

TRANSLATION

In the event of contradictions between the Latvian and the English wording of the Regulations, the Latvian wording of the Regulations shall prevail. /about to be added/

APPROVED BY
The Procurement commission of
Sabiedrība ar ierobežotu atbildību "LVR Flote"
on __.__.2023
(Protocol No. _____)



DRAFT_REGULATIONS_11 07 2023
for the procurement

"Purchase of a multi-purpose ice-class service vessel"
Procurement Identification Number: _____

I GENERAL INFORMATION

1.1 Procurement: procurement "Purchase of a multi-purpose ice-class service vessel" in which all interested Suppliers are entitled to submit their Proposals.

1.2 The Procurement identification number: _____.

1.3 Type of procedure: open procedure pursuant to the Law on the Procurements of Public Service Providers (hereinafter – SPSIL, in Latvian: <https://likumi.lv/ta/id/288730-sabiedrisko-pakalpojumu-sniedzēju-iepirkumu-likums>, in English: <https://likumi.lv/ta/en/en/id/288730-law-on-the-procurements-of-public-service-providers> and other applicable laws. The Purchaser's main field of business: activities related to the port administration (SPSIL Section 7).

1.4 Information about the Purchaser and the Contact person:

1.4.1 The Purchaser: Sabiedrība ar ierobežotu atbildību "LVR Flote", a limited liability company registered in the Republic of Latvia, unified registration number 40103321893, VAT payer number LV40103321893, legal address: Kundziņsala 3rd line 36, Riga, LV-1005 (hereinafter – the Purchaser or SIA "LVR Flote") as a contracting authority of the Procurement.

1.4.2 Contact person of the Purchaser during the Procurement: Director of Finance and Operations Arnis Gulbis, e-mail: tender@lvrflote.lv, phone: +371 29463466.

1.5 Procurement commission: Procurement is carried out by the Procurement commission established due to the Purchaser's decision No. _____ dated _____, 2023 (hereinafter – the Commission).

1.6 Regulations: regulations of the Procurement as well as all the enclosed annexes.

1.7 Vessel: a multi-purpose ice-class service vessel as specified in the technical specification (Annex 8 to the Regulations).

1.8 Supplier: a natural or legal person or an entity, a group of association of such persons in any combination thereof, which offers to build and deliver the Vessel to the Purchaser.

1.9 Tenderer: a Supplier, which has submitted a Proposal and offers to build and deliver the Vessel to the Purchaser.

1.10 Proposal: documentation package the Tenderer submits to participate in the Procurement.

1.11 VAT: Value Added Tax.

1.12 Procurement contract: Contract on purchase of the Vessel.

II. INFORMATION ON THE SUBJECT MATTER OF THE PROCUREMENT

2.1 Subject matter of the Procurement: Purchase of a multi-purpose ice-class service vessel in accordance with requirements specified in the Regulations and the Technical Specification of the Regulations (Annex 8 to the Regulations).

2.2 The subject matter of the Procurement is not divided into parts. The Tenderer shall submit a Proposal for the entire Procurement.

2.3 The applicable CPV code: 34513000-6 – Fishing, emergency and other special vessels.

2.4 Estimated contract price: up to EUR 10'500'000.00 (ten million five hundred thousand euro), excluding VAT. VAT shall be calculated and paid in accordance with the applicable laws of the Republic of Latvia.

2.5 Funding source of the Procurement: the Procurement is co-financed by the Connecting Europe Facility of the European Union, under the Infrastructure project program CEF-T-2022-MILMOB-WORKS (project No. 101113531 "Introduction of modern and efficient icebreaking equipment in the Gulf of Riga", 22-LV-TM-Icebreaking Riga).

2.6 Each Tenderer can submit one Proposal only. Variants of the Proposal are not allowed.

2.7 Estimated delivery time: 12 (twelve) months as of entering into the Procurement contract. Place of delivery: the site in the Riga Freeport specified by the Purchaser. The Vessel shall be considered delivered to the Purchaser upon the Parties have signed the transfer acceptance deed of the Vessel at the place of delivery.

III TENDERERS

3.1 The Proposal can be submitted by a Tenderer who complies with the selection criteria for Tenderers.

3.2 If the Tenderer is a group of Suppliers which, at the time of submission of the Proposal, has not yet been registered in the commercial register of the Republic of Latvia or in a foreign country in accordance with the procedure provided for in the laws and regulations of the relevant country, then such group of Suppliers shall submit a mutual agreement or a notification signed by the persons having right to represent all the members of the group of Suppliers. Such agreement or notification shall contain:

3.2.1 The purpose and period of business of the group of Suppliers;

3.2.2 the leading participant and the authorized participant which, within the framework of the Procurement, is entitled to represent the group of Suppliers, to defend its interests, to sign documents on behalf of the group of Suppliers, to submit the Proposal, and to sign the Procurement contract in the case the group of Suppliers wins the Procurement;

3.2.3 What part of work and in what amount (both in terms of money and percentage) will be performed by each of the members of the group of Suppliers;

3.2.4 Confirmation that, in the event of the conclusion of the Procurement contract, the members of the group of Suppliers will enter into a partnership agreement, providing for the joint liability of the members of the group of Suppliers, on whose economic and financial capabilities the group of Suppliers is rely and which will be financially responsible for the execution of the Procurement contract, or until the conclusion of the Procurement contract the group of Suppliers will be registered in the commercial register of the Republic of Latvia or in the relevant foreign country register due to the laws of such foreign country and will inform the Customer about it;

3.2.5 The agreement or notification must be accompanied by a power of attorney signed by all members of the group of Suppliers appointing the authorized person of the group of Suppliers.

3.3 In the case of granting the right to enter into the Procurement contract, before the conclusion of the Procurement contract the group of Suppliers shall be registered in the commercial register of the Republic of Latvia or in the relevant foreign country register due to the laws of such foreign country, or conclude a partnership agreement, providing for the joint liability of the members of the group of

Suppliers, on whose economic and financial capabilities the group of Suppliers is rely and which shall be financially responsible on the execution of the Procurement contract. The group of Suppliers shall in written inform the Purchaser about such registration or relevant partnership agreement shall be submitted.

IV SUBMISSION OF THE PROPOSAL

4.1 Deadline for submission of the Proposal: no later than **by _____ 2023 until __:__. (Riga time).**

4.2 The Proposal shall be submitted electronically only using the E-tenders system available on: <https://www.eis.gov.lv/EKEIS/Supplier/Organizer/21422>.

4.3 To submit a proposal, the Tenderer shall register in the E-tenders system. All information about registration in the E-tenders system is available in Cabinet Regulation No. 816 of 20 December 2022 "Regulation on Public Electronic Procurements", as well as on the website <https://www.eis.gov.lv/EKEIS/Publication/View/785?subsystemCode=KON>

4.4 Only Proposals submitted on the E-Tenders system will be accepted and evaluated for participation in the Procurement. Any Proposal submitted outside the E-tenders system shall be declared as submitted in non-compliant manner and non-acceptable, and will be returned to the submitter.

4.5 The Proposal shall be submitted electronically on E-tenders system in Latvian or English, subject to the following choices offered to the Tenderer:

4.5.1 By using the tools provided in the E-tenders system by completing the forms in the section of this Procurement (see Article 4.2 of the Regulations);

4.5.2 By preparing and filling the documents outside the E-tenders system (in this situation the Tenderer takes responsibility for the correctness and compliance of the forms to requirements of documentation and form samples);

4.5.3 By encrypting electronically prepared Proposal outside the E-tenders system with data protection tools provided by third parties, and protecting it with an electronic key and password (in this situation the Tenderer takes responsibility for the correctness and compliance of the forms to requirements of documentation and form samples as well as for the options for opening and reading the document).

