

7.3.9. to take into account the comments or additional information provided by the Client during the performance of the Contract, if they are provided;

7.3.10. to protect the Client against any claims or losses occurring as a result of actions or omission of the Service provider in the performance of the Contract at its own expense and to compensate the damage done to third persons or losses incurred thereby due to its guilty actions, including the violation of any legislation, illegal use of patents, trademarks, other objects of intellectual property or violation of any rights of individuals;

7.3.11. to ensure the confidentiality and protection of information received from the Client during the performance of the Contract and related to the performance thereof. Upon the expiry of the deadline for the

provision of the Services, to return all the documents necessary for the performance of the Contract received from the Client upon the Client's written request;

7.3.12. to comply with the provisions of the Civil Code of the Republic of Lithuania and other legislation related to the fulfilment of contractual obligations of the Service provider valid in the Republic of Lithuania, and to ensure the compliance wherewith by specialists, employees or representatives of the Service provider. The Service provider shall guarantee the reimbursement of losses to the Client and/or third persons, should the specialists, employees or representatives of the Service provider fail to comply with the requirements of laws valid in the Republic of Lithuania resulting in any claims or legal proceedings initiated against the Client and/or third persons as a result of that;

7.4. The Client can make comments related to the Services provided by the Service provider and the quality thereof, which the Service provider must take into account.

7.5. Other obligations, rights and duties of the Client and Service provider shall be defined in valid legislation of the Republic of Lithuania and the SP of the Contract (if they are defined).

7.6. The Service provider shall have the right:

7.6.1. to receive the total payment in the amount indicated in the Contract for the Services provided to the Client in a timely, proper and quality manner;

7.6.2. to ask the Client to provide information related to proper performance of the Contract or documents, the necessity for the presentation whereof emerged during the performance of the Contract;

7.6.3. to request the Client to accept the Services provided compliant with the requirements laid down in the Procurement documents, the Contract and legislation applicable to the provision of the Contract, and to sign a certificate of acceptance - transfer;

7.6.4. to request that the Client performed its contractual obligations in a proper and timely manner.

8. THE RIGHT OF THE SERVICE PROVIDER TO HIRE THIRD PERSONS (SUBCONTRACTING), JOINT OPERATIONS

8.1. Any natural or legal persons hired by the Service provider for the performance of the Contract regardless of the legal relations associating these persons with the Service provider shall be considered persons acting on behalf of the Service provider. The actions of these persons in the performance of the Contract shall result in the same consequences to the Service provider as the actions performed by itself.

8.2. The Service provider shall have the right to hire for the performance of the Contract only those Subcontractors, which have been provided for in the Tender offer of the Service provider and part 4 of the SP of the Contract. The Service provider shall not have the right to hire Subcontractors, if he did not indicate in his Tender offer that he intended to do so. If the Service provider wants to hire a Subcontractor different than that indicated in the Tender offer, he shall first of all prove to the Client his reliability and capability to perform the functions assigned, obtain a written consent of the Client to the selected Subcontractor and present the Subcontractor's documents substantiating his compliance with the requirements laid down in the Procurement conditions (if Subsuppliers were subject to qualification requirements). The Service provider shall be liable to the Client for the quality of Services provided by the Subcontractor. The Service provider shall always be in charge for the performance of the Contract, including the quality of the part of the Contract handed over for the performance by Service providers as well as for the damage done. If the Service provider hires a Subcontractor without a written consent of the Client, the Service provider shall pay the Client a penalty in the amount of 5 (five) percent of the total price of the Services.

8.3. Subcontracting shall not create contractual relations between the Client and the Subsupplier. The Service provider shall be liable for actions and omission of its Subcontractors. The consent of the Client to hiring a Subcontractor for the performance of contractual obligations shall not exempt the Service provider from any obligations under the Contract.

