
Guntars Krūmiņš
Head of the Commission

REGULATION OF PROCUREMENT
“Delivery and Installation of Lift Fork”
Procurement identification No. LNO 2016/5

1. General information on procurement

State Limited Liability Company “Latvian National Opera and Ballet”, registration number LV 40103208907 (hereinafter – the Contracting Authority), organizes negotiation procedure – in accordance with Public procurement law, section 63, part one, paragraph 3. Procurement subject – delivery and installation of lift fork in accordance with Contracting Authority’s requirements (technical specification) and Annex 1 of Procurement Regulation. Taking into account the above mentioned the Contracting Authority invites to submit tenders in accordance with Public Procurement Law of the Republic of Latvia and Procurement Regulation “Delivery and installation of lift fork”, Procurement identification No.LNO 2016/5 (hereinafter - Procurement) (hereinafter - Regulation). Procurement includes – manufacturing (delivery) of lift fork, including transportation to Contracting Authority (Aspazijas bulvāris 3, Riga, Latvia), its installation in place, specified by the Contracting Authority, provision of service/repair works for lift fork – during its guarantee period, and preparation of the site where lift fork will be installed (see Technical specification – Annex 1 of Regulation). Procurement CPV code: 42418000-9, 45000000-7, NUTS code LV006. Estimated procurement price EUR 470,000.00 (four hundred seventy thousand euro, and 00 euro cents) excluding VAT. In result of negotiation procedure there shall be concluded Procurement contract. Draft Procurement contract is attached as Annex 3. The Contracting Authority intends to pay advance payment to Supplier within framework of Procurement contract in amount of 20% of contractual price. Deadlines for execution of contract are included in Annex 6 of the Regulation (Draft Procurement contract).

2. Contact person of the Contracting Authority: **Technical Director of LNOB Guntars Krūmiņš (tel. 67073855, e-mail: guntars.kruminš@opera.lv)**.

3. Sending invitations to applicants within framework of negotiation procedure.

The Contracting Authority shall send invitations within framework of Procurement procedure to at least three applicants - to submit applicant’s tender on performance of procurement subject in full amount and within terms determined by the Contracting Authority. Invitation shall be sent to each applicant in accordance with what is determined in Public procurement law, section 2. Invitation shall include – Procurement Regulation approved by Procurement commission (information on procurement, technical specification, documents/forms to be submitted, draft Procurement contract).

4. Procedure for tender submission

Applicant shall submit the tender – in accordance with procedures, time and execution, determined in Procurement Regulation. Applicant shall submit the tender by 29 January 2016, 10:00 – in office of Contracting Authority, in Riga, at Aspazijas bulvāris 3, Latvia. In the event if applicant has sent the tender (through use of postal service), but the Applicant has justified reason to consider that the tender will not be received timely in above specified place of tender submission, then the applicant may send the tender additionally to e-mail of Contracting

Authority's contact person, **Technical Director of LNOB Guntars Krūmiņš (tel.67073855, e-mail: guntars.kruminš@opera.lv)**. Applicant's tender consists of:

- Application for participation in Procurement, prepared and filled in accordance with form attached to Regulation (Annex 2);
- Technical tender in accordance with form attached to Regulation (Annex 3);
- Financial tender in accordance with form attached to Regulation (Annex 4);
- Information on sub-contractor/s which will be attracted to execution of contract (Annex 5).
- Additional information on offered lift fork (photo, drawing, technical description).
- Information on provisions of Draft contract to which ones the applicant does not agree. Opinion has to be justified.

Tender shall be submitted in closed, sealed envelope with title "Delivery and installation of lift fork", identification No.LNO 2016/5. Tender shall be prepared in Latvian or English by submitting one original of tender and one appropriately executed copy. The tender should be clearly legible, in printed form, without corrections and erasures, with bound, numbered pages. Tender should be submitted for the full amount of procurement. Tenders submitted for partial amount of procurement will not be evaluated.

5. Evaluation of tenders and tender selection

Procurement commission shall evaluate submitted tenders and select the tenders which comply with Contracting Authority's requirements/Annex 1 of Regulation, as well as complies with delivery procedure and terms determined by the Contracting authority for lift fork. After inspection of technical compliance of tenders the Commission shall select the tender with the lowest offered price (selection criterion of the tender in procurement). Commission shall notify all Applicants on procurement results within three working days after decision taking on conclusion of Procurement contract or termination of the procurement without selecting any applicant. Contracting Authority is entitled to terminate the procurement and not to conclude the contract if it has objective justification. If selected applicant refuses to conclude the Procurement contract with Contracting Authority the Commission is entitled to take a decision to conclude Procurement contract with other Applicant what complies with all requirements of Regulation and what has offered the next lowest price.