4.6 Documents to be included in the Proposal:

4.6.1 Application for participation in the Procurement, including the information about persons on whose capacity the Tenderer is relying and the Tenderer's subcontractors (if applicable) by adding compliance documents specified in Chapter V of the Regulations. A form of the application is attached to the Regulations as Annex 1. If the Tenderer relies on the capabilities of other persons in order to certify the compliance of the qualification requirements specified in the Procurement documents, a confirmation signed by the relevant person shall be attached to the application for participation (Annex 1.1 of the Regulations). If the Tenderer plans to involve subcontractors in the execution of the Procurement contract, a signed confirmation of each subcontractor shall be attached to the application for participation (Annex 1.2 of the Regulations);

4.6.2 Technical proposal. A form of the technical proposal is attached to the Regulations as Annex 2. Tenderers shall submit detailed description of the technical proposal, including, but not limited by, technical data of their Vessel, its parts and equipment, materials to be used and execution of works, if necessary including additional sections or adding explanations and documents. A schedule of

shipbuilding (in free form) with granularity up to one month covering all stages from the designing of the Vessel to its hand-over to the Purchaser shall be attached to the technical offer. The Proposal shall not include, and the Tenderer shall not use, directly or indirectly, such goods, materials, services and/or persons in the performance of the Procurement contract that have been and/or are subject to international, European Union or national sanctions or sanctions imposed by Member States of the European Union or of the North Atlantic Treaty Organization. The same applies to goods, materials, services that are prohibited for use or not recommended for use by relevant body of North Atlantic Treaty Organization;

4.6.3 Confirmation of the Tenderer's financial standing. A form of the confirmation is attached to the Regulations as Annex 3;

4.6.4 Financial proposal. A form of the financial proposal is attached to the Regulations as Annex 4;

4.6.5 Description of previous experience. A form of the description is attached to the Regulations as Annex 5;

4.6.6 Proposal security Bank guarantee or insurance policy. The mandatory conditions of the guarantee or insurance policy are specified in Annex 6 of the Regulations;

4.6.7 General arrangement drawing of the Vessel;

4.6.8 Certificates, confirmations, statements and other documents required by the Regulations, its Annexes or the Procurement commission.

4.7 Each document to be included in the Proposal must be filled separately, in line with forms attached to the Regulations and must be readable with Microsoft Office 2010 or later version.

4.8 When submitting the Proposal, the Tenderer shall sign it with a qualified electronic signature with a time seal. The Tenderer can use an electronic signature offered by the E-tenders system to sign the whole Proposal, or use its own electronic signature and sign each document separately. The documents shall be signed by a person who legally representing the Tenderer or is authorized to represent the Tenderer in this Procurement. If the application is signed by an authorized person, it shall be accompanied by a power of attorney with the right of representation, clearly indicating in the mandate the scope of rights and obligations assigned to the authorized person. If the Tenderer is a group of Suppliers it shall be indicated in the Proposal which member represents the group of Suppliers and division of responsibility between the members. A power of attorney regarding the appointment of the authorized person signed by all members of the group of Suppliers appointing the authorized person which has rights to represent the group of Suppliers shall be signed by all members of the group of Suppliers.

4.9 If the Proposal is not signed by a person with representation rights, or such person does not properly authorized, then the Proposal will be rejected.

4.10 If the Tenderer has submitted a copy of a document or a translation of a document, it shall be certified in accordance with the legislation of the respective country.

4.11 When submitting the Proposal, the Tenderer has the right to certify the correctness of all submitted documents' derivatives and translations with one certification.

4.12 The Tenderer may recall or amend its submitted Proposal before the expiry of the deadline for the submission of Proposals by using E-tenders system. The withdrawal of the Proposal is unconditional and excludes the Tenderer from further participation in the Procurement.

4.13 If the Proposal contains information that can be considered as confidential information, the Tenderer can indicate such pages (parts) of the Proposal with mark "Confidential Information". Confidential information may not be information that is generally available in accordance with laws, including the information contained in the Regulations, as well as the price offered.

4.14 The documents included in the Proposal must be clearly legible, without correction or erasure, in order to avoid any misunderstandings. If there is any conflict between the original and the copy, the original will be decisive. In the event of any contradiction between the expressions of numerical values with words and numbers, the Procurement commission will take into account the numerical value indicated by the words.

4.15 The Tenderer must comply fully with the Regulations and its Annexes. All annexes of the Proposal shall form an integral part of it.

4.16 The Tenderer shall bear all costs associated with the preparation and submission of its Proposal to the Procurement commission and the Purchaser. Submission of the Proposal shall be considered as an expression of the Tenderer's free will, therefore, regardless of the Procurement results, the Purchaser does not assume responsibility for the Tenderer's expenses and possible losses related to the preparation and submission of the Proposal.

4.17 All information provided by the Tenderer shall be true. If the Procurement commission has doubts as to the truth of the information provided or the authenticity of the copy of the document, it is entitled to request that the Tenderer to present the original of the document in question or submit a copy of such document certified as due within the time limit indicated by the Procurement commission.

4.18 Questions regarding the Regulations shall be submitted by e-mail: tender@lvrflote.lv or submitted via E-tenders system by using the site indicated in Article 4.2 of the Regulations. If information is requested timely, the Procurement commission will provide the answer within 5 (five) business days, but not later than 6 (six) days before deadline for submission of Proposals, by posting the answer into the E-tenders system (see Article 4.2) and by sending it to the relevant interested Tenderer to the e-mail address from which the question was received. Interested Tenderers shall follow such information. If the Procurement commission has posted this information in the E-tenders system (see Article 4.2), it is considered that the interested party has received additional information.

4.19 Submitted Proposal documentation, except if the Tenderer withdraws the Proposal, remain the property of the Purchaser.

4.20 The Proposal submitted by the Tenderer shall be valid, i.e. it is binding on the Tenderer until the conclusion of the Procurement contract or 3 (three) months as from the opening time of the Proposals (see Article 7.1), depending on which of these conditions occurs first.

V QUALIFICATION AND SELECTION REQUIREMENTS

5.1 The qualification and selection requirements shall be mandatory for all the Tenderers.

5.2 The Purchaser shall exclude a Tenderer from further participation in the Procurement in the following circumstances:

No.	Exclusion condition, according to which the Tenderer shall be excluded from the participation in the Procurement	Documents to be submitted for legal persons and entities registered in Latvia	Documents to be submitted for legal persons and entities registered in a foreign country
5.2.1	The Tenderer is subject to the restrictions set forth in the Law on International Sanctions and National Sanctions of the Republic of Latvia.	No documents to be submitted. The Procurement commission will check non-eligibility of this exclusion condition on the relevant websites and will ask for additional information (if necessary).	A document issued by a competent relevant state institution containing data on the Tenderer, Tenderer's true beneficiary, persons who are members of the executive board or supervisory board, persons with representation rights, proctors of the Tenderer, or persons who are authorized to represent the Tenderer in activities related to a branch. The Procurement commission will check non-eligibility of this exclusion condition on the relevant websites and will ask for additional information (if necessary).
5.2.2	The Tenderer is subject to restrictions specified in Article 5k Paragraph 1 of Council Regulation (EU) 2022/576 of 8 April 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilizing the situation in Ukraine.	No documents to be submitted. The Procurement commission will check non-eligibility of this exclusion condition on the relevant websites and will ask for additional information (if necessary).	A document issued by a competent relevant state institution containing data on the Tenderer, Tenderer's true beneficiary, persons who are members of the executive board or supervisory board, persons with representation rights, proctors of the Tenderer, or persons who are authorized to represent the Tenderer in activities related to a branch. The Procurement commission will check non-eligibility of this exclusion condition on the relevant