8.4. Upon the emergence of the need to replace the partner indicated in the joint venture agreement by other partners (if the Services are provided according to a joint venture agreement), partners in the joint venture shall fulfil all the conditions listed below:

8.4.1. the Client shall obtain the following documents:

8.4.1.1. a request of the remaining partner (-s) in the joint venture for the replacement of a joint venture partner (-s);

8.4.1.2. a request of the withdrawing partner (-s) in the joint venture to withdraw from partners in the joint venture agreement and to transfer all its obligations under the joint venture agreement to a new/ remaining partner (-s) in the joint venture;

8.4.1.3. a written consent of the new/ remaining partner (-s) in the joint venture to replace the withdrawing partner (-s) and to assume all obligations of the withdrawing partner (-s) in the joint venture under the joint

venture agreement as well as documents evidencing the qualification of the new/ remaining partner (-s) in the joint venture (if applicable);

8.4.2. the Service provider shall prove to the Client the reliability of the new/ remaining partner (-s) in the joint venture and the capability thereof to perform the functions assigned;

8.4.3. the Service provider shall obtain the Client's written consent to replace the partners in the joint venture;

8.4.4. the Service provider shall present to the Client a copy of the new joint venture agreement, where the obligations of the remaining joint venture partner (-s) shall remain the same as in the previous joint venture agreement, while the new/remaining partner (-s) in the joint venture shall take over all obligations of the withdrawing partner (-s) under the previous joint venture agreement.

8.5. The Service provider shall not have the right to hire employees of the Client for the performance of the Contract on the basis of employment contract or in another way, if it has not been approved in writing with the Client.

8.6. The Service provider shall not have the right to hire for the performance of the Contract auditors, advisors, consultants, brokers or other independent specialists of the Client, which would experience a conflict of interest, violation of standards of professional ethics or good business practice as a result of that.

8.7. Noncompliance with the provisions of this part shall be considered a material breach of the Contract.

9. DEADLINES FOR THE PROVISION OF THE SERVICES, PROCEDURE FOR THE TRANSFER - ACCEPTANCE OF THE OUTCOME OF THE SERVICES

9.1. Deadlines for the provision of the Services are indicated in part 5 of the SP of the Contract.

9.2. The Service provider having fulfilled the obligations provided for in the Contract shall address the Client in writing for signing a certificate of transfer - acceptance of the outcome of the Services.

9.3. The Client shall sign a certificate of transfer - acceptance of the outcome of the Services no later than within the period of time indicated in part 5 of the SP of the Contract from the Service provider's written request, if the Service quality meets the requirements set in the Contract.

9.4. If it is determined at the time of the transfer - acceptance of the Services and/or the outcome of the Services that the Services were provided improperly and the Service outcome does not meet the requirements set in the Contract, the Client shall have the right to refuse to sign a certificate of transfer - acceptance of the outcome of the Services indicating motives for the decision made in writing (if possible, indicating the measures to be taken by the Service provider for the Service quality to meet the Contract requirements and for the certificate of transfer - acceptance of the outcome of the Services to be signed).

9.5. A certificate of transfer - acceptance of the outcome of the Services shall be drawn up in two copies of equal legal force to be signed by authorized persons of both Parties. The right of ownership to the outcome of the Services shall go over to the Client from the day of signing the certificate of transfer - acceptance of the outcome of the Services.

9.6. In case of the Service provider being late to provide the Services within the deadlines set in the Contract for reasons beyond the Client's control, the Service provider shall, at the Client's request, pay to the Client penalties (late fees/ a fine) in the amount set in part 5 of SP of the Contract and reimburse direct losses of the Client incurred as a result of that to the extent they are not covered by the penalties (late fees/ fines). At the Client's request to reimburse the losses incurred, the late fees/ a fine shall be included into the reimbursement of losses.

The Client may waive the requirement to pay interest for delays to provide the Services over the duration of these circumstances if Service provider submits reasoned and on objective grounds based request where the delay causes is associated with at least one of the Contract 9.7 Clause below mentioned circumstances.

