APPROVED BY
Chairman of the Auction Commission,
Director of Institute of Solid State Physics
*[Cietvielu fizikas institūts]* of the University of Latvia
Andris Anspoks *[Andris Anspoks]*
September 12, 2022

**Auction regulations for intellectual property of the Institute of Solid State Physics** *[Cietvielu fizikas institūts]* **of the University of Latvia, Regulations No. 2022/2 "Physics Tutorial/Learning Kit on Holography"**

1. General provisions:
	1. Auctioneer: Institute of Solid State Physics *[Cietvielu fizikas institūts]* of the University of Latvia (hereinafter referred to as *CFI*), scientific institution registration certificate No. 381016, legal address: Kengaraga iela 8, Riga, LV-1063.
	2. Auction Commission: Auction commission approved by the July 29, 2022 order by the CFI director.
	3. The Regulations determine the procedure for the CFI intellectual property auction (hereinafter referred to as the *Regulations*).
	4. The CFI commercializes the intellectual property it owns with the aim of obtaining the most commercially advantageous offer for the intellectual property created within the framework of the following operational program "Growth and employment", the specific support objective No. 1.2.1. "Increase private sector investment in R&D", measure No. 1.2.1.2. "Support for the improvement of the technology transfer system" within the project No. KC-PI-2020/26 "Development of azobenzene-based holographic recording materials", whereas the intellectual property is the copyrighted materials, know-how and Tutorial in Physics on Holography, which is described (Appendix No. 1) and three Designs are registered in Europe (European Application No. 009161318).
	5. Information on intellectual property can be obtained by contacting the project's commercialization specialist Alfs Raudis *[Alfs Raudis]*, e-mail: ii@cfi.lu.lv
	6. Auction form – written auction with an ascending step.
2. Terms used throughout the Regulations
	1. Auction participant – natural or legal person.
	2. Object of the auction – intellectual property ownership – copyrighted materials, know-how and learning kit in physics on holography, three registered designs (European application No. 009161318).
	3. The starting price of the auction object – EUR 140,000.00 EUR (one hundred and forty thousand euros) w/o VAT.
	4. Contract execution period – within a month after the conclusion of the Auction.
	5. The price offered in the participant's auction must be paid in accordance with the terms of the contract (Appendix No. 4).
	6. The highest price of the object to be auctioned – a written offer of the auction participant, which includes the highest bid price of the object to be auctioned among all the auction participants.
	7. Auction winner – the auction participant who bid the highest price for the auction object.
	8. Application – an application sent by the auction participant for participation in the auction with the proposed price of the object to be auctioned included (Appendix No. 2).
3. Auction procedure
	1. No later than 2 (two) weeks before the auction, the Commission publishes information about the auction in the official publication/gazette of the Republic of Latvia – "Latvijas Vestnesis" and at the CFI homepage www.cfi.lu.lv in section "Auctions" and on the same website, the Commission posts the auction regulations, the auction application form, the confirmation form and the contract draft.
	2. Any natural or legal person with legal capacity who has submitted the following documents within the time limit and according to the procedure specified in the Regulations can become a participant of the Auction:
		1. A completed Application for participation in the auction (Appendix No. 2), which indicates the amount for which the Auction participant wishes to purchase the Auction object. In the submission, the Auction Participant confirms that he is familiar with the Regulations and the terms and conditions contained therein.
		2. A natural person must additionally submit a copy of an identity document (passport or ID card). If a natural person is represented at the auction by another person – a notarized power of attorney or a copy of the power of attorney.
		3. A legal entity must additionally submit the following documents:
			1. Printout from the website of the Enterprise Register *[Uzņēmumu reģistrs]* (UR). https:// info.ur.gov.lv or Information must be provided in the Application as a link to the information unit on the UR website, which confirms the registration of the Auction participant in accordance with the requirements of the regulatory acts of the Republic of Latvia. An Auction Participant registered in a foreign country must submit a copy or document of the registration certificate issued by the equivalent business/commercial registration institutions in the foreign countries where the Auction Participant is registered, such document confirming that the Auction Participant is registered in accordance with the requirements of the laws and regulations of the relevant country. If the laws and regulations of the country of registration of the Auction participant do not specify the issuance of a registration certificate, the Auction participant submits information about the Auction participant's registration number and registration time, as well as indicates the competent authority, which, if necessary, can certify the fact of registration.