No.	Exclusion condition, according to which the Tenderer shall be excluded from the participation in the Procurement	Documents to be submitted for legal persons and entities registered in Latvia	Documents to be submitted for legal persons and entities registered in a foreign country
			websites and will ask for additional information (if necessary).
5.2.3	The Tenderer has non-fulfilled obligations in the field of taxes (SPSIL, Section 48, Paragraph two, Clause 2).	No documents to be submitted. The Procurement commission will check the State Revenue Service public tax debtors' database and will ask for additional information (if necessary) due to the SPSIL, Section 48, Paragraph five, Clause 1 and Paragraph six.	A statement from the competent authority of the relevant foreign country or another document certifying non-existence of the reason for exclusion*. The Procurement commission will check non-eligibility of this exclusion condition due to the SPSIL, Section 48, Paragraph five, Clause 2.
5.2.4	Insolvency proceedings have been declared for the tenderer, the economic activity of the tenderer has been suspended or the tenderer is being liquidated (SPSIL, Section 48, Paragraph two, Clause 4).	No documents to be submitted. The Procurement Commission will check the Register of Enterprises and the State Revenue Service public databases and will ask for additional information (if necessary) due to the SPSIL, Section 48, Paragraph five, Clause 1.	A statement from the competent authority of the relevant foreign country or another document certifying non-existence of the reason for exclusion*. The Procurement commission will check non-eligibility of this exclusion condition due to the SPSIL, Section 48, Paragraph five, Clause 2.
5.2.5	The tenderer has been found guilty of any of the criminal offences, as it is specified in SPSIL, Section 48, Paragraph two, Clause 1.	No documents to be submitted. The Procurement commission will check non-eligibility of this exclusion condition on the relevant websites and will ask for additional information (if necessary) due to the SPSIL, Section 48, Paragraph five, Clause 1.	A statement from the competent authority of the relevant foreign country or another document certifying non-existence of the reason for exclusion*. The Procurement commission will check non-eligibility of this exclusion condition due to the SPSIL, Section 48, Paragraph five, Clause 2.

No.	Exclusion condition, according to which the Tenderer shall be excluded from the participation in the Procurement	Documents to be submitted for legal persons and entities registered in Latvia	Documents to be submitted for legal persons and entities registered in a foreign country
5.2.6	The Tenderer is a legal person or association of persons registered in an offshore or also an owner or holder of more than 25 per cent of capital shares (stocks) of the candidate or tenderer registered in Latvia is a legal person or association of persons registered in an offshore (SPSIL, Section 48, Paragraph two, Clause 3).	No documents to be submitted. The Procurement commission will check non-eligibility of this exclusion condition on the relevant websites and will ask for additional information (if necessary) due to the SPSIL, Section 48, Paragraph five, Clause 1.	A certification that the reason for exclusion does not apply to the Tenderer. A document certifying the country of registration of the Tenderer (or each member of the group of Suppliers, if the Tenderer is a group of Suppliers) shall be added to the certification.
5.2.7	The Tenderer has been found guilty of or shall be liable with a fine for violating the competition law, as it specified in SPSIL, Section 48, Paragraph two, Clause 5 and Clause 7.	No documents to be submitted. The Procurement commission will check non-eligibility of this exclusion condition on the relevant websites and will ask for additional information (if necessary) due to the SPSIL, Section 48, Paragraph five, Clause 1.	A statement from the competent authority of the relevant foreign country or another document certifying non-existence of the reason for exclusion*. The Procurement commission will check non-eligibility of this exclusion condition due to the SPSIL, Section 48, Paragraph five, Clause 2.
5.2.8	The Tenderer has been found guilty of and punished for an infringement of employment laws, as it specified in SPSIL, Section 48, Paragraph two, Clause 6.	No documents to be submitted. The Procurement commission will check non-eligibility of this exclusion condition on the relevant websites and will ask for additional information (if necessary) due to the SPSIL, Section 48, Paragraph five, Clause 1.	A statement from the competent authority of the relevant foreign country or another document certifying non-existence of the reason for exclusion*. The Procurement commission also will check non-eligibility of this exclusion condition due to the SPSIL, Section 48, Paragraph five, Clause 2.
5.2.9	The Tenderer has violated the legal acts of Latvia or the European Union in the field of	The Tenderer's declaration that there are no such grounds for exclusion.	The Tenderer's declaration that there are no such grounds for exclusion.

No.	Exclusion condition, according to which the Tenderer shall be excluded from the participation in the Procurement	Documents to be submitted for legal persons and entities registered in Latvia	Documents to be submitted for legal persons and entities registered in a foreign country
	environmental, social, or labor law, a collective agreement, a general agreement, or the requirements laid down in relevant international conventions, as it is specified in SPSIL, Section 48, Paragraph two, Clause 8.		
5.2.10	The Tenderer has committed significant violations in its professional activity, as it specified in SPSIL, Section 48, Paragraph two, Clause 9.	The Tenderer's declaration that there are no such grounds for exclusion.	The Tenderer's declaration that there are no such grounds for exclusion.
5.2.11	The Tenderer has not executed a contract previously entered into with the Purchaser and therefore the Purchaser has unilaterally withdrawn from such contract, as it is specified in SPSIL, Section 48, Paragraph two, Clause 10.	No documents to be submitted. The Procurement commission will check non-eligibility of this exclusion condition	No documents to be submitted. The Procurement commission will check non-eligibility of this exclusion condition.
5.2.12	The person preparing the Procurement procedure documents (an official or employee of the Purchaser), a member of the Procurement commission, an expert, or the secretary of the Procurement commission is connected to the Tenderer within the meaning of Section 30, Paragraph one or two of SPSIL, or is interested in the selection of one particular tenderer, and the Purchaser has no possibility to prevent this situation by less restrictive measures with respect to the	The Tenderer's declaration that there are no such grounds for exclusion.	The Tenderer's declaration that there are no such grounds for exclusion.

No.	Exclusion condition, according to which the Tenderer shall be excluded from the participation in the Procurement	Documents to be submitted for legal persons and entities registered in Latvia	Documents to be submitted for legal persons and entities registered in a foreign country
	candidate or tenderer (see SPSIL, Section 48, Paragraph two, Clause 11).		
5.2.13	The Tenderer has advantages restricting the competition within the procurement procedure, if it or a legal person connected thereto has involved in preparation of the procurement procedure in accordance with Section 22, Paragraph four of SPSIL and such advantages cannot be prevented by less restrictive measures; moreover, the Tenderer cannot prove that the participation thereof or of the legal person connected thereto in preparation of the procurement procedure does not restrict the competition (see SPSIL, Section 48, Paragraph two, Clause 12).	The Tenderer's declaration that there are no such grounds for exclusion.	The Tenderer's declaration that there are no such grounds for exclusion.
5.2.14	The Tenderer has attempted to unlawfully influence the decision of the Purchaser or the Procurement commission, or a member of the Procurement commission in relation to the procurement procedure or has attempted to obtain such confidential information which would provide it with unjustified advantage in the procurement procedure, or has provided misleading	The Tenderer's declaration that there are no such grounds for exclusion.	The Tenderer's declaration that there are no such grounds for exclusion.

No.	Exclusion condition, according to which the Tenderer shall be excluded from the participation in the Procurement	Documents to be submitted for legal persons and entities registered in Latvia	Documents to be submitted for legal persons and entities registered in a foreign country
	information which might significantly affect the decision on the further participation of the candidate or tenderer in the procurement procedure or awarding of the procurement contract (see SPSIL, Section 48, Paragraph two, Clause 13).		
5.2.15	The Tenderer has provided false information to certify the conformity with the provisions of SPSIL, Section 48 or qualification requirements for the tenderers specified in SPSIL, or has failed to submit the requested information (see SPSIL, Section 48, Paragraph two, Clause 14).	The Tenderer's declaration that there are no such grounds for exclusion.	The Tenderer's declaration that there are no such grounds for exclusion.
5.2.16	The conditions referred to in Article 5.2.1-5.2.11 herein apply to a member of the group of Suppliers (if the Tenderer is a group of Suppliers) or a member of the partnership (if the Tenderer is a partnership), to a person indicated by the Tenderer on whose capacities the Tenderer relies upon to certify that the qualification thereof conforms to the Procurement requirements, and to the subcontractor indicated by the Tenderer the value of the work to be performed or the services to be provided is at	See Articles 5.2.1 – 5.2.15.	See Articles 5.2.1 – 5.2.15.