9.7. By the written agreement of the Parties the deadlines to provide the Services may be extended / changed if Service provider, before the expiry of term to provide the Services, submits a reasoned request to extend / change the deadline of the term to provide Services and the circumstances of it is related to at least one of the following circumstances:

9.7.1. the Client fails to perform or improperly performs its obligations assumed under the Contract and thus the Service provider is not able to provide the Services;

9.7.2. additional instructions and/or information given by the Client to the Service provider affect the deadlines for the provision of the Services by the Service provider;

9.7.3. particularly unfavourable weather conditions affect the deadlines for the provision of the Services by the Service provider;

9.7.4. actions of state or municipal authorities or any other obstacle attributable to the Client and/or third persons hired by the Client interfere with the Service provider's ability to provide the Services in a timely manner.

9.8. The Parties shall undertake to immediately inform another Party in writing about the emergence of the circumstances indicated in paragraph 9.7 of the GP of the Contract. In cases provided for in paragraph 9.7 of the GP of the Contract, deadlines for the provision of the Services may be extended for no longer than the circumstances specified in paragraph 9.7 of the GP of the Contract last.

10. USE, SUPPLY OR CONTRACTING

10.1. If during the provision of the Services the Service provider must take certain items of the Client and, having provided the Services, return them to the Client, or the Client grants to the Service provider any movable objects owned by the Client for the provision of the Services, the following rules shall apply without prejudice to other provisions of the Contract:

10.1.1. the Client shall transfer such objects to the Service provider under EXW of INCOTERMS 2000 in the location specified in writing;

10.1.2. the Service provider shall return the transferred objects to the Client under DDP of INCOTERMS 2000 to the place of delivery indicated in writing within the deadlines established in the Contract or otherwise in writing;

10.1.3. such the transfer of objects of the Client to the Service provider shall not grant to the Service provider any ownership rights to these objects except for those, which are necessary for the performance of the Service provider's obligations under the Contract.

10.2. If the Contract documents establish that when providing the Services the Service provider also has to supply to the Client certain goods and/or to perform certain works for the Client, all the provisions of the Contract establishing the procedure for the provision of the Services shall *mutatis mutandis* apply to the supply of goods or performance of works (including the deadlines and procedure for the submission of notices on quality).

10.3. Without prejudice to the provisions of paragraph 10.2 of the GP of the Contract, the supply of goods under the Contract shall also be subject to the following special rules:

10.3.1. all the Goods supplied to the Client shall be delivered under DDP of INCOTERMS 2000;

10.3.2. if the Goods are transferred to the Client for the direct use thereof rather than used for the achievement of the Service provision outcome, procedures for the acceptance - transfer and submission of claims regarding the defects during the carriage of goods established in the Geneva International Carriage of Goods by road (CMR) Convention shall apply.

10.4. Without prejudice to the provisions of paragraph 10.2 of the GP of the Contract, the performance of works under the Contract shall be subject to the following special rules:

10.4.1. the Service provider shall conduct the works of construction exploration, design and construction works in accordance with the requirements of valid legislation and (or, if applicable) according to the requirements of the design tasks presented by the Client, the technical design and (or, if applicable) instructions of the project manager appointed by the Client, the technical supervisor or the Engineer.

10.4.2. If works of a different nature are performed under the Contract, procedure for the performance thereof shall also be subject to the provisions of the Civil Code of the Republic of Lithuania governing the performance procedure of such works.

11. PAYMENTS, MONETARY OBLIGATIONS AND WITHHOLDINGS

11.1. The Client shall pay to the Service provider for the actually provided Services during the period of time set in part 6 of the SP of the Contract.

11.2. All payments under the Contract shall be made in euros, unless otherwise provided for in part 6 of the SP of the Contract.

11.3. When issuing a VAT invoice or an invoice of a different type which must be issued and drawing up a certificate of transfer - acceptance of the Service outcome, the Service provider shall indicate a date and number of the Contract and clearly itemize (in a VAT invoice, its itemized bill or in the certificate of transfer - acceptance of the Service outcome) which specific Services were actually provided. If necessary according to other provisions of the Contract, the investment project number may also be indicated.

11.4. The Parties agree to apply the following procedure for crediting payments of the Client made under the Contract:

11.4.1. first, the requirements of the Service provider related to the fulfilment of the payment obligations for the Services provided under the Contract shall be credited;

11.4.2. requirements of the Service provider related to the compensation of penalties or losses under the Contract shall be credited secondly;

11.4.3. third, amounts payable by the Client to the Service provider (if any) shall be credited.

