**Annex 4**

**To the Regulations with ID No. \_\_\_\_\_**

**Procurement Contract No. \_\_\_\_**

**DRAFT**

This contract is made and entered into by and between

**Institute of Solid State Physics of the University of Latvia** (hereinafter – ISSP UL), duly represented by Martins Rutkis, the Director, acting pursuant to the Regulations of the Institute of Solid State Physics of the University of Latvia (approved by the Cabinet Order No. 380 of 19 August 2013), hereinafter – the Contracting Authority, and

**\_\_\_\_\_\_\_\_\_\_**, registration No. \_\_\_\_\_\_\_\_\_\_\_\_, duly represented by \_\_\_\_\_\_\_\_\_\_\_\_, acting on behalf and in the interests thereof pursuant to the Articles of Association, hereinafter – the Supplier,

hereinafter collectively referred to as the Parties and each individually as the Party. Therefore, there parties hereto hereby, according to the results of the Public Procurement \_\_\_\_\_ with identification No. LU CFI \_\_\_\_\_\_, without fraud, deceit or duress agree as follows:

1. **Definitions**
   1. **Deed** – a deed that certifies that Defects are found in the Goods.
   2. **Defects** – non-compliance of the supply, quantity or quality of the Goods with the laws and regulations of the Republic of Latvia, the Technical Proposal or the Contract.
   3. **Procurement Procedure** – public procurement \_\_\_\_\_ with identification No. LU CFI \_\_\_\_.
   4. **Contract** – this contract will all the annexes, potential additions and amendments thereto.
   5. **Contract Price** – the maximum possible price for the Supply of the Goods under the procedure and in the amount laid down in the Contract, including VAT.
   6. **Regulations** – regulations of the Procurement Procedure with all the annexes, additions, adjustments, and amendments thereto.
   7. **Representative** – the person authorized by the Contracting Authority or the Supplier who shall monitor the fulfilment of obligations under the Contract, and accept and deliver the Goods within the framework of the Contract.
   8. **Goods** – \_\_\_\_\_\_\_\_that meets the requirements of the technical specification stipulated in the Procurement Procedure and corresponds to the Supplier's proposal. *Should the Contracting Authority considering the available funding has determined its own right to choose between the options offered for the Goods (additional equipment) in the Procurement Procedure, the term Goods shall also apply to the added options the Contracting Authority has chosen and the distribution of the Contract Price stipulated in Paragraph 3.1 of the Contract shall be adjusted. The term Goods may be adjusted.*
   9. **Supply** – delivery and installation of the Goods according to the terms and conditions of the Contract.
   10. **Waybill** – a waybill consistent with the laws and regulations issued by the Supplier to the Contracting Authority for the Supply of the Goods under the procedure laid down in the Contract.
   11. **VAT** – value-added tax.
   12. **Project** – project No. 1.1.1.4/17/I/002 Development of Research Infrastructure of the Institute of Solid State Physics of the University of Latvia implemented within the framework of the Activity 1.1.1.4 Development of the R&D Infrastructure in the Fields of Smart Specialization and Strengthening of Institutional Capacity of Scientific Institutions of the Specific Aid Objective 1.1.1 To increase the research and innovative capacity of scientific institutions of Latvia and the ability to attract external financing, investing in human resources and infrastructure of the Operational Programme of the European Regional Development Fund Growth and Employment.
   13. Singular (where needed) shall also imply plural and vice versa; in Latvian the feminine form of the noun (where needed) shall also imply the masculine form and vice versa.
2. **Subject Matter of the Contract**
   1. The Contracting Authority orders and the Supplier supplies the Goods for the amount stipulated in the Contract and the Contracting Authority undertakes to buy, receive and pay for the Goods under the procedure, within the deadline and in the amount laid down in the Contract.
   2. The Goods shall be supplied in compliance with the Technical Proposal (Annex 1) and Financial Proposal (Annex 2) submitted by the Supplier in the Procurement Procedure, terms and conditions of the Contract and laws and regulations of the Republic of Latvia.
   3. The Supplier guarantees that the Goods meet the national standards or the quality and compliance requirements for the Goods laid down in other laws and regulations as well as the information provided by the manufacturer of the Goods (labelling of the Goods, instruction manual, terms and conditions of storage etc.) as well as guarantees that new, unused Goods will be supplied in their original packaging.
3. **Contract Price and Settlement of Accounts**
   1. The Contract Price for the Goods and the Supply thereof shall be **EUR\_\_\_\_\_\_** *(\_\_\_\_\_\_\_\_\_\_\_\_\_\_)* excl. VAT. The Contract Price shall not be exceeded throughout the term of the Contract.
   2. The Contracting Authority shall pay to the Supplier the VAT in addition to the Contract Price as prescribed by the laws and regulations of the Republic of Latvia.
   3. Prices per unit indicated in the Supplier's Financial Proposal (Annex 2) shall remain unchanged throughout the term of the Contract. The Contracting Authority shall pay the Supplier only for the Goods actually supplied, however, not more than the amount stipulated in Clauses 3.1 and 3.2.
   4. The Contracting Authority shall pay the Contract Price within 30 (thirty) days of singing the Waybill by a wire transfer to the Supplier's bank account.