No.	Exclusion condition, according to which the Tenderer shall be excluded from the participation in the Procurement	Documents to be submitted for legal persons and entities registered in Latvia	Documents to be submitted for legal persons and entities registered in a foreign country
	least EUR 10'000 (ten thousand euro).		
5.2.17	The conditions referred to in Article 5.2.3, 5.2.5 and 5.2.6 herein apply to the persons who hold the decisive influence in the Tenderer on the basis of participation within the meaning of the laws and regulations regarding groups of companies.	See Articles 5.2.3, 5.2.5 and 5.2.6	See Articles 5.2.3, 5.2.5 and 5.2.6
5.2.18	The conditions referred to in Article 5.2.1, 5.2.2, 5.2.3, 5.2.5 and 5.2.12 herein apply to the beneficial owner of the Tenderer.	See Articles 5.2.1, 5.2.2, 5.2.3, 5.2.5 and 5.2.12	See Articles 5.2.1, 5.2.2, 5.2.3, 5.2.5 and 5.2.12
5.2.19	The conditions referred to in Article 5.2.1, 5.2.2 and 5.2.5. herein apply to a person who is a member of the executive board or supervisory board, a person with representation rights, a proctor of the Tenderer, or a person who is authorized to represent the Tenderer in activities related to a branch.	See Articles 5.2.1, 5.2.2 and 5.2.5	See Articles 5.2.1, 5.2.2 and 5.2.5

** Regarding legal persons and entities registered in a foreign country: if a statement of the competent authority or other documents are not being issued in the relevant foreign country or they are not sufficient for certifying that the reasons for exclusion do not apply to the Tenderer, such statement or other documents may be replaced with an oath or, if the legal acts of the relevant country do not provide for giving an oath, for the reason for exclusion referred to in Articles 5.2.3, 5.2.4 and 5.2.5 - with a certification of the Tenderer or a person referred in Articles 5.2.16-5.2.19 itself to the competent executive authority or judicial authority, a sworn notary, or a competent organization of the relevant sector in the country of registration or permanent place of residence, but for the reason for exclusion referred to in Article 5.2.7 and 5.2.8 - with a certification itself to the Purchaser. If necessary, the Procurement commission will request additional information.*

5.3 Legal standing qualification requirements:

No.	Requirement	Documents to be submitted for legal persons and entities registered in Latvia	Documents to be submitted for legal persons and entities registered in a foreign country
5.3.1	<p>The Tenderer, a partnership and each member of the partnership (if the Tenderer is a partnership), each member of the group of Suppliers (if the Tenderer is a group of Suppliers which, at the time of submission of the Proposal is not registered) and/or a subcontractor or a person on whose potential the Tenderer relies to confirm the compliance of its qualifications with the requirements set out in the Regulations, has been registered as due under applicable laws and regulations.</p> <p>If the Tenderer is a group of Suppliers which, at the time of submission of the Proposal, has not yet been registered in the commercial register of the Republic of Latvia or in a foreign country in accordance with the procedure provided for in the laws and regulations of the relevant country, it shall submit a mutual agreement or a notification as specified in Article 3.2 of the Regulations.</p>	<p>The Procurement Commission will verify the information on relevant databases.</p>	<p>A document issued by the respective competent authority of the foreign country stating that the Tenderer, a partnership and each member of the partnership, a member of the group of Suppliers (if the Tenderer is a group of Suppliers which, at the time of submission of the Proposal is not registered), and/or a subcontractor or a person on whose potential the Tenderer relies to confirm the compliance of its qualifications with the requirements set out in the Regulations (if applicable), has been registered as due under applicable laws and regulations. The document shall contain data on these persons true beneficiary.</p>
5.3.2	<p>The representative of the Tenderer, a member of the group of Suppliers, a member of a partnership, a person on whose potential the Tenderer relies, a subcontractor who has signed the Proposal documents has the right of</p>	<ol style="list-style-type: none"> 1. The Procurement commission will verify the information on publicly available databases. 2. A power of attorney. 	<p>A document confirming the right of signature.</p>

	signature, i.e. it is an official having the right of signature, or a person properly authorized.		
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5.4 Economic and financial standing

No.	Requirement	Documents to be submitted for legal persons and entities registered in Latvia	Documents to be submitted for legal persons and entities registered in a foreign country
5.4.1	<p>The Tenderer's minimum annual financial turnover in the previous 3 (three) accounting years (2020, 2021, 2022) is not less than EUR 20'000'000.00 (Twenty million euro).</p> <p>The accounting years may differ, depending on the time of registration of the Tenderer. In any case, the required financial turnover must be indicated for the Tenderer's three previous accounting years, except for Tenderers which are registered later.</p> <p>If the Tenderer is a group of Suppliers, then at least one of its members must have the specified financial turnover in the specified amount.</p> <p>The Tenderer, which is registered later, certifies the turnover for the relevant period of time.</p>	<p>Filled and signed Annex No. 3 "Confirmation of Tenderer's financial standing" and audited or self-approved annual financial statements for the previous three accounting years showing the turnover of the Tenderer or the partnership (if the Tenderer is a partnership), each member of the group of Suppliers (if the Tenderer is a group of Suppliers) and persons on whose capacity the Tenderer relies to certify its financial and economic performance and who will be financially responsible for the fulfilment of the Procurement contract.</p>	<p>Filled and signed Annex No. 3 "Confirmation of Tenderer's financial standing" and audited or self-approved annual financial statements for the previous three accounting years showing the turnover of the Tenderer or the partnership (if the Tenderer is a partnership) or each member of the group of Suppliers (if the Tenderer is a group of Suppliers) and persons on whose capacity the Tenderer relies to certify its financial and economic performance and who will be financially responsible for the fulfilment of the Procurement contract.</p>

5.5 Technical and professional ability

No.	Requirement	Documents to be submitted for legal persons and entities registered in Latvia	Documents to be submitted for legal persons and entities registered in a foreign country
5.5.1	The Tenderer or the partnership (if the Tenderer is a partnership) or a group of Suppliers (if the Tenderer is a group of Suppliers) is a shipbuilding company for no less than last 5 years (2018-2022 and up to the date of submitting of the Proposal) or an authorized representative of such shipbuilding company.	A certificate or other document issued by relevant state authority which confirms such status.	A certificate or other document issued by relevant state authority which confirms such status.
5.5.2	<p>Within the last 7 (seven) years (2016-2022 and up to the date of submitting of the Proposal) the Tenderer or the partnership (if the Tenderer is a partnership) or the group of Suppliers (if the Tenderer is a group of Suppliers) or a shipbuilding company which authorized representative the Tenderer is, has built and delivered:</p> <ol style="list-style-type: none"> 1) At least 1 (one) multi-purpose vessel with length no less than 25 meters; 2) At least 1 (one) ice class vessel no less than 1C (Finnish-Swedish class)); 3) At least 1 (one) vessel with hybrid or electric propulsion; 4) At least 1 (one) vessel with buoy handling function. <p>* It is permissible for one vessel to meet more than one of said criteria.</p>	Filled and signed Annex 5 – "Description of previous experience". The Procurement commission has right to contact the recipients of these vessels directly for feedback or to request the Tenderer to submit feedback from the recipients of these vessels.	Filled and signed Annex 5 – "Description of previous experience". The Procurement commission has right to contact the recipients of these vessels directly for feedback or to request the Tenderer to submit feedback from the recipients of these vessels.
5.5.3	During the Vessel's warranty period the Tenderer is able to	The Tenderer's confirmation of the fulfillment of the	The Tenderer's confirmation of the