11.5. If payments under the Contract are international, the SHA settlement scheme shall apply (when the bank charges for an international money order are paid by the paying Party, while foreign bank charges are covered by the receiving Party).

11.6. In the absence of reasons for withholding a payment, the Client having failed to pay the Service provider for the provided Services during the period of time indicated in part 6 of the SP of the Contract shall at the request of the Service provider pay late fees of 0.05 percent of the outstanding amount for each day of delay.

11.7. The Client shall have the right to withhold a payment to the Service provider if the Service provider fails to perform its obligations under the Contract in a timely manner.

11.8. If the Service provider was charged penalties under the Contract, the amount payable by the Client for the Services shall be reduced by the amount of accrued penalties. Also, the Client shall have the right to deduct the calculated penalties from any payments made thereby to the Service provider informing about the offset of such penalties in the procedure prescribed by laws.

12. INTELLECTUAL PROPERTY RIGHTS

12.1. All outcomes and the rights related thereto acquired in the performance of the Contract, including intellectual property rights, except for non-property rights to the intellectual activity results, shall be the property of the Client going over to the Client from the moment of transfer of the outcome of the Services without any restrictions, which the Client can use, publish, assign or transfer to third persons without a separate consent of the Service provider.

12.2. The Client shall have the right to use the objects of authors' rights created during the provision of the Services at its own discretion for the purposes of the activities conducted by the Client and persons related thereto (Lietuvos Energija, UAB Group companies).

12.3. The Client shall have the right to use the objects of authors' rights created on the basis of the Contract both in Lithuania and abroad at no extra charge. Economic authors' rights to the objects of authors' rights created at the time of the Service provision shall be handed over to the Service recipient for the entire validity period of economic authors' rights established in laws.

12.4. Any documents related to the Contract, except for the Contract itself, shall be the property of the Client, and once the Service provider completes the performance of its obligations, they shall be returned to the Client at the Client's request (including all their copies).

12.5. The text of the Contract, except for the documents unilaterally concluded by the Service provider and data identifying the Service provider, shall be the author's work of the Client. Procedures of the conclusion and execution of this contract shall be the good practice of the Client. The Service provider shall be granted solely a non-exclusive fixed-term right to use the text of the Contract solely for the purposes of the performance of the Contract. Any different use of the text of the Contract and/or the experience acquired by the Client in application of the Contract conclusion and performance procedures shall be possible only upon the receipt of an advance written consent of the Client.

12.6. The Service provider shall guarantee the compensation of losses and/or damage to the Client (including litigation expenses) regarding all and any claims arising out of the breach or suspected breach of intellectual property rights (including the defence in case of a suspected breach), except for cases when such a breach (suspected breach) occurs at the fault of the Client.

12.7. If during the provision of the Services the Service provider uses works of other authors for the creation of objects of authors' rights/ the Service provider hires other persons for the creation of the planned objects of authors' rights, the Service provider shall be fully liable to the Client and other persons for the legitimacy of use of their works and other materials intended for the production (creation) of objects of authors' rights planned to be created during the provision of the Services as well as of the transfer thereof to the Client. The Service provider shall assume responsibility for claims or actions arising out of the relations with authors and other third persons with regard to the breach of authors' rights related to the objects of authors' rights transferred to the Service recipient at the time of the provision of the Services and undertakes to compensate to the Service recipient the losses incurred thereby as a result of that.

12.8. The Service provider shall immediately notify the Client about an action or any other claim brought against him due to a breach or a suspected breach of any Contract-related intellectual property right.

12.9. The Service provider shall not have the right to sell objects of authors' rights created under the Contract (including work in progress), otherwise transfer, disclose them to third persons, distribute/display these objects (the components thereof) in any way and/or otherwise use the economic authors' rights established by laws to objects of authors' rights created on the basis of the Contract (including work in progress) without a prior written consent of the Client.