6. Details of the Contracting Authority

Name of the Contracting Authority:	State Limited Liability Company "Latvian National Opera and Ballet" (<i>Latvijas Nacionālā opera un balets</i>)
Address:	Aspazijas bulvāris 3, Riga LV-1050, Latvia
Registration number:	40103208907
Telephone number:	+371 67073715
Fax number:	+371 67228930
Working hours:	Working days from 9:00 to 17:00

7. Annexes:

- Annex 1 – Technical specification on 3 (three) pages;
- Annex 2 – Application for participation in procurement on 1 (one) page;
- Annex 3 – Technical tender on 2 (two) pages;
- Annex 4 – Financial tender on 2 (two) pages.

Annex 5 – Information on sub-contractor/s which will be attracted to execution of contract on 1 (one) page;
Annex 6 – Draft contract on 6 (six) pages.

**Annex 1 to regulation in
Procurement “Delivery and installation of lift fork”
Procurement identification No.LNO 2016/5**

TECHNICAL SPECIFICATION

1.	Requirements for the lift fork:
	1. Site for placement of ski lift – in the open
	2. Application – lift of trucks (without passengers)
	3. Surface of platform – metal, safe against slip, restricted around the perimeter with railing.
	4. Installed automation, which blocks the gate to the platform and in location of the load from accidental opening of gate until the load platform has stopped at the desired position.
	5. Coating of constructions – anti-corrosion
	6. Height of lifting – to 5.05 m
	7. Hoisting capacity – 30 tons
	8. Length of platform – 14 m
	9. Width of platform 3.5 m
	10. To be installed in the hole with dimensions 14.1 m x 3.6 m x 1.55 m
	11. Lifting levels – 4
	12. Lifting speed – 50 -100 mm/s
	13. Maximum required power – 60 kw
	14. At lowest position of ski lift there must be an option for a truck to drive on it
	15. Control of ski lift – stationary control panel
	16. Ski lift must be provided with overload control equipment
	17. Ski lift must be provided with a light signal during operation and emergency break
	18. Lift fork shall correspond to the requirements specified in Cabinet Regulations No. 195 “Machine Safety Provisions” of 25.03.2008 and Directive 2006/42/EC of European Parliament and Council on machines
	19. Ski lift and its components must have a CE-marking and EC

	declaration of conformity.
	20. Provide with technical description of equipment, general electric, electronic, electromechanic and mechanic schemes
	21. Provide with the list of required maintenance and the intervals between them
	22. All documentation shall be submitted in the official language
	23. Type of ski lift – hydraulic – scissor-type
	24. ski lift must be stoppable at different heights
	25. ski lift must be provided with an emergency brake
	26. ski lift must have automated operating system and button control
2.	Other requirements
	1. The supplier ensures transportation of the lift fork and its components to the address of the Contracting Authority - Aspazijas bulvāris 3, Rīga, Latvia, LV-1050, and also installation in the territory of State Limited Liability Company “Latvian National Opera and Ballet” in already constructed concrete hole 14.1 m x 3.6 m x 1.55 m in accordance with technical project “construction of temporary use – lift equipment with shelter near Latvian National Opera”.
	2. The Supplier shall ensure participation of certified experts, its labour force, tools, devices, and other resources in installation of fork lift ensuring compliance with labour safety, fire safety and internal regulations of State Limited Liability Company “Latvian National Opera and Ballet”, of which it signs in the relevant logbooks.
	3. During the assembly work in the rooms and yard of State Limited Liability Company “Latvian National Opera and Ballet” the Supplier shall fill in a labour accounting logbook in free form.
	4. The Supplier with internal order shall appoint a person responsible for performance of installation works.
	5. Responsible person of the Supplier provides the responsible employees of State Limited Liability Company “Latvian National Opera and Ballet” with a written list of employees and timely correction of the list.
	6. Works with increased noise and vibration shall be agreed with the responsible employee of State Limited Liability Company “Latvian National Opera and Ballet”.
	7. Delivery and installation term of fork lift – 08 August, 2016.
	8. The supplier shall provide with minimum 24 months guarantee period regarding the fork lift and installation works.
	9. Delivery of spare parts and replacement during the guarantee period shall be provided within 5 days.
	10. Supplier shall dig and clean the hole for lift fork which is currently filled with sand 14.1 m x 3.6 m x 1.55 m in quality and term in order to avoid of delay of installation and commissioning of the lift fork. Should be arranged all required permits and agreements for digging works, if required.