No.	Requirement	Documents to be submitted for legal persons and entities registered in Latvia	Documents to be submitted for legal persons and entities registered in a foreign country
	<p>provide a certified shipyard in the territory of the European Union no further than 2000 km (straight-line distance) from the place of delivery of the vessel (Riga, Latvia) with a response time of no more than 2 working days. All the Vessel's equipment manufacturers must have an authorized representative in one of the Baltic states (Lithuania, Latvia and Estonia) or the Tenderer must provide maintenance service in Latvia by other means.</p>	<p>requirement in the event of awarding the right to conclude the Procurement contract.</p>	<p>fulfillment of the requirement in the event of awarding the right to conclude the Procurement contract.</p>
5.5.4	<p>The Tenderer has implemented a quality management system in accordance with the ISO 9001:2000 or other equal quality management standards based on relevant European or international standards that have been approved by certification bodies in compliance with the legislation of the European Union or relevant European or international certification standards, or provide equivalent quality assurance measures.</p>	<p>Digital copy of the relevant certificate shall be provided. The Purchaser recognizes a certificate issued by an authority accredited due to the procedures specified down in laws of another European Union Member State. If it has been impossible for the Tenderer to obtain such certificate for reasons beyond its control, the Tenderer shall submit other evidence that equal quality assurance measures have been taken, and prove that the quality assurance measures offered conform to the requirements of the Purchaser.</p>	<p>Digital copy of the relevant certificate shall be provided. The Purchaser recognizes a certificate issued by an authority accredited due to the procedures specified down in laws of another European Union Member State. If it has been impossible for the Tenderer to obtain such certificate for reasons beyond its control, the Tenderer shall submit other evidence that equal quality assurance measures have been taken, and prove that the quality assurance measures offered conform to the</p>

No.	Requirement	Documents to be submitted for legal persons and entities registered in Latvia	Documents to be submitted for legal persons and entities registered in a foreign country
			requirements of the Purchaser.
5.5.5	The Tenderer has implemented the environmental management system according to the ISO 14001 standard or other equal environmental protection management standards based on relevant European or international standards approved by certification bodies or relevant state institutions that comply with European Union legislation or relevant European or international certification standards or provide equivalent environmental protection management measures.	Digital copy of the relevant document shall be provided. The Purchaser recognizes a certificate issued by an authority accredited due to the procedures specified in laws of another European Union Member State. If it has been impossible for the Tenderer to obtain such certificate for reasons beyond its control, the Tenderer shall submit other evidence of equivalent measures which should be ensured according to the environmental management system or standard required by the Purchaser.	Digital copy of the relevant document shall be provided. The Purchaser recognizes a certificate issued by an authority accredited due to the procedures specified in laws of another European Union Member State. If it has been impossible for the Tenderer to obtain such certificate for reasons beyond its control, the Tenderer shall submit other evidence of equivalent measures which should be ensured according to the environmental management system or standard required by the Purchaser.
5.5.6	General arrangement drawing of the Vessel	General arrangement drawing of the Vessel.	General arrangement drawing of the Vessel.

5.6 Statements, confirmations and other documents issued by Latvian competent institutions or the Tenderer itself shall be accepted on the condition that they are issued not earlier than one month before the date of submission. Statements, confirmations and other documents issued by foreign competent institutions shall be accepted on the condition that they are issued not earlier than six months before the date of submission. The aforementioned does not apply to cases where the issued document refers to an earlier period (for example, certificates, partnership agreements, etc.) and where the authority issuing the statement or document has not specified a shorter period of its validity.

5.7 The Procurement commission at any stage of the Procurement has the right to request that the Tenderer provides all or part of the documents confirming its compliance with the requirements set out in the Regulations. The Procurement commission will not request such documents or information that is in its possession or is available in the public databases.

5.8 The Purchaser accepts the European single procurement procedure document as initial evidence of compliance with the requirements for the selection of applicants. The Tenderer shall submit a separate European procurement procedure document for each person on whose capabilities the Tenderer relies to certify that it meets the selection requirements and for each subcontractor which value of the services to be provided is at least EUR 10'000.00 (ten thousand euro). The group of Suppliers submits a separate European single procurement procedure document for each of its members. A sample of the document is available at <http://espd.eis.gov.lv/>.

5.9 If the Procurement commission establishes that the Tenderer should be excluded from further participation in the Procurement, on the basis of the reasons for exclusion referred to in SPSIL, Section 48, Paragraph two, Clause 1, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14 (including regarding a member of a partnership (if the Tenderer is a partnership), a person who hold the decisive influence in the Tenderer within the meaning of the laws and regulations on groups of companies, the Tenderer's true beneficiary) and exceptions specified in SPSIL, Section 48, paragraph four, Clause 2, 3, 4, 5 and 6 are not applicable, the Procurement commission gives to the Tenderer the right to submit, within a time limit which is at least 10 (ten) days as of sending a request for information, an explanation and evidence proving the Tenderer's reliability with the provisions of SPSIL, Section 49.

5.10 In order to certify the reliability, the Tenderer shall submit an explanation and evidence regarding reimbursement of the harm caused or an agreement entered into regarding reimbursement of the harm caused, cooperation with investigating institutions and the technical, organizational, or staff management measures taken in order to prove its reliability and to preclude repeating of the same and similar cases in the future.

5.11 If the Tenderer could be excluded from further participation in the Procurement because the reasons for exclusion referred in SPSIL, Section 48, Paragraph two apply to the subcontractor specified by the Tenderer or the person on whose capacity the Tenderer relies, reliability should be ensured by replacing the subcontractor or the person on whose capacity the Tenderer relies with appropriate persons to whom the reasons for exclusion do not apply.

VI PROPOSAL SECURITY

6.1 Validity of the Proposal shall be secured.

6.2 The Tenderer shall submit the Proposal security of fixed amount of EUR 210'000.00 (two hundred ten thousand euro) as a credit institution guarantee or an insurance policy of insurance company.

6.3 The Proposal security no less than three months counting from the time of opening of the Proposals (see Article 7.1 of the Regulations).

6.4 Bank guarantee or an insurance policy of insurance company shall have to contain the same provisions as in a sample form, which is attached to the Regulations as Annex 6.

6.5 The Procurement commission shall reject any Proposals without the Proposal security.

6.6 The Proposal security shall be paid to the Purchaser in full in any of the following cases:

6.6.1 The Tenderer withdraws its Proposal during the period of validity of the Proposal security;

6.6.2 The Tenderer had been awarded to enter into the Procurement contract; however, the Tenderer has not submitted the Performance bond as provided for in Regulations within the specified time limit;

6.6.3 The Tenderer has been awarded to enter into the Procurement contract; however, the Tenderer does not sign the Procurement contract within the specified time limit.

6.7 The Proposal security shall be in full force and effect for the shortest of the following time limits:

6.7.1 Three months as from the time of opening of the Proposal;

6.7.2 Until the day when the Tenderer to whom the Procurement contract has been awarded submits the Performance bond;

6.7.3 Until conclusion of the Procurement contract.

6.8 The Proposal security shall be submitted electronically as an electronic document signed with a qualified electronic signature and time stamp (electronic document issued by a credit institution or insurance company, signed with a secure electronic signature and time stamp). If the credit institution or insurance company does not issue the said document as an electronic document, it must be scanned and attached to the Proposal in PDF format, and the original must be submitted to the Procurement commission upon its first request.

VII OPENING AND VERIFICATION OF PROPOSALS

7.1 The submitted Proposals will be opened no sooner than four hours after the submission deadline, at the next business day, i.e. _____ 2023 at __:__ (Riga time). The Procurement commission shall open Proposals at the same time. Information on the Tenderer, the date and time of submission of the Proposal and the price offered will be published on the E-tenders system Procurement profile (see Article 4.2 of the Regulations). The published information will contain name of the Tenderers, date of submitting of the Proposal and offered price.