13. AMENDMENT OF CONTRACT CONDITIONS

13.1. Contract conditions cannot be amended during the validity period of the Contract, except for such Contract conditions, the amendment whereof would not result in a breach of principles and goals of public procurement enshrined in Article 3 of the Law on Public Procurement of the Republic of Lithuania, and when a consent of the Public Procurement Service has been obtained for such amendments of Contract conditions. Consent of the Public Procurement Service shall not be required when having held a simplified procurement procedure, the value of the awarded Contract thereof is lower than EUR 3000 (exclusive of VAT) or when the Contract is awarded after a low-value procurement procedure.

13.2. Amendments to the procurement contract of technical nature (such as particulars of the Parties, errors) and the adjustment of individual Contract performance conditions under the circumstances provided for in the Contract shall not be considered amendments to Contract conditions

13.3. Amendments to Contract conditions can be initiated by each of the Parties presenting to another Party a respective request and documents substantiating it. The Party having received such a request shall examine it within 20 calendar days and submit a written reasoned response to another Party. In case of a disagreement between the Parties, the decision right shall rest with the Client.

13.4. Requirements provided for in paragraph 13.1 of the GP of the Contract shall not apply to:

13.4.1. the recalculation of the price due to a changed VAT rate provided for in paragraph 5.4 of the GP of the Contract;

13.4.2. replacement of subcontractors and partners in the joint venture provided for in part 8 of the GP of the Contract;

13.4.3. extension of the start and end dates of the Service provision established in a written agreement of the Parties (paragraph 9.7 of the GP);

13.4.4. recalculation of the price as a result of the currency change;

13.4.5. change of contact details of the Parties.

14. BREACH OF THE CONTRACT AND THE CONSEQUENCES THEREOF, CONTRACT TERMINATION

14.1. If the Party fails to fulfil or improperly fulfils its obligations under the Contract, it will breach the Contract. In case of the breach of the Contract by one of the Parties, the other Party shall have the right to make use of any legitimate remedies, including, but not limited to the following:

14.1.1. to request the other Party to properly perform its contractual obligations;

14.1.2. to request for the compensation of losses;

14.1.3. to make use of the Contract performance guarantee, if such a requirement was provided for in the Procurement conditions;

14.1.4. to request to pay penalties (late fees/ fines) established in the Contract and to reimburse losses;

14.1.5. to terminate the contract in the procedure prescribed in paragraph 14.2 of the GP of the Contract.

14.2. The Client shall have the right to unilaterally, without referring to court, terminate the Contract having warned the Service provider about that in writing 5 (five) calendar days beforehand, if the Service provider is in material breach of the Contract. A breach committed by the Service provider shall be considered material, if:

14.2.1. the Services provided do not meet the requirements provided for in the Contract, and the Service provider fails to rectify the deficiencies of the provision of the Services within the period of time set in the Contract;

14.2.2. the Service provider has missed the deadline for the provision of the Services more than two times in a row, if the Service provision is of continuous nature;

14.2.3. if the Services are not of permanent nature, the Service provider does not comply with the deadline for the provision of the Services established in part 5 of the SP of the Contract, and the delay from the planned end date is more than 30 days;

14.2.4. qualification of the Service provider has become no longer compliant with Contract requirements and these discrepancies have not been rectified within 14 (fourteen) calendar days from the day the qualification has become noncompliant;

14.2.5. a bankruptcy or restructuring procedure has been instituted against the Service provider, or a bankruptcy procedure has been held in an out-of-court procedure, compulsory liquidation procedure or arrangement with creditors have been initiated, or similar procedures have been instituted against it in accordance with laws of the country of registration thereof, and the Client has become aware of such a compulsory implementation of the creditors' rights of the Service provider, which can have a material effect on the possibilities of the Service provider to continue to perform the Contract, and/or a conviction has been adopted or has taken effect against the Service provider for the crimes defined in legislation of the European

Union listed in Article 45(1) of Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts;

14.2.6. the Service provider has breached provisions of the Contract governing competition, control of intellectual property or confidential information;

14.2.7. the Service provider has breached provisions of part 8 of the GP of the Contract;

14.2.8. other circumstances provided for in Article 6.217 of the Civil Code of the Republic of Lithuania are existent.