	<p>11. The supplier ensures training of ca. 5 employees of State Limited Liability Company “Latvian National Opera and Ballet” for the work with fork lift. During the training the Supplier ensures that:</p> <ul style="list-style-type: none">- employees are provided with information on construction of fork lift and general principles of operation;- employees are provided with information on safety provisions in work with ski lift;- training is provided for operation with the fork lift;- employees are provided with information on daily maintenance measures of fork lift;- additional information is provided on questions that can occur to the employees during the trainings.
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**Annex 2 to regulation in
Procurement “Delivery and installation of lift fork”
Procurement identification No.LNO 2016/5**

(forma)

**Application for participation in
procurement “Delivery and Installation of Lift Fork”
Procurement identification No.LNO 2016/5**

I, undersigned, confirm that:

_____ (name of Applicant):

1. agrees to provisions of Procurement Regulation and guarantees performance of requirements of Procurement Regulation and its annexes. Provisions of Procurement Regulation are clear and understandable;
2. all information specified in the Tender is correct and true;
3. is aware and understands that the Contracting Authority may accept or refuse any tender, as well as all tenders at any time up to determination of the winner;

1.	<i>Name of applicant</i>	
2.	<i>Unified registration No.</i>	
3.	<i>Registered office, postal index</i>	
4.	<i>Actual address, postal index</i>	
5.	<i>Bank account No.</i>	
6.	<i>Bank code</i>	
7.	<i>Name of bank</i>	
8.	<i>Contact person</i>	
9.	<i>Telephone</i>	
10.	<i>Fax</i>	
11.	<i>Mobile phone</i>	
12.	<i>E-mail address</i>	
13.	<i>Person who will sign Procurement contract (if applicant will be selected as winner in Procurement), Name, Surname, position, legal basis</i>	

(Signature of Applicant or its authorised person, its transcript)

**Annex 3 to regulation in
Procurement “Delivery and installation of lift fork”
Procurement identification No.LNO 2016/5**

(To be filled by Applicant)

**Technical Tender
in Procurement “Delivery and installation of lift fork”
Procurement identification No.LNO 2016/5**

Contracting Authority’s task to Applicant	Applicant’s Tender in Procurement
<p>Applicant shall describe technical characteristics of offered lift fork in details, by taking into account information, submitted by Contracting Authority in Technical specification for each item.</p>	<p>Name of lift fork: _____ _____.</p> <p>Technical characterisation of lift fork in detail: _____ _____.</p> <p>Documents to be attached (photo and drawings of lift fork): _____ _____.</p>
<p>Applicant offers terms for delivery and installation of lift fork in accordance with terms determined by the Contracting Authority in Regulation.</p> <p>Applicant shall prepare the schedule for installation works, and attach it to the Tender.</p>	<p>Manufacturing time of lift fork: _____.</p> <p>Delivery term of lift fork to Contracting Authority – Aspazijas bulvāris 3, Rīga, Latvia: _____.</p> <p>Type and procedure for transportation of lift fork – from Contract performer to Contracting Authority: _____.</p> <p>Term for installation of lift fork starting from the delivery time: _____ working days starting from the date when lift fork is delivered.</p>

<p>Applicant is obliged to offer installation of lift fork by describing amount of works and their technical characterisation (may be submitted appropriately prepared estimate):</p>	<p>Characterisation of works:_____.</p> <p>Staff to be attracted, their qualification: _____.</p> <p>Other information: _____.</p>
<p>Applicant is obliged to offer/specify guarantee period of Lift fork and its installation works.</p> <p>Applicant shall offer repair services during guarantee period of lift fork and its installation</p>	<p>Guarantee period: _____</p> <p>Security of repair services – provisions: _____.</p> <p>Staff qualification: _____.</p>
<p>Applicant is obliged to offer execution of preparation works for planned site of lift fork installation – in accordance with what is determined in Contracting Authority’s technical specification.</p>	<p>Characterisation and amount of works: _____.</p> <p>Procedure for work performance and execution time (from starting to the end) _____.</p>

(Signature of Applicant or its authorised person, its transcript)

<place> _____ 2016
No. _____

**Annex 4 to regulation in
Procurement “Delivery and installation of lift fork”
Procurement identification No.LNO 2016/5**

(To be filled by Applicant)