			2. Printout from the website of the Enterprise Register *[Uzņēmumu reģistrs]* (UR) https:// info.ur.gov.lv or Information must be provided in the Application as a link to the information unit on the UR website, which certifies the signature (representation) rights of the representative of the Auction Participant who signs the Application. An Auction participant registered in a foreign country must submit a document certifying the signature (representation) rights of the Auction participant who signs the Application. If the documents are signed by the authorized person(s) of the Auction Participant, then the original of the power of attorney or a copy of the power of attorney approved by the authorized signatory official of the Auction Participant must be attached, such a document confirming the right of the person(s) to sign documents on behalf of the Auction participant.
			3. Confirmation of the Auction participant that on the day of the auction, insolvency or bankruptcy proceedings have not been initiated against it (Appendix No. 3).
			4. Confirmation of the Auction participant that, on the day of the auction, there are no international or national sanctions or sanctions imposed in respect to it by a member state of the EU or the North Atlantic Treaty Organization affecting significant financial and capital market interests (Appendix No. 3).
	3. The application with all attachments must be prepared in Latvian or English, or in another foreign language, it must be clearly legible, without corrections or deletions. If the Application and its annexes are in a foreign language, a certified translation into Latvian must be attached in accordance with the procedures specified in the regulatory acts. If the Auction Participant submits derivatives of the document, they must be certified in accordance with the September 4, 2018 Cabinet of Ministers *[Ministru kabinets]* Regulations No. 588 "Procedures for the formalisation and presentation of documents" *["Dokumentu izstrādāšanas un noformēšanas kārtība"]*.
	4. The signature of the Auction participant (or his authorized representative) on the Application for participation in the auction confirms his complete familiarization with these Regulations and its annexes, including the approved draft contract in the version attached to the Regulations, as well as the fact that the documents referred to are fully understandable.
	5. The application can be sent by mail, submitted electronically or in person, observing the following:
		1. The application shall be submitted in the form of an electronic document, signed with a secure electronic signature and with a time stamp no later than September 29, 2022 at 15:00[[1]](#footnote-2) and until the same day at 15:00 by sending to the e-mail address issp@cfi.lu.lv with the following indication: "Application for the intellectual property auction of CFI. Do not open until 15:00 o'clock on September 29, 2022" *["Pieteikums CFI intelektuālā īpašuma izsolei.* *Neatvērt līdz 2022. gada 29. septembra plkst. 15:00"]*. If the application or the documents attached to it are signed with a secure electronic signature issued in a foreign country, the address where the electronic document signed with a secure electronic signature can be checked must also be specified.
		2. The application shall be sent in a registered letter by post or submitted personally in a sealed envelope to the CFI secretariat, Kengaraga iela 8 (2nd floor), Riga, LV-1063, Latvia, until September 29, 2022 15:00 o'clock. The postal parcel/item must be delivered to the place and within the period specified in paragraph 3.5.2. The auction participant personally assumes the risk of late/untimely delivery. When submitting the Application in person, the working hours of the CFI secretariat must be taken into account (on working days from 9:00 - 17:00), preferably by agreeing the time of arrival in advance.
	6. When sending the application by mail or submitting it in person, the Auction participant places the offer for the Auction object with the documents specified in the Regulations in a closed envelope, indicating the following on it: "Application for the intellectual property auction of CFI. Do not open until 15:00 o'clock on September 29, 2022" *["Pieteikums CFI intelektuālā īpašuma izsolei.*