14.3. Upon the termination of the Contract by the Client in the procedure laid down in paragraph 14.2 of the Contract or upon a reasonable termination of the Contract by the Service provider, the Service provider shall at the request of the Buyer pay to the Client a fine of 10 (ten) percent of the Service price and reimburse its direct losses related to the termination of the Contract. Upon the Client's request to compensate the incurred losses, the amount of the fine shall be included in the compensation of losses.

14.4. The Parties shall have the right to terminate the Contract unilaterally without referring to court, under the bases and in the procedure established in the legislation of the Republic of Lithuania.

14.5. The Contract can be terminated by a written agreement of both Parties.

15. CONTRACT PERFORMANCE GUARANTEE

15.1. The Parties declare that penalties provided for in the Contract shall be considered fair and low, and agree that they will not be reduced regardless of whether a part of the duty was fulfilled. The Parties also declare that the amount of the said penalties shall be considered undisputable amount of losses incurred by the aggrieved Party, which the other Party must compensate to the aggrieved Party for the breach (noncompliance) of the Contract without requesting to prove the amount of the losses.

15.2. The mandatory penalties of the Party to be paid on the basis of the Contract shall be paid within 10 (ten) days from the day of the receipt of an issued invoice or another document presenting a requirement to pay the penalties. Losses which must be compensated by the Party on the basis of the Contract shall be paid within 10 (ten) days from the day of receipt of a written claim.

15.3. The compensation of losses and payment of penalties shall not relieve the party from proper performance of Contract provisions.

15.4. If the Contract conditions establish a requirement for the Service provider to present additional Contract performance guarantee measures, the following conditions shall apply:

15.4.1. the Service provider shall no later than within 10 (ten) working days from the day of signing the Contract present to the Client a Contract performance guarantee in the amount indicated in the SP of the Contract valid for at least the validity period of the Contract;

15.4.2. the Contract performance guarantee shall be presented in the currency used for mutual settlement of the Parties. The Contract shall be guaranteed by an unconditional irrevocable guarantee issued by a bank registered in the Republic of Lithuania or another Member State of the European Union or the European Economic Area, or another international bank holding a rating of at least A- (A minus) in accordance with the prescribed procedure and approved rules;

15.4.3. the Contract performance guarantee shall be presented in a written form, indicating that upon the failure of the Service provider to fulfil its contractual obligations or improper performance thereof, the Guarantor undertakes to pay to the Client an amount no greater than the Contract performance guarantee within 10 (ten) days upon the receipt of the first written demand of the Client, with the Client being not obliged to substantiate its requirement, but only having indicated in the letter how the Service provider failed to fulfil or improperly fulfilled its contractual obligations;

15.4.4. according to the Contract performance guarantee, the Client shall have the right on the first demand and without the submission of any additional evidence to the guarantor receive a compensation of losses, which would occur due to the non-fulfilment of obligations assumed by the Service provider under the Contract;

15.4.5. the Client shall return to the Service provider a Contract performance guarantee no later than within 30 (thirty) calendar days from the day of receipt of the Service provider's request and the day of the fulfilment of the obligations assumed under the Contract;

15.4.6. if the Service provider fails to submit a Contract performance guarantee within the period of time set in paragraph 15.4.1 of the GP of the Contract (if applicable), the Service provider shall be considered to have refused to sign the Contract.

16. LIABILITY OF THE PARTIES

16.1. The Parties shall be liable for non-performance or improper performance of their contractual obligations in the procedure prescribed in the Contract and the laws.

16.2. The Party shall be exempt from civil liability, if it proves that the Contract was not fulfilled for the circumstances, which it could not control or reasonably foresee at the time of concluding the Contract, and that it could not prevent these circumstances or the consequences thereof from happening (force majeure circumstances). The Parties shall understand force majeure circumstances as they are governed by Article 6.212 of the Civil Code of the Republic of Lithuania and *Rules on the Exemption from Liability in Case of Force Majeure* approved by Resolution No 840 of the Government of the Republic of Lithuania of 15 July 1996 to the extent they do not contradict the Civil Code of the Republic of Lithuania. The Party shall inform another Party about the emergence of these circumstances within 3 (three) working days from the day it found out (had to find out) about the emergence thereof. The performance of obligations of the Parties shall be postponed for the period of existence of force majeure circumstances.