**Financial Tender
in Procurement “Delivery and installation of lift fork”
Procurement identification No.LNO 2016/5**

Applicant _____ confirms that:

- this Financial tender is prepared for execution of procurement subject specified in Technical tender of Applicant – in accordance with requirements/Regulation of the Contracting Authority;**
- the price offered by Applicant (total) includes all costs related with execution of procurement subject in full amount;**
- Applicant is aware that offered total price will be evaluated in the meeting of Procurement commission in accordance with criterion for tender selection – the lowest price.**

**Total price excl. VAT
21%, EUR for
performance of
procurement subject in
full amount * :**

_____ *(in numbers)*

_____ *(in words)*

Attached:

- 1) Cost estimate for installation works and preparation of site on __ (_____) pages
- 2) Description of offered price (transcript) in free form (offered price for each need of Construction Authority/item of Procurement, excl. VAT)

(Signature of Applicant or its authorised person, its transcript)

<place> _____ 2016
No. _____

**Annex 6 to regulation in
Procurement “Delivery and installation of lift fork”
Procurement identification No.LNO 2016/5**

**PROCUREMENT CONTRACT
“Delivery and Installation of Lift Fork”
(DRAFT)**

Riga,

_____ 2016

State Limited Liability Company “Latvian National Opera and Ballet”, reg. No.40103208907, address: Aspazijas bulvāris 3, Riga, LV-1050, represented by the Chairman of Board Zigmars Liepiņš who acts on the base of statutes, hereinafter – **the Contracting Authority**, on the one part, and

_____, Reg.No._____, address:_____, represented by its Board member _____ who acts on the base of statutes, hereinafter – **the Supplier**, on the other part, the Contracting Authority and Supplier together referred to as “the Parties”, concluded the following contract, hereinafter “the Contract”, on the following:

1. Subject of the Contract

- 1.1. In accordance with the requirements of the Contracting Authority and on the base of results of the public procurement/negotiation procedure “**Delivery and installation of lift fork**”, ID No.LNO 2016/5 (CPV codes:_____), according to the Technical Tender (*Annex 1*) and Financial Tender (*Annex 2*), the Supplier delivers as well as installs delivered lift fork in Riga, Aspazijas bulvāris 3, Latvia, hereinafter – “the Product”, whereas the Contracting Authority undertakes to pay for the Product.
- 1.2. The Contracting Authority undertakes to pay the Supplier for the delivered Product and installation thereof within the terms and amount referred to in the present Contract.
- 1.3. The Parties agree that the delivery and installation of Product delivered by the Supplier shall be established by preparing a relevant Acceptance Certificate which is signed by authorized representatives of both Parties and which is attached to the Contract as integral part to this Contract in *Annex 3*.

2. Rights and Obligations of Supplier

- 2.1. The Supplier attests hereby that he knows all conditions that can be important and/or necessary for the Supplier to implement he contractual relations determined by this Contract with the Contracting Authority.
- 2.2. The Suppliers guarantees the delivery and installation of the Product referred to in clause 1.1 not later than **by 08.08.2016**.
- 2.3. The Supplier shall ensure the transportation of Product referred to in clause 1.1 herein and its components to the address of the Contracting Authority with its own vehicle, labour force and other required resources and equipment not later than by 08.07.2016. Related costs are included in contractual price.
- 2.4. In accordance with the provisions of this Contract and work assignment of the Contracting Authority, the Supplier undertakes to arrange the installation of Product in perfect quality and high professional level, on its risks, independently, with own raw materials, tools, devices, labour force, and other required resources in the territory of VSIA Latvia National Opera within term what does not exceed 1 (one) calendar month after delivery date.
- 2.5. The Supplier undertakes to agree with the authorized persons of the Contracting Authority on the works related with increased noise or that otherwise disturb the principal activity of the Contracting Authority – opera and ballet performance, if such are arranged in the premises of the Contracting Authority.
- 2.6. The Supplier is obliged to assume responsibility for its personnel regarding the compliance with labour safety, labour protection, labour order, sanitary norms, safety engineering and fire safety regulations in the Object.