   5. The Supplier shall deliver the Goods to the premises indicated by the Supplier's Representative at its own cost and the Contracting Authority shall not pay for the same.
   6. The payment shall be deemed made at a time when the Contracting Authority makes the payment from its bank account.
   7. The Waybill drawn up by the Supplier shall contain the information about the full name of the Procurement, identification number, date and number of the Contract, name and number of the Project. In the event that the Supplier fails to indicate on the Waybill the information stipulated above, the Contracting Authority shall have the right to request the Supplier to make the necessary adjustment to the Waybill and refuse to pay the amount due to the Supplier until the said adjustments are made.
4. **Terms and Conditions and Deadline for Delivery of the Goods**
   1. The Supplier shall deliver and install the Goods **within 8 (eight) months** following the day on which the Contract is signed upon prior agreement on delivery with the Contracting Authority.
   2. **Delivery address of the Goods shall be: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.**
   3. The Supplier shall be obligated to agree on a time of delivery of the Goods with the Contracting Authority at least 5 (five) business days before the delivery of the respective Goods or a part thereof.
5. **Procedure for Acceptance of the Goods**
   1. The Supplier shall hand over to the Contracting Authority the Goods along with the documentation containing the description and properties of the Goods and instructions for storage and use of the Goods (in English and/or Latvian). The Contracting Authority shall confirm the compliance of the Goods with the Waybill by signing the Waybill. Upon hand-over it shall be examined whether the Goods meet the requirements laid down by the Contracting Authority.
   2. The Contracting Authority shall examine the compliance of the Goods and the Supply with the terms and conditions of the Contract within 14 (fourteen) days following the acceptance of the Goods. The Contracting Authority shall have the right to raise claims regarding the compliance of the Goods or the Supply with the terms and conditions of the Contract and the laws and regulations of the Republic of Latvia within the period above.
   3. In the event that the Contracting Authority finds a Defect a Deed shall be drawn up and the respective claim shall be mailed to the Supplier specifying the essence of the Defect.
   4. The Supplier shall eliminate the Defects at its own cost within the deadline agreed upon by the Parties, however, should the Parties fail to agree, within 10 (ten) business days of receipt of the Deed. Upon the Defects elimination the Goods and the Supply shall be accepted repeatedly by signing the Waybill.
   5. Should the Defects indicated in the Deed be caused as a result of the Supplier's act or omission, the Supplier shall cover the costs of eliminating the same in full.
6. **Rights and Obligations of the Contracting Authority**
   1. The Contracting Authority undertakes to pay for the Goods within the deadline and in the amount stipulated in the Contract.
   2. The Contracting Authority shall have the right to request and within 3 (three) business days receive the information on the progress of implementation of the Contract, the time of delivery or the circumstances that might delay the delivery from the Supplier.
7. **Rights, Obligations, and Guarantees of the Supplier**
   1. The Supplier shall supply the Goods single-handedly.
   2. The Supplier confirms that the terms and conditions regarding the Supply of the Goods and the warranty services of the Goods throughout the warranty period stipulated in the Regulations shall be binding on the Supplier in the course of implementation of the Contract.
   3. In the course of supply of the Goods the Supplier shall abide by the terms and conditions of the Contract and direct instructions and requirements of the Representative.
   4. The Supplier shall be obliged to provide the information on the progress of implementation of the Contract, the time of delivery or the circumstances that might delay the delivery within 3 (three) business days following the Contracting Authority's request.
   5. The Supplier guarantees the quality and compliance of the Goods with the technical requirements laid down by the Contracting Authority.
8. **Warranty Terms of the Goods**
   1. The Supplier confirms that the terms and conditions regarding the warranty services of the Goods stipulated in the Regulations and the Technical Proposal and the warranty terms of the manufacturer of the Goods throughout the warranty period shall be binding on the Supplier in the course of the Contract implementation.
   2. The period and terms of warranty of the Goods at the place of operation of the same shall become effective as of the day the Waybill is signed by both Parties and shall remain valid for \_\_\_\_\_\_\_(\_\_\_\_\_\_\_\_**)** **months**.
   3. The Supplier shall be obligated to supply all the software updates issued by the manufacturer of the Goods, if intended for the Goods, perform the warranty services within the warranty period of the Goods.
   4. Defects may be reported over the phone \_\_\_\_\_\_\_\_\_\_\_\_\_, Monday to Friday from 9am to 5pm or by email to: [\_\_\_\_\_\_\_\_\_\_\_\_\_](mailto:info@lordbaron.lv). Defects reported after 5pm shall be deemed reported on the next day at 9am.
9. **Force Majeure**
   1. The Parties shall be released from liability for the failure to fulfil the Contract fully or partially should it be caused by force majeure events or exceptional circumstances that occurred after the Contract became effective and that could not have been predicted or prevented.