16.3. When asking to exempt it from liability, the Party shall inform another Party in writing about force majeure circumstances immediately, but no later than within 3 (three) working days from the moment when they emerged or were discovered, furnishing proof that it has taken all reasonable precautions and made every effort to reduce expenses or negative consequences, and also notify about a possible deadline for the fulfilment of the obligations. The notice is also required when the basis for non-fulfilment of obligations disappears.

16.4. The basis to exempt the Party from liability emerges from the moment of emergence of force majeure circumstances or, if a notice has not been presented, from the moment of the submission of the notice. If the party fails to send a notice or inform in a timely manner, it shall compensate another Party the damage incurred thereby due to the failure to submit a notice in a timely manner or because of the non-submission of any notice.

16.5. If force majeure circumstances last longer than 2 months, any of the Parties shall have the right to unilaterally terminate the Contract having warned another Party about that 5 days in advance. In such a case, the Client shall compensate the Service provider for his properly provided Services up until that time.

17. CONFIDENTIAL INFORMATION

17.1. The Parties agree to keep this Contract, except for the fact of the Contract award, and the entire information transferred to each other on the basis thereof secret, regardless of the fact whether that information is presented orally or in writing. The Parties agree not to disclose confidential information to any third party without a prior written consent of the Party having presented it, also, not to use confidential information for personal needs or needs of third persons, except for cases when such information must be disclosed to a legal, financial or another specialist/ advisor, or to the lender.

17.2. All information provided by the Client to the Service provider shall be considered confidential, unless the Client confirms in writing that certain presented information is non-confidential.

17.3. The following shall also be considered confidential information:

17.3.1. information expressed in electronic form, in writing or some other manner, received in the performance of the Contract;

17.3.2. data, personal data, electronic data, archived information and other information prepared by employees of the Party.

17.4. A person to whom the Party discloses confidential information shall assume confidentiality obligations according to the regulations of this Article and use such information solely for the purpose it was provided for. The provisions of this Article shall not apply to information, which is or has become publicly available, or was obtained upon disclosure, or has to be disclosed according to legal requirements. Instructions for the supply and use of goods provided together with the Services and other information of similar nature shall also be considered non-confidential. The Party in breach of the obligations provided for in the Contract to protect confidential information and not to disclose it must reimburse the other Party any losses caused thereto by the breach of the Contract and take all reasonable steps to rectify the consequences of such disclosure within the shortest period of time.

17.5. The Parties know, agree and undertake not to disclose, make public or transfer confidential information to any third persons, to use this information solely for the purpose of the fulfilment of the Contract, and to return confidential information to another Party or to destroy the presented information upon the expiry of the Contract or the termination thereof.

17.6. The Party in breach of the confidentiality obligation provided for in the Contract shall undertake to pay to another Party based on a reasoned requirement thereof a fine of EUR 3 000 (exclusive of VAT) and compensate all direct and indirect losses incurred by another Party to the extent the said fine does not cover them.

17.7. The Client can use the entire information received during the performance of the Contract for the purposes of the activities conducted by itself or any other company owned by Lietuvos Energija, UAB Group

and/or a company under direct or indirect control of the Company, and/or a company directly or indirectly controlling the company, and this shall not be considered a breach.

17.8. If provided for in the SP of the Contract, the supplier shall have to sign a separate confidentiality agreement, which may lay down other provisions governing confidentiality information.

18. FINAL PROVISIONS

18.1. The Client shall have the right to terminate the Contract unilaterally at any time in the absence of the fault of the Service provider, without referring to court having informed the Service provider about that 30 calendar days in advance. In such a case, the Service provider shall be paid solely for the Services actually appropriately provided before the day of the termination of the Contract.

18.2. The Client may suspend the performance of the Contract or a part thereof for such a period of time and in a way it sees fit. If the period of suspension lasts longer than 30 days, the Service provider shall have the right to ask for permission to resume the performance of the Contract, and, in case of the refusal of the Client to grant such permission within 10 days from the respective address of the Service provider, to terminate the Contract having warned about that 10 days in advance.