- 2.7. Within the framework of provision of service, the Supplier undertakes to agree the work arrangement issues with the authorized representative of the Contracting Authority and take into account the instructions given by the authorized representative of the Contracting Authority.
- 2.8. The Supplier is obliged to notify timely the Contracting Authority on conditions that have revealed during the installation process and can cause obstacles for further qualitative and timely execution of work, and also on the fact if such conditions have occurred during the provision of services that can be dangerous to health and life of persons, and he is obliged perform all required measures to eliminate them.
- 2.9. The Supplier shall be responsible for concealment or non-provision of information or provision of untrue information to the Contracting Authority regarding installation of the Product in the Object and the losses caused in the result of it.
- 2.10. The Supplier undertakes to notice all objections and instructions of the authorized representative of the Contracting Authority and eliminate the defects or faults specified by this person within the term specified by this person, if these defects or faults, objections and instruction are justified and they don't conflict with the Contract.
- 2.11. The Supplier is obliged to provide a report in writing on the course of works, results and compliance with term, if requested by the Contracting Authority.
- 2.12. The Supplier undertakes the risk that could occur during the provision of Service (accidents, damages, causing losses to third persons, etc.). Supplier is responsible for damages occurred due to Supplier's fault.
- 2.13. After provision of the Service, the Supplier is obliged to arrange the Object, for example, removal of debris, equipment, tools, mechanisms, inventory and other things owned by the Supplier till the Acceptance Certificate is signed. In the event if Supplier has not arranged the Object, specified in this paragraph of Contract, until the signing of Acceptance Certificate then the Contracting Authority shall perform arrangement of the Object from its own resources and proportionally decreases price of Product determined in paragraph 5.1 of the Contract.
- 2.14. The Supplier shall appoint its authorized representative – _____ (tel. _____, e-mail: _____), who is authorized to settle the issues related with implementation of this Contract on behalf of the Contracting Authority. In case the Supplier changes the responsible employee on its part during the Contract period, he shall notify the Contracting Authority at least 3 (three) working days in advance thereof.
- 2.15. For security of Contract implementation in accordance with Procurement Regulation and on the base of the Contract the Supplier is entitled to attract sub-contractor _____, hereinafter "Sub-contractor", whose deliverable amount of works comprise _____ of total procurement amount, including _____. Whereas, _____ % of total procurement amount, including _____, is performed by the Supplier. By attracting the above mentioned Sub-contractor the Supplier shall remain fully liable towards the Contracting Authority regarding Contract performance in accordance with Contract provisions.
- 2.16. The Supplier is not entitled to change Sub-contractor without written consent from the Contracting Authority.
- 2.17. The Supplier is entitled to resign unilaterally from the Contract in accordance with clause 8.2 herein. The Contracting Authority is entitled to calculate unilaterally and deduct the contractual penalty from the Contracting Authority referred to in clause 7.3 herein.
- 2.18. In the event if laws and regulations of the Republic of Latvia determine that for performance of contractual works is required agreement and/or permit issued by appropriate state authority then Supplier is obliged to obtain it, whereas the Contracting Authority is obliged to provide required information to the Supplier.

3. Rights and Obligations of the Contracting Authority

- 3.1. The Contracting Authority undertakes to pay a Contract Price for the delivery and installation of the Product referred to in clause 1.1 herein within the amount and procedure referred to in the Contract to the Supplier with a cash transfer to the current account specified by the Supplier.
- 3.2. The Contracting Authority shall ensure for Supplier the availability of place intended for installation of Lift fork.

- 3.3. The Contracting Authority undertakes to provide and familiarize the Contracting Authority with information required for implementation of Service that can be regarded as important and/or required for the Supplier to be able to perform the liabilities undertaken with the Contract.
- 3.4. The Contracting Authority is entitled to perform surveillance and control over Supplier's work, and control and request at any time explanation from the Supplier regarding the work progress, compliance with terms, problems the Supplier has encountered during the installation of Product, and give any other reports and explanations, that, at discretion of the Contracting Authority, are required due to performance of contractual works of the Supplier.
- 3.5. The Contracting Authority is obliged to notify timely the Supplier on conditions that may disturb the installation of Product by the Supplier.
- 3.6. If the quality of works performed by the Supplier doesn't comply with the contractual provisions as to the moment of handing over or a material deviation from norms is established, the Contracting Authority is entitled not to perform post-payment and not accept the works till elimination of these faults on the account of the Supplier within the term specified by the Contracting Authority.
- 3.7. If the Supplier does not perform the works in accordance with the schedule, the Contracting Authority is entitled to request involvement of additional labour force to perform the Service without increasing total price for the Product specified in paragraph 5.1 of Contract.
- 3.8. The Contracting Authority shall appoint its authorized representative – **Technical Director of LNOB Guntars Krūmiņš (tālr.67073855, e-pasts: guntars.kruminš@opera.lv)**, who examines and controls the execution of works, not involving in operative economic activity of the Supplier. He is entitled to stop provision of works if legal acts and Contract is not observed to the moment the faults and/or imperfections are eliminated and works are completely executed. In case the Contracting Authority changes the responsible employees on its part during the validity period of the Contract, the Contracting Authority shall notify the Supplier thereof in writing 3 (three) working days in advance.
- 3.9. The Contracting Authority shall not account for the machinery, materials and other resources of the Supplier that are located in the Object and also for the harm caused in the result of activity or inactivity of the Supplier.
- 3.10. The Contracting Authority is entitled to resign unilaterally from the Contract in accordance with clause 8.1 herein. The Contracting Authority is entitled to calculate unilaterally and deduct a delay interest referred to in clause 7.2 and/or contractual penalty referred to in clause 7.4 herein from the invoice regarding the works performed submitted by the Supplier.