   2. The Party referring to force majeure events or exceptional circumstances shall promptly (within 5 (five) business days of the moment the said circumstances become known) notify the other Party thereof in writing. The notice shall indicate the period that to the Party's belief is possible and expected to fulfil its obligations under the Contract and upon request enclosed with a document issued by a competent authority and containing a confirmation and description of the exceptional circumstances.
   3. Should these circumstances last for over two months, any of the Parties shall have the right to withdraw from its obligations under the Contract. In this event none of the Parties shall be liable for the loss incurred by the other Party after the occurrence of a force majeure event.
10. **Liability of the Parties**
    1. The Supplier shall be subject to a fine of 0.01% (one hundredth of a percent) of the Contract Price, however, not more than 10% (ten percent) from the Contract Price for each day of delay in the Supply of the Goods or elimination of Defects.
    2. In the event that the Contracting Authority fails to pay for the Goods within the deadline and in the amount stipulated, the Supplier shall have the right to impose on the Contracting Authority a fine of 0.01% (one hundredth of a percent) of the outstanding amount for each day of delay, however, not more than 5% (five percent) of the outstanding amount.
    3. Payment of the fine shall not release the Parties from their obligations under the Contract.
    4. In the event that the Contracting Authority has the right to impose a fine on the Supplier or request any other payment from the same based on the Contract, the Contracting Authority shall have the right to deduct the fine or any other payment from the amount payable to the Supplier upon prior written notice to the Supplier.
    5. The Parties shall be mutually liable for the direct loss caused to the other Party due to the act or omission (including gross negligence, or actions through malicious intent or negligence) of the other Party or its employees or third parties.
11. **Confidentiality**
    1. The Parties undertake to keep their mutual relationship confidential including:
       1. Ensure that the information indicated in the Contract is not disclosed by third parties involved in the implementation of the Contract except to public and municipal authorities that request disclosure of such information under the procedure laid down in the laws and regulations;
       2. Protect, refrain from distributing and disclosing, without prior mutual written agreement, the content of this Contract or other documents related to the implementation thereof as well as technical, commercial and other kind of information on the activity of the other Party that has become available to them in the course of implementation of the Contract to third parties, fully or partially, except in the cases prescribed by the laws and regulations of the Republic of Latvia;
       3. The Parties agree that the limitations stipulated in this section shall not apply to publicly available information as well as to the information that according to the terms and conditions of the Contract is intended to be disclosed to third parties.
    2. The Parties agree that non-compliance with confidentiality clauses shall be deemed a material breach of the Contract allowing the affected Party to request that the guilty Party indemnifies the same for the loss incurred as a result of non-compliance with confidentiality clauses.
    3. This section of the Contract shall have no time limitation and it shall survive the expiry of the term of the Contract.
12. **Representatives of the Parties**
    1. The person responsible for monitoring the fulfilment of obligations under the Contract on behalf of the Contracting Authority: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, tel. \_\_\_\_\_\_\_, email: [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_](mailto:mikelis.dzikevics@rtu.lv), who shall have the following responsibilities:
       1. Monitor the fulfilment of obligations under the Contract and agree on a time of delivery of the Goods;
       2. Verify the compliance of the Goods supplied and the Supply with the Contract;
       3. Sign the Waybill issued by the Supplier.
    2. The person responsible for fulfilment of the Contract on behalf of the Supplier: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, tel. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, email: [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_](mailto:info@lordbaron.lv).
13. **Validity of the Contract and Procedure for Amendments, Additions, and Termination**
    1. This Agreement shall become effective upon the moment it is signed and remain valid until the full performance thereof by the Parties.
    2. Any and all amendments and additions to the Contract shall become effective only if drawn up in writing and signed by the authorized Representatives of both Parties and consistent with Section 61 of the Public Procurement Law.
    3. The Parties may terminate the Contract early upon written agreement.
    4. The Contracting Authority shall have the right to unilateral early termination of the Contract upon 15 (fifteen) business days' notice thereof to the Supplier.
    5. In other instances the Contract may be terminated unilaterally only in the cases explicitly prescribed by the laws and regulations of the Republic of Latvia.
    6. In any instance of termination of the Contract the Contracting Authority undertakes to return to the Supplier all the Goods received but not paid for or pay for the Goods actually delivered and accepted fully as well as settle any other obligations towards the Supplier within 30 (thirty) days of terminating the Contract.