7.2 The Procurement commission shall not accept any Proposals submitted outside the E-tenders system Procurement profile (see Article 4.2 of the Regulations) or after the deadline for the submission of Proposals (see Article 4.1).

7.3 The Procurement commission shall evaluate the submitted Proposals in closed session and shall evaluate the compliance of Proposals with all requirements as set out in the Regulations and its Annexes.

7.4 The Procurement commission evaluates the submitted Proposals in four stages, in each subsequent stage evaluating only those Proposals that have not been rejected in the previous stage:

7.4.1 Stage 1: the Procurement commission verifies whether the submitted Proposals comply with requirements specified in Section V and VI of the Regulations and whether all required information and documents are submitted and selects for further evaluation the compliant Proposals;

7.4.2 Stage 2: the Procurement commission verifies whether the Technical proposals comply with the requirements specified in the Technical specification and whether submitted General arrangement of the Vessel comply with the submitted Technical proposals and the Technical specification.

7.4.3 Stage 3: the Procurement commission verifies whether the Tenderers have submitted financial proposals due with the Regulations, whether there are any arithmetical errors, and whether an abnormally low financial proposal has been submitted.

7.4.4 The Procurement commission corrects arithmetical errors and informs the Tenderer whose arithmetical errors have been corrected about such correction. When evaluating the financial proposal, the Procurement commission takes corrections into account.

7.4.5 The Procurement commission has the right to demand that the Tenderer explains the calculation upon which the financial proposal is based and other related aspects in order to ascertain the objectivity of the financial proposal and whether the abnormally low financial proposal has been submitted.

7.4.6 The Procurement commission further evaluates the compliant Proposals which have not been declared as abnormally low financial proposals.

7.4.7 Stage 4: the last selection criterion is the most economically advantageous proposal according to the evaluation methodology specified in the Section VIII below. The economically most advantageous proposal shall be the Proposal which will receive the highest sum of points.

VIII PROPOSAL EVALUATION CRITERIA

8.1 The Procurement commission will evaluate the Proposals based on the price and quality ratio. The criteria shall be as follows:

Evaluation criteria	Comparative weight in the cost-benefit assessment	Comments
8.1.1 Price (C)	X=70	The price shall be the total cost of the Vessel exclusive of VAT, including, but not limited to, all taxes on the Vessel, the cost of building, work, materials and equipment, the cost of transport, the cost of insurance, the cost of after-sales maintenance during warranty period, the cost of training and instruction of personnel, the cost of all testing, delivery and handing over of the Vessel to the Purchaser, the cost of preparing and submitting the documents required by the Purchaser, and the cost of the Tenderer's any other costs, both direct and indirect, in connection with the design, construction, testing and delivery of the Vessel, as set out in the Regulations.
8.1.2 The economy (T) of the Vessels' propulsion engines specific fuel consumption (SFC) on optimal load settings, which are typically around 85% Maximum Continuous Load (MCR) (g/kW/h).	L=20	The Tenderer shall submit fuel consumption data (g/kW/h) and detailed information on the conditions under which and in what manner the fuel consumption measurements were made and how the results were calculated.
8.1.3 Warranty (G) (months)		Calculated for the months provided by the warranty.

Evaluation criteria	Comparative weight in the cost-benefit assessment	Comments
1. All materials used in the construction, hull and building of the Vessel (G1)	Y1=4	
2. Main and auxiliary engines, machinery and systems, radio and navigation equipment, electronic and automatic control systems, software, main batteries for the Vessel (G2)	Y2=6	
*The warranty period shall be calculated from the date of transfer of the Vessel to the Purchaser		

8.2 Comparative weights of the evaluation criteria and their parameters:

Price (C) – 70 points (X)
Economy of the propulsion engines (T) – 20 points (L)
Warranty (G) – 10 points (Y1 and Y2): For all structures, hull and materials of the Vessel used for shipbuilding) – 4 (Y1) For the main and auxiliary engines of the Vessel, mechanisms and their systems, radio and navigation equipment, electronic and automatic control systems, software, main batteries – 6 (Y2)

8.3 Economic efficiency (S) shall be calculated by calculating and summarizing points of the said criteria and adding additional points (AD):

$$S = C + T + G + AD$$

8.3.1 Points for the price (C) shall be calculated according to the following formula:

$$C = \frac{\text{The lowest proposed price}}{\text{The Tenderer's proposed price}} \times X$$

8.3.2 Points for the Vessel's propulsion engines economy (T) shall be calculated according to the

following formula:

$$T = \frac{\text{The minimum proposed value}}{\text{The Tenderer's proposed value}} \times L$$

8.3.3 Points for the warranty (G) shall be calculated according to the following formula:

$$G = \left(\frac{\text{The Tenderer's proposed warranty G1}}{\text{The highest warranty offered G1}} \times Y1 \right) + \left(\frac{\text{The Tenderer's proposed warranty G2}}{\text{The highest warranty offered G2}} \times Y2 \right)$$

Notes:

- The resulting values shall be rounded to two decimal places;
- The Tenderer shall ensure that the proposed values quoted by the Tenderer remain the same (no worse).

8.4 Additional points (AD) shall be awarded as follows:

8.4.1 One additional point – If the Vessel is equipped with Marine External Fire Fighting FIFI System Class 1 (see the Technical Specification, 11.3);

8.4.2 One additional point – If all cable trays are made of stainless steel (see Technical Specification, 12.8);

8.4.3 One half (0,5) additional point – If the searchlight meets at least the following criteria: Range: 1lux at 2 000 meters, Adjustable focus of the beam: 2-7 degrees, Corrosion resistant, Protection class at least IP67, and Adjustable horizontal rotation at least 300 degrees and vertical movement at least 10 degrees (see the Technical Specification, 13.13).

8.5 The Procurement commission shall sum up the points obtained by each Proposal by summing up all points. The total sum of points shall be divided by the number of members of the Procurement commission participated in evaluation.

8.6 In case several Tenderers will obtain equal number of points, the Procurement commission shall award the right to conclude the Procurement contract to the Tenderer, which has obtained higher score for the price.

8.7 Before taking decision on award of the Procurement contract, the Procurement commission shall ascertain that the Tenderer, to whom the Procurement contract is to be awarded, is not subject to the exclusion grounds specified in the Regulations and applicable law. If the Procurement commission determines that the Tenderer subject to the to the exclusion grounds, such Tenderer shall be excluded from participation in the Procurement. In such case the Procurement commission shall examine the next Tenderer to whom, according to the Regulations, the Procurement contract shall be awarded.

8.8 The final approval on the Procurement results and decision to enter into Procurement Contract with the selected Tenderer shall be made by the Purchaser's sole shareholder Freeport of Riga Authority.

IX ENTERING INTO A PROCUREMENT CONTRACT

9.1 Within 5 (five) business days from the date of decision about the Procurement results, the Procurement commission shall inform all Tenderers about the made decision due to the SPSIL Section 37 Paragraph two, by sending such information electronically.

9.2 If the Procurement is terminated, the Procurement commission within 5 (five) business days shall inform all Tenderers about the reasons of such decision and inform about the deadline within which the Tenderer may submit an application regarding the violations of the Procurement procedure to the Procurement Monitoring Bureau.

9.3 The selected Tenderer upon receiving a notification from the Procurement commission must:

9.3.1 If the Tenderer is a group of Suppliers as specified in Article 3.3 of the Regulations – within 10 (ten) business days the Tenderer shall submit to the Purchaser a copy of a partnership agreement or to inform the Purchaser in written that the group of suppliers is registered in the relevant register;

9.3.2 within 10 (ten) business days – to submit to the Purchaser a copy of valid performance bond of fixed amount of EUR 500'000.00 (five hundred thousand euro) as a credit institution guarantee or an insurance policy of insurance company. Bank guarantee or an insurance policy of insurance company shall have to contain the same provisions as in a sample form, which is attached to the Regulations as Annex 7.