4. Product Delivery and Handing over – Acceptance of Works

- 4.1. The Supplier is obliged to notify the Contracting Authority on the course of Contract performance.
- 4.2. In order to allow the Contracting Authority to prepare for acceptance works of Product referred to in the Contract the Supplier shall notify the Contracting Authority not later than 1 (one) calendar month before delivery of the Product. In accordance with Contract provisions after delivery of the Product it shall be installed.
- 4.3. Installation of the Product referred to in the Contract is fixed in an Acceptance Certificate that shall be attached to this Contract as *Annex 3* and is an integral part thereof.
- 4.4. The Supplier shall inform in writing the authorized representative of the Contracting Authority referred to in this Contract within 3 (three) days on the day the installation of Product is completed.
- 4.5. The representative of the Contracting Authority – Technical Director of LNOB Guntars Krūmiņš, as well as Chairman of the Board of LNOB Zigmars Liepiņš, and House Manager of LNOB Valdis Francis, in previously agreed time, perform inspection of the Object and verify the quality of the completed works, by inspecting compliance of the Product and installation works with contractual provisions. If the representative of the Contracting Authority establishes that works are not performed in the required volume and/or quality and don't correspond to the contractual provisions, the Contracting Authority is entitled not to sign the Acceptance Certificate and he should prepare written objection and submit it to the Supplier within 3 (three) working days, by specifying the established defects and faults. The Supplier is obliged to eliminate the quality defects of Product installation works established by the Contracting

Authority within the term specified by the Contracting Authority and inform the representative of the Contracting Authority on elimination of faults and completion of works. When the works are completed, an Acceptance Certificate regarding the completion of works is prepared which certifies the installation of Product referred to in the Contract in accordance with contractual provisions.

- 4.6. In the event provided in clause 4.5 of the Contract when representative of the Contracting Authority refuses to accept works performed by the Supplier, but the Supplier is sure for quality of performed works, the Parties shall invite official expert for performance of official conclusion in accordance with Directive 2006/42EC of European Parliament and Council on machines (17 May 2006). Costs of expertise is covered by the Party due to which the contractual works were not delivered timely.

5. Payment Procedure

- 5.1. The Contracting Authority undertakes to pay the Supplier for fully and qualitatively provided service, including delivered product, in accordance with contractual provision EUR _____ (_____euro) excluding VAT 21% (hereinafter "contractual price"). Taking into account the sum of contractual price the Contracting Authority is obliged to pay VAT 21%, i.e. EUR _____ (_____ euro) in accordance with procedure specified in Law on Value Added Tax of the Republic of Latvia, section 142.
- 5.2. The Contracting Authority undertakes to pay for the service within the following terms:
- 5.2.1. EUR _____ (_____) within 5 (five) working days after the Contract is mutually signed and the invoice from Supplier is received, if the Supplier submits an effective advance guarantee to the Contracting Authority within 30 (thirty) days after the Contract is mutually signed and submitted to the Contracting Authority. **Advance guarantee is the first request bank guarantee that is not evocable on the part of the Supplier.** Advance guarantee shall be issued upon the following conditions:
- 5.2.1.1. guarantee sum is equal with the advance sum;
- 5.2.1.2. advance guarantee shall be effective from the day the advance payment is made to 8 September 2016. If the work performance term is extended, the Supplier is obliged to extend also the guarantee term and submit a document to the Contracting Authority certifying the extension of advance guarantee term;
- 5.2.1.3. issuer of the guarantee undertakes to pay the Contracting Authority the requested sum after the first request in writing from the Contracting Authority where the Contracting Authority has specified that the Supplier fails to use the advance payment received from the Contracting Authority for delivery and installation works of the Product as prescribed by the Contract, i.e. doesn't commence the works, doesn't comply with the contractual provisions, delays Product delivery and/or installation works, stops execution of works or performs such activities that serve as a ground for the Contracting Authority to resign unilaterally from the Contract. Sum requested by the Contracting Authority shall be equal with the advance sum not worked off by the Supplier, not exceeding the guarantee sum;
- 5.2.1.4. issuer of the advance guarantee undertakes the liability as the Supplier itself.
- 5.2.2. EUR _____ (_____) within 15 (fifteen) working days after the Acceptance Certificate is mutually signed and the invoice from Supplier is received.
- 5.2.3. Sums, specified in clauses 5.2.1 and 5.2.2 of the Contract, do not include VAT 21%. The Contracting Authority is fully responsible for payment of VAT according to procedure specified in laws and regulations of the Republic of Latvia.
- 5.3. The Contracting Authority undertakes to perform payment for delivery and installation of the Product in accordance with what is determined in clause 5 of the Contract by transferring it to bank account specified in invoices submitted by the Supplier.
- 5.4. Property rights to the Product is transferred from the Supplier to the Contracting Authority with the time when the Supplier has received Service fee, specified in clause 5.1 of the Contract, in full amount, and Parties have signed Acceptance Certificate.
- 5.5. Payment shall be regarded as made when the due payment is accrued in full to the current account of the Supplier.