	 *Neatvērt līdz 2022. gada 29. septembrim plkst. 15:00."* The name, details and contact information of the Auction participant must be indicated on the envelope.
	7. Received applications are registered in the order they are received.
	8. Applications submitted (sent) after the deadline stipulated by clause 3.2. of the Regulations will not be accepted and will be returned or sent back to the Auction participant without opening. Until the end of the specified period, the Auction participant can withdraw his Application in writing by submitting a letter personally to the CFI secretariat or by sending it by mail to the above address or by sending an electronic letter signed with a secure electronic signature to the e-mail address indicated above.
	9. The auction commission will open applications on September 29, 2022 at 15:00.
	10. The session of the Commission for opening applications is of an open type and shall take place online on the "MS Teams" platform. The application for participation in the meeting of the Application Opening Commission must be notified in advance to the CFI Secretariat (e-mail: issp@cfi.lu.lv, indicating "For Auction" *["Izsolei"]* in the e-mail) until 14:00 o'clock on September 29, 2022 (EET). After all applications have been opened and the proposed auction prices have been named, the open part of the Commission session is closed. Examination of applications and decision-making takes place in a closed meeting or session.
4. Evaluation of the Auction applications
	1. The Auction Commission checks whether the Applications that meet the auction requirements contain all the information set forth in these Regulations (details of the Auction participant, price of the Auction object offered, consent to the proposed contract) and whether the submitted Application meets the requirements of the Regulations.
	2. The Auction commission has the right to exclude from the auction applications that do not contain all the information required by these Regulations, or the submitted information does not meet the requirements of these Regulations.
	3. Applications that meet the requirements of the Regulations will be compared and evaluated according to the highest offered Auction object price (the price must be stated without VAT and rounded to whole cents, i.e., up to two decimal places), taking into account the total amount of fixed payments offered by the Auction participants, in EUR.
	4. If several Auction Participants have the same highest bids and the same prices, the Auction Commission offers in writing to the Auction Participant whose Application was received first, to conclude a contract according to the highest bid price of the auction object.
	5. The entire auction process, i.e. opening of bids, selection of Auction participants, evaluation of bids and decision-making, is recorded and logged as minutes. The auction is led by the chairman of the auction commission, who introduces himself and the composition of the commission to those present. The secretary of the auction commission records the auction in minutes thereof. The chairman of the Auction names the object of the Auction. All members of the commission sign a declaration that they are not interested in the victory of a particular Auction participant.
	6. The Auction Application is declared invalid if the amount offered by the Auction participant is lower than the starting price of the Auction item specified in the Regulations.
	7. The Auction shall be deemed to have taken place without a result if no Auction participant has applied.
	8. After evaluating the Applications, the Auction Commission notifies the results to all Auction participants by e-mail and publishes information about the auction results on the CFI website in the "Auctions" section.
5. Signing of the Agreement
	1. After the announcement of the Auction results, the Auction participant – the Auction winner must conclude a contract with the CFI within 10 (ten) working days (Appendix No. 4). Changes proposed by the winner of the auction Changes to the contract can be accepted if the total revenue of the CFI does not change – the price offered in the auction and the term of the contract.
	2. If the winner of the Auction has not signed the contract within the specified period, CFI again invites the winner of the Auction to conclude the contract within 3 (three) working days. If, even after repeated invitation, the Auction winner has not signed the contract, it is considered that the Auction winner has refused to conclude the contract. In that case, CFI has the right to offer to conclude the contract to the Auction participant who bid the next highest price.
	3. The CFI notifies the Auction participant who bid the next highest price about the case mentioned in paragraph 5.2., and he must submit a written response from the CFI within 1 (one) week from the moment of receiving the CFI's notification on whether he agrees to enter into a contract at the highest price he has bid.
	4. If CFI does not receive the consent of the Auction participant who bid the next highest price to conclude the contract at the highest price bid by himself within the time specified in paragraph 5.3., the Auction participant who bid the next highest price loses the right to conclude the contract, but the Auction Commission decides on recognizing the Auction as not having taken place.
	5. If the Auction object is not auctioned, the Auction Commission has the right to conduct a repeat auction.
	6. Complaints about the decisions of the Auction Commission or its activity can be submitted for consideration at the address CFI Kengaraga iela 8, Riga, LV-1063, Latvia, or by electronically sending a complaint signed with a secure electronic signature to an e-mail address: issp@cfi.lu.lv within 7 (seven) days after the auction. CFI examines the complaint within 7 (seven) working days and provides an answer.
	7. After concluding the contract and signing the transfer-acceptance deed specified in the contract, claims regarding the course of the Auction or the Auction object are not accepted.
	8. The auction winner must pay the price of the auctioned object in accordance with the terms of the contract. If the payment is not made according to the payment procedure specified in the contract, CFI has the right to unilaterally cancel the contract and recover the ownership rights to the intellectual property. In the event that the contract is cancelled, CFI has the right to organize a re-auction.

Appendices of the Regulations:

1. Description of intellectual property (Appendix No. 1).

2. Application for participation in the auction (Appendix No. 2).

3. Certificate form (Appendix No. 3).

3. Draft contract (Appendix No. 4).

1. Trust Service Providers who are qualified to assign a digital identity in Europe (eID) in accordance with EU Regulation no. 910/2014, the list and the services they provide are available here: <https://esignature.ec.europa.eu/efda/tl-browser/#/screen/home>. After receiving a digital ID from the listed service providers, documents can be signed electronically, by using, e.g., Adobe Acrobat Reader DC, Adobe Acrobat DC or Adobe Sign. Digital ID service providers outside the European Union <https://helpx.adobe.com/acrobat/kb/approved-trust-list1.html>. [↑](#footnote-ref-2)