9.4 The Procurement contract will be concluded based on the selected Tenderer's proposal and due to the Annex 8 "Draft Procurement Contract" of the Regulations.

9.5 The Procurement commission has the right to choose the next most economically advantageous Proposal, if the Tenderer within the time limit specified in the Regulations:

9.5.1 If the Tenderer as a group of Suppliers as specified in Article 3.3 of the Regulations does not submit a copy of the partnership agreement nor informs the Purchaser that the group of suppliers is registered in the relevant register, or

9.5.2 Does not submit a copy of valid performance bond, or

9.5.3 Refuses to conclude the Procurement contract or does not submit a signed Procurement contract within the deadlines specified in the Regulations.

9.6 In any of such cases mentioned in Article 9.5 of the Regulations, the Procurement commission is entitled to terminate the Procurement without selecting any Proposal or to select the Proposal with the next economically advantageous proposal. For either of these decisions a written decision must be made.

9.7 The Procurement commission may terminate the Procurement if, before the conclusion of the Procurement contract, LVR Flote has received a notification that the funding mentioned in Article 2.5 of the Regulations is refused.

9.8 The Regulations are made in Latvian and English language. The Latvian wording of the Regulations shall prevail.

X ANNEXES

- 10.1 Annex 1 - Application form for participation in the Procurement;
- 10.1.1 Annex 1.1 – Confirmation of a person on the capabilities of which the Tenderer relies;
- 10.1.2 Annex 1.2 – Confirmation of the Tenderer's subcontractor;
- 10.2 Annex 2 – Technical proposal;
- 10.3 Annex 3 - Confirmation of the Tenderer's financial standing (form);
- 10.4 Annex 4 - Financial proposal (form);
- 10.5 Annex 5 - Description of previous experience (form);
- 10.6 Annex 6 – Terms and conditions of the Proposal security bank guarantee or insurance policy;
- 10.7 Annex 7 – Terms and conditions of Performance bond letter;
- 10.8 Annex 8 – Technical specification;
- 10.9 Annex 9 - Draft Procurement Contract.

ANNEX NO 1: APPLICATION

DRAFT_APPLICATION FOR PARTICIPATION IN THE PROCUREMENT_11 07 2023
"PURCHASE OF A MULTI-PURPOSE ICE-CLASS SERVICE VESSEL"
 (ID NO _____)

Name of the Tenderer or all members of the group of Suppliers	
Registration number of the Tenderer or all members of the group of Suppliers	
VAT payer registration number of the Tenderer or all members of the group of Suppliers	
Name, surname and position of the person authorized to represent the Tenderer or name of nominated representative (if the Tenderer is a group of Suppliers)	
Legal address of the Tenderer or all members of the group of Suppliers	
Correspondence address of the Tenderer	
Bank of the Tenderer or all members of the group of Suppliers	
Bank code (SWIFT) of the Tenderer or all members of the group of Suppliers	
Bank account (IBAN) of the Tenderer or all members of the group of Suppliers	
Contact person and contact information of the Tenderer (name, surname, position, telephone number, e-mail)	

By submitting the Proposal, the Tenderer hereby:

- 1 Confirms participation in the procurement "Purchase of a multi-purpose ice-class service vessel", ID No LVRFLOTE 2023/2-AK;
- 2 Confirms that, if the Tenderer will be awarded the Procurement contract, the Tenderer will provide quality and timely performance of the contractual liabilities for the proposed price and in accordance with the requirements of the Annex No 8 "Technical specification" of the Regulations;
- 3 Confirms that to certify the compliance of the qualification requirements specified in the Procurement documents, the Tenderer will rely on the capacity of following persons (to be filled in, if applicable):

No	Name of the person (registration No., legal address)	Description of the capacity
1		
2		

If the Tenderer will rely on the capacity of other persons, a confirmation (Annex 1.1 of the Regulations) signed by each such relevant person shall be attached to the application.

4 Confirms that the Tenderer will involve following subcontractors (to be filled in, if applicable):

No	Name of the sub-contractor (registration No., legal address)	Sub-contracted tasks		
		Description of the sub-contracted task	Amount, EUR (excluding VAT)	Size of the company
1				
2				
3				
Total:				Do not fill

If the Tenderer will involve subcontractors, a confirmation declaration (Annex 1.2 of the Regulations) signed by each subcontractor shall be attached to the application.

5 Confirms that the Regulations are clear and understandable, that it does not have any objections and complaints and that in the case of granting the right to enter into a Procurement contract it shall fulfil all conditions of the Regulations as well as enter into a Procurement contract in accordance with the Draft Procurement contract enclosed with the Regulations (Annex No 9 of the Regulations);

6 Confirms that in the preparation and submission of its Proposal, the Tenderer has fully considered all the clarifications issued by the Purchaser (if any);

7 Confirms that the Tenderer has prepared the Proposal independently without coordination with competitors, and that it has been prepared in all respects in good faith, without collusion or fraud;

8 Confirms that Tenderer's offered services are free from all liens, interests or other rights of third parties;

9 Certifies that the Tenderer has the necessary professional, technical and organizational abilities, financial resources, and personnel necessary for the execution of the Procurement contract;

10 Confirms that the Tenderer will fulfill the requirements of clause 4.6.2 of the Regulations;

11 Confirms that the Tenderer is not subject to the reason for exclusion specified in Clause 5.2.6 of the Regulations;

12 Confirms that the Tenderer is not subject to the reason for exclusion specified in Clause 5.2.9 of the Regulations;

13 Confirms that the Tenderer is not subject to the reason for exclusion specified in Clause 5.2.10 of the Regulations;

14 Confirms that the Tenderer is not subject to the reason for exclusion specified in Clause 5.2.12 of the Regulations;

15 Confirms that the Tenderer is not subject to the reason for exclusion specified in Clause 5.2.13 of the Regulations;

16 Confirms that the Tenderer is not subject to the reason for exclusion specified in Clause 5.2.14 of the Regulations;

17 Confirms that the Tenderer is not subject to the reason for exclusion specified in Clause 5.2.15 of the Regulations;

18 Confirms that the Tenderer will fulfill the requirements of clause 5.5.3 of the Regulations;

19 Agrees that the Purchaser reserves itself the right to reject any or all Proposals and cancel the Procurement process before entry into the Procurement contract on the grounds specified in the Regulations or in the law;

20 Confirms that the Tenderer is informed and aware that the Procurement commission and the Purchaser will process the personal data included in the Proposal, as far as it is necessary for the realization of the purpose of personal data processing - to perform the necessary actions to ensure the Procurement procedure;

21 Confirms that the Tenderer has ensured the legal basis for personal data processing of all natural persons indicated in the Proposal (including all members of the group of Suppliers regardless of the legal nature of mutual relations, as well as all subcontractors, if they are engaged, specialists, employees, contacts, etc.), which will be carried out by the Purchaser in the Procurement procedure, as well as in the execution of the Procurement contract, if a Procurement contract is concluded with the Tenderer;

22 Confirms that the Tenderer is (please note):

22.1 small sized company, i.e. a company that employs less than 50 people and whose annual turnover and/or annual balance does not exceed EUR 10 million in total, or

22.2 medium sized company, i.e. a company that is not a small company and which employs less than 250 people and whose annual turnover does not exceed 50 million euros, and/or whose annual balance sheet does not exceed 43 million euros in total, or

22.3 other.

The Tenderer hereby assumes full responsibility for the set of the Procurement documents submitted, the information contained in them, their presentation, and compliance with the requirements of the Regulations. The provided information and data is true, the contact information of the Tenderer is current. The Tenderer confirms that the Tenderer will receive any information that is sent to the provided address.

/position, name, surname of the representative of the Tenderer/

_____ /Signature/

* "date" and "signature" do not need to be filled in, if the document is signed with a qualified electronic signature containing a time stamp.