6. Guarantee of the Product and Installation Works

- 6.1. After completion of installation works of the Product referred to in the Contract, the Supplier is obliged to give Product operation suggestions to the Contracting Authority, as well as to perform training of 5 (five) qualified employees of the Contracting Authority regarding correct operation of the Product. For provision of training the Supplier may attract only qualified staff – with appropriate knowledge, education and skills, and in accordance with guarantee provisions of the manufacturer of the Product. Information provided during training should comply with technical documentation of the Manufacturer regarding the Product, as well as to the user manual.
- 6.2. Guarantee period is __ (_____) **calendar months**, starting from the day the Acceptance Certificate is signed.
- 6.3. If the Contracting Authority notifies the Supplier on a defect revealed before the expiration of guarantee period referred to in clause 6.2 herein, the Parties agree that the guarantee period shall be extended for the period till the defect is eliminated.
- 6.4. Guarantee shall not apply to defects that have occurred in the result of incorrect operation or maintenance of the Product.
- 6.5. If the Contracting Authority sends a notification to the Supplier regarding a revealed defect, that has occurred in the result of low quality Product of the Supplier or improper installation, or using low quality raw materials, and in the result of the made mistakes, the Supplier is obliged to eliminate the defect referred to in the notification with its own qualified labour force (qualification should be proved with documents), with its own equipment and other required resources, and to prevent all so the possible influence on the whole Object at such term as specified in Contracting Authority's notification. The Supplier should ensure delivery and replacement of spare parts during guarantee period within 5 (five) days.
- 6.6. If the Supplier hasn't eliminate the defect within the term referred to in the notification, the Contracting Authority shall provide elimination of defect, but the Supplier is obliged to cover defect elimination costs in double amount.
- 6.7. Handing over of the works related with elimination of defects shall be with participation of authorized representatives of the Supplier and the Contracting Authority who prepare and signed a deed of defects.

7. Responsibility for implementation of liabilities

- 7.1. The Parties undertake to implement in good faith the liabilities undertaken with this Contract.
- 7.2. If the Supplier has delayed the Product installation term referred to in clause 2.2 herein, the Supplier shall pay a contractual penalty to the Contracting Authority amounting to 0.1% (zero point one percent) of total Product and installation price referred to in clause 5.1 herein for each delayed day.
- 7.3. If the Contracting Authority has failed to pay the Supplier for the works performed within the term referred to in clause 5.2.2 herein, the Contracting Authority shall pay a contractual penalty to the Supplier amounting to 0.1% (zero point one percent) of the outstanding invoice sum for each delayed payment day.
- 7.4. The Supplier shall pay a contractual penalty to the Contracting Authority amounting to 5% (five percent) of the price referred to in clause 5.1 herein if the Contracting Authority resigns unilaterally from the Contract due to any case referred to in clauses 8.1.1. 8.1.3 or 8.1.4 herein.
- 7.5. The Parties shall not be responsible for implementation of his Contract and losses caused in the result non-fulfilment or improper fulfilment if it was impossible to implement a Contract due to such conditions that couldn't be anticipated and/or eliminated, i.e. in the result of force majeure circumstances, including, but not limited to natural calamities, fire, war, military operations, changes in legislation or decision of government institutions in the result of which implementation of the Contract has become impossible.