18.3. The Service provider shall not acquire the right to transfer its obligations under the Contract to a third person without a written consent of the Client.

18.4. The Parties agree that in case of the reorganization of the Client's company in the procedure prescribed by law or in case of a change of the Client's legal status, the successor of the Client's rights and obligations shall without a written consent of the Service provider become a Party to the Contract taking over all the rights and obligations assumed by the Client on the basis of the Contract as from the moment of the take-over of its rights and obligations. The Parties declare and confirm that such the take-over of rights and obligations of the Client is no novation according to the provisions of Chapter Three Part I Book VI of the Civil Code of the Republic of Lithuania and it has no impact on the validity of the Contract by itself. The Parties agree that the Client or the successor of its rights and obligations shall inform the Service provider about the take-over of rights and obligations provided for in this paragraph in the procedure prescribed by laws and the Parties shall not conclude any individual amendment to the Contract.

18.5. The Party shall not gain the right to transfer its obligations under the Contract to any third person without a written consent of another Party. This restriction on the transfer of obligations shall not apply in cases when the obligations arising to the Client as a result of the transfer of the Client's functions or a part thereof on the basis of the Contract are transferred to another contracting authority - associated persons of the Client meeting at least one of the criteria enshrined in Article 2(8) of the Law on Profit Tax of the Republic of Lithuania.

18.6. All notices and other information between the Parties under the Contract shall be made in writing and considered properly submitted, if they are handed in in person, sent by courier, registered mail or by other means indicated in in Annexes to the SP of the Contract to the addresses specified in these Annexes.

18.7. The Parties shall appoint the contact persons for cooperation, the data of whom are indicated in Annex 1 to the SP of the Contract.

18.8. Each Party shall notify another Party about the change of the address, particulars or contract persons indicated in the SP of the Contract within 5 working days. All notices and other correspondence sent to the address indicated in the Contract before the notification on the change of address shall be considered properly delivered.

18.9. All mutual relations of the Parties arising out of the Contract and undiscussed in these conditions are governed by laws and other legislation of the Republic of Lithuania.

18.10. The Parties undertake to resolve all disputes arising out of the performance of the Contract by negotiation. If the Parties cannot resolve these disputes by negotiation, they shall be solved in courts of the Republic of Lithuania in the procedure prescribed by laws.

18.11. Before the conclusion of the Contract the Parties can agree in the SP of the Contract on other provisions of the Contract unmentioned in the GP and/or SP of the Contract, which do not conflict with the Procurement conditions and provisions of the Law on Public Procurement of the Republic of Lithuania.

18.12. If any of the provisions of the Contract is or becomes partially or completely invalid, it shall not make the remaining provisions of the Contract invalid. In such a case the Parties agree to make every effort to ensure the replacement of the invalid provision with a legally effective standard, which, as much as possible, would have the same effect as the replaced provision.

18.13. This Contract is drawn up in two copies of equal legal force, one for each Party.

19. OTHER CONDITIONS

19.1. The Parties agree that during the provision of the Services, the Service provider shall submit to the Client the final Service provision-related documents and the entire material in the Lithuanian language only. If respective final documents or other material necessary for the provision of the Services are presented in some other than the Lithuanian language, the Service provider shall enclose with these documents a translation of the documents into the Lithuanian language certified by a signature of the translator and a seal of the translation bureau.

19.2. The Client can also register in the SP of the Contract and/or the Technical specification which additional documents besides those requested in paragraph 19.1 of the GP of the Contract are to be presented in the Lithuanian language.

19.3. If the Service provider fails to comply with the requirements laid down in paragraph 19.1 and/or 19.2 of the GP of the Contract (should he present the documents in some other than the Lithuanian language and fail to include a translation of the documents into the Lithuanian language certified by a signature of the translator and a seal of the translation bureau), the Client shall have the right to translate the said documents at its own expense without a separate notification thereof, and will reduce the amount payable for the Services provided by the sum of actually incurred expenses related to the translation services.