    7. In any instance of termination of the Contract the Supplier undertakes to fulfil all the obligations that have occurred before the termination of the Contract and undertakes to return to the Contracting Authority the amounts paid for the Goods returned by the Contracting Authority as well as settle any other obligations towards the Contracting Authority within 30 (thirty) days of terminating the Contract.
    8. The Supplier shall have the right to replace the materials, articles, software and equipment stipulated in the Contract with equivalent materials, articles, software and equipment only with prior written consent of the Contracting Authority provided that the price does not exceed the one indicated in the initial proposal and:
       1. They are not manufactured anymore and their technical and quality indicators are functionally the same or better than those of the materials, articles, software, and equipment indicated in the Contract and ensure the same function, or
       2. After conclusion of the Contract the manufacturers have found innovative solutions for the Goods that were not known to the Parties at the time of entry into the Contract due to objective reasons or that could not be offered in the course of the Procurement Procedure, or a more recent version of the software indicated by the Contracting Authority is available on the market equivalent to the one stipulated in the Technical Specification at the same time offering broader solutions to the Contracting Authority and the Supplier is willing to supply it for the price that is not higher than the one stipulated in the proposal.
    9. For the purpose of exercising the right stipulated in Clause 13.8 of the Contract the Supplier shall at least 15 (fifteen) business days before the deadline laid down in Clause 4.1 of the Contract submit the information on the offered material, article, software or equipment that the Contracting Authority can use to make sure that the Goods offered comply with the initial Technical Specification as well as in the case described in Sub-clause 13.8.1 a statement of the respective manufacturer or the authorized representative thereof (by submitting a document certifying authorization) that the manufacturing of the respective product has been discontinued.
    10. Upon the receipt of the information stipulated in Clause 13.9 the Contracting Authority shall evaluate the compliance of the same with the conditions referred to in Clause 13.8. In the event that the Contracting Authority agrees to amendments, the said documents shall be attached to the Contract as annexes and used as a basis to draw up a Contract amendment protocol which shall become an integral part of the Contract. In this case, the fine stipulated in Clause 10.1 of the Contract shall not be imposed on the Supplier and the Parties shall have the right to agree on an extension of the term of validity of the Contract necessary for the supply of the Goods. This term shall be calculated having regard to the moment the need for replacement was established by extending the term of validity of the Contract in proportion to the time that has passed from the moment the Contract was entered into.
    11. The Parties undertake to exercise the right stipulated in Clause 13.8 of the Contract so that the Contracting Authority would benefit from the development of the Goods in long term and it shall not be used for the purposes of limiting the principles of fair and honest competition.
14. **Final Provisions**
    1. The section headings contained in this Contract are for reference purposes only and shall not be used to construe the terms and conditions of the Contract.
    2. The Parties shall notify each other of changes to their details (name, address, banking details etc.) within one week in writing and confirm the same by signing.
    3. The Parties shall try to solve any and all disputes and differences regarding the fulfilment of obligations under the Contract by way of negotiations. In the event that the Parties fail to solve the dispute by way of negotiations within 20 (twenty) days, the Parties agree to refer the dispute to a court for settlement pursuant to the laws and regulations of the Republic of Latvia.
    4. This Contract is made in Latvian in two copies. Both copies shall have the same legal effect. One copy shall be kept by the Contracting Authority and the other – by the Supplier.
    5. All matters other than those stipulated in the Contract shall be governed by laws and regulations of the Republic of Latvia.
    6. By signing this Contract the Parties shall confirm that they understand the content, meaning, and consequences thereof, that the Contract is true, mutually advantageous and that the Parties are willing to implement the same voluntarily.
    7. The Contract shall have the following annexes:
       1. Annex 1 – Technical Proposal copy.
       2. Annex 2 – Financial Proposal copy.
15. **Banking Details of the Parties**

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| Contracting Authority: | Supplier: |
| Institute of Solid State Physics of the University of Latvia |  |
| Registered office: Kengaraga iela 8, Riga,  LV-1063 (*Ķengaraga iela 8, Rīga,*  *LV-1063*) | Registered office: |
|  | Office address: |
| Taxpayer No. LV90002124925 | VAT reg. No. |
| Account No.: Bank: | Account No.:Bank: |
| SWIFT: | SWIFT: |

|  |  |
| --- | --- |
| **Contracting Authority:** | **Supplier:** |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Signature L.S. | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Signature L.S. |