8. Termination of the Contract

- 8.1. The Contracting Authority is entitled to resign unilaterally from the Contract, if:
 - 8.1.1. After receiving objections from the Contracting Authority - the Supplier continues to violate any of the obligations of Supplier referred to in clause 2 herein;

- 8.1.2. insolvency proceedings is initiated against the Supplier or its activity has been suspended or discontinued, or the Supplier cannot implement further the Contract;
- 8.1.3. the Supplier has delayed the completion of Product installation works referred to in clause 1.1 herein for more than 25 (twenty-five) calendar days, starting from work completion term referred to in clause 2.2 herein.
- 8.1.4. the Supplier suspends implementation of works or performs such activities that serve as a ground to terminate the Enterprise Contract.
- 8.2. The Supplier is entitled to resign unilaterally from the Contract if:
 - 8.2.1. the Contracting Authority fails to make the advance payment for more than 25 (twenty-five) calendar days, starting from the valid advance guarantee and invoice submission referred to in clause 5.2.1 herein.
 - 8.2.2. insolvency proceedings is initiated against the Contracting Authority or its activity has been suspended or discontinued.
- 8.3. In the case if the Supplier fails to submit Bank guarantee to the Contracting Authority in term specified in clause 5.1 of the Contract, the Contract loses its validity and is considered as null and void.
- 8.4. The Parties, by agreement in writing, are entitled to terminate the Contract due to any other reason.
- 8.5. Prior to unilateral resignation from the Contract the Contracting Authority shall notify the Supplier on it 30 (thirty) working days in advance.

9. Other Provisions

- 9.1. The Contract becomes effective with the moment it is signed and remains effective till complete implementation of mutual liabilities of the contracting parties and to expiration of the guarantee period referred to in the Contract.
- 9.2. The signed Contract attests complete agreement between the Parties. No verbal supplements shall be regarded as provisions of the Contract.
- 9.3. With the moment this Contract is signed, all previous arrangements as to this Contract, irrespective whether they are made verbally or in writing shall become null and void.
- 9.4. If any of the contractual provisions losses validity, it shall not affect the validity of other contractual provisions.
- 9.5. After signing of this Contract, the Parties are entitled to make amendments and/or supplements in contractual provisions by mutual agreement. Such amendments are effective if executed in writing and signed by both contracting parties and they shall be regarded as integral part of this Contract.
- 9.6. Either of Parties shall notify promptly the other Party on change of bank, registration details and registered or office address.
- 9.7. Mutual statements of the Parties shall be made in writing. The Parties agree to admit documents sent by mail and electronic mail as legally binding. In case either of the Parties has changed the mailing address for receipt of correspondence or electronic address which is specified in the Contract, the relevant Party undertakes to send a notification thereof to the other Party and such changes are effective only from the moment the relevant Notification is received. Notification shall be effective from the moment the addressee has received it and/or it is delivered to the addressee.
- 9.8. Neither of the Parties shall delegate the contractual rights and obligations to third parties without written consent from the other Party.
- 9.9. In case a Party is liquidated or reorganized, the Contract shall be binding to the legal successors.
- 9.10. The Parties undertake to do all possible to settle all disputes resulting from this Contract, its implementation or breach. If an agreement cannot be reached by way of negotiations, the dispute shall be settled at court of Latvia, applying the legislative norms of the Republic of Latvia.
- 9.11. Issues not stipulated herein, shall be settled in accordance with valid statutory documents of the Republic of Latvia.
- 9.12. Representatives of the Parties guarantee that they have all rights (powers) to conclude the Contract on behalf of the persons to be represented thus obtaining the rights and obligations referred to in the Contract on Behalf of the persons to be represented. If the signatory of this Contract wasn't authorized to represent the Party whose representative he claims to be at the

moment of conclusion of the Contract, he shall account for implementation of contractual liabilities as a natural person.

9.13. The Contract is prepared on __ (_____)pages in 2 (two) copies – 1 (one) mutually signed copy of the Contract is issued for either of the contracting parties. Both copies of the contract have equal legal power.

10. Signatures and details of the parties:

Contracting Authority:

State Limited Liability Company
“Latvian National Opera and Ballet”
Reg.No.LV40103208907
Aspazijas bulvāris 3, Riga, LV 1050
Valsts Kase, BIC: TREL LV22
IBAN: LV19TREL9220500000000

Zigmars Liepiņš,
Chairman of the Board

Supplier:

Reg.No. _____