ANNEX 1.1: CONFIRMATION

DRAFT_CONFIRMATION OF THE PERSON ON THE CAPABILITIES OF WHICH THE TENDERER
RELIES_11 07 2023

Place and date

We _____ /name, registration country and registration number, legal address, e-mail address/ hereby confirm that:

1 We are informed that _____ /name and registration number of the Tenderer/ (hereinafter – the "Tenderer") will submit its proposal for the procurement "Purchase of a multi-purpose ice-class service vessel", identification No. _____, indicating our company as the person on whose capabilities the Tenderer relies;

2 In the event that a Procurement contract is concluded with the Tenderer, the following of our resources are committed to be transferred to the Tenderer /a brief description of the resources to be transferred to the Tenderer, such as financial resources, specialists, technical equipment, etc./:

2.1 _____;

2.2 _____.

3 Together with the Tenderer, we take joint responsibility for the execution of the Procurement contract;

4 All information provided in this confirmation is true.

Behalf of the person on which capabilities the Tenderer relies:

/position, name, surname/

_____ /Signature/

* "date" and "signature" do not need to be filled in, if the document is signed with a qualified electronic signature containing a time stamp.

DRAFT_CONFIRMATION OF THE SUBCONTRACTOR_11 07 2023

Place, time

We _____ /name, registration country and registration number, legal address, e-mail address/ hereby confirm that:

1 We agree to participate in the procurement "Purchase of a multi-purpose ice-class service vessel", identification No. _____, as _____ /name and registration number of the Tenderer/ (hereinafter – the "Tenderer") subcontractor:

2 In the event that a Procurement contract is concluded with the Tenderer, we undertake to perform the following /short description of the work to be performed according to the list of subcontractors/:

2.1 _____;

2.2 _____.

3 To transfer at the Tenderer's disposal the following resources / a brief description of the resources to be transferred to the Tenderer, such as specialists, technical equipment, financial resources, etc./ (if applicable):

3.1 _____;

3.2 _____.

4 All information provided in this confirmation is true.

Behalf of the subcontractor:

/position, name, surname/

_____/Signature/

* "date" and "signature" do not need to be filled in, if the document is signed with a qualified electronic signature containing a time stamp.

ANNEX NO 2: TECHNICAL PROPOSAL

DRAFT_TECHNICAL PROPOSAL_11 07 2023
FOR THE PROCUREMENT
"PURCHASE OF A MULTI-PURPOSE ICE-CLASS SERVICE VESSEL"
(ID NO _____)

	Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
1.	General		
1.1.	<p>The Vessel must be designed and produced in accordance with good shipbuilding practice and must comply with rules and standards applicable to this kind of craft.</p> <p>The Supplier must follow design, engineering and production requirements laid down in Technical Specification (Annex 8 to the Procurement Regulations).</p> <p>If not clearly defined, the Supplier must follow the good shipbuilding practice.</p>		Do not fill
1.1.A	<p>No goods, services and/or involved persons that are subject to and/or subject to Sanctions (prescribed international, European Union or national sanctions or sanctions affecting significant financial and capital market interests of the European Union or member states of the North Atlantic Treaty Organization) directly or indirectly are used in the construction of the ship. The Supplier does not take any actions aimed at circumventing the Sanctions.</p>		Do not fill

Requirement		Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
1.2.	All materials, equipment and mechanisms used for building Vessel must be new.		Do not fill
1.3.	The Supplier must install all equipment in accordance with equipment manufacturers' requirements.		Do not fill
1.4.	All of the installed equipment must be modern and may not be out of production.		Do not fill
1.5.	All of the installed equipment must have responsible maintenance representatives in European Union. Representative should be no further than 2000 km (straight-line distance) from Riga, or Supplier must provide maintenance service in the Republic of Latvia by other means.		Do not fill
1.5.A	Deck machinery must be able to operate on bio-soluble oil.		Do not fill
1.6.	Estimated usage of the Vessel		
1.6.1.	A minimum life-span of the 20 years must be considered when building the vessel (at least 3,000 engine hours per year).		Do not fill
1.7.	Delivery of the Vessel		
1.7.1.	When delivering Vessel to the Purchaser after completion of all works, the Vessel must be completely ready for immediate use. The Vessel hand over to the Purchaser takes place in the port of Riga, Republic of Latvia as specified by the Purchaser.		Do not fill

Requirement		Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
1.7.2.	All the Vessel's equipment must be located in its foreseen locations according to project approved by a classification society (IACS member).		Do not fill
1.7.3.	The Vessel, its mechanisms and equipment must be tested, fully cleaned and painted.		Do not fill
1.7.4.	Together with the Vessel, the Supplier shall handover to the Purchaser three sets of the documents (in digital format on memory stick) that include at least the following: <ul style="list-style-type: none"> 1) Technical drawing of the Vessel, its systems and equipment; 2) Installed equipment and spare parts list (including, makers list); 3) Operation and service manuals of the Vessel, its systems and installed equipment in English; 4) Certificates (Class, Flag, CE, declaration of conformity, other if available); 5) Other documentation required for registration of the Vessel. 		Do not fill
1.8.	Rules and regulations		
1.8.1.	The Vessel shall be designed, built and equipped according to Lloyd's Register (LR) or Bureau Veritas (BV) or DNV Special	Do not fill	

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	Service Craft Ruled requirements and rules. Upon delivery, the Vessel must have a class certificate and other class documents from one of the classification societies.	
1.8.2.	The Supplier must ensure that the vessel is provided with an IMO number.	Do not fill
1.8.3.	The Vessel must comply with ice class at least LR 1c (Finnish-Swedish class).	Do not fill
1.8.4.	The Supplier must involve classification society: Lloyd's Register (LR) or Bureau Veritas (BV) or DNV for supervising of the Vessel construction.	Do not fill
1.8.5.	The Supplier shall carry all costs concerning the supervision by classification society.	Do not fill
2.	Dimensions and performance	
2.1.	Dimensions of the Vessel	
2.1.1.	Length overall: from 27m till 34m	Do not fill
2.1.2.	Breadth moulded: min 10m	Do not fill
2.1.3.	Draught: max 3,5m	Do not fill
2.1.4.	GT: not more than 480	Do not fill
2.2.	Performance	

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
2.2.1. The top speed of the vessel: at least 10 knots. The Vessel shall be designed and constructed to achieve a test speed of not less than 10 knots at maximum draught with the propulsion engines operating at 100 % of the maximum continuous rating (MCR). Test conditions: <ul style="list-style-type: none"> • Clean hull, • Calm sea, • Max wind strength: 2 points on the Beaufort scale. 		Do not fill
2.2.2. Number of members of the Vessel's crew: must comply with the requirements of the classification society.		Do not fill
2.2.3. Passenger capacity: at least 6 persons excluding Vessel crew. Primally, passengers are technicians, personnel of the hydrographic service and other.	Do not fill	
2.2.4. Vessel must be operational in the following temperatures: <ul style="list-style-type: none"> • Air: at least -25 °C to +35 °C, • Water: at least 0 °C to +25 °C. 		Do not fill
3. General arrangement and design		
3.1. The Vessel should have at least the following areas:	Do not fill	

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement	
<ul style="list-style-type: none"> • Wheelhouse, • Main deck, • Forepeak, • Tank section, • Engine room, • After peak, • Accommodations: minimum 10 persons (incl. crew): <ul style="list-style-type: none"> • 2 single cabins for crew members with additional foldable bunks, • Other cabins for passengers. • Galley and mess room, • Toilets: at least 2 pcs. • Shower rooms: at least 2 pcs. • Storage room (for auxiliary equipment). 			
3.2.	The main deck and other walking lines must be covered with an anti-slipping paint.		Do not fill
3.3.	The Vessel must be equipped by fenders and 1 Push bow.		Do not fill

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3.4.	The Supplier must present to the Purchaser for confirmation and approval detailed full-size wheelhouse model (drawing or digital 3D model).	Do not fill
3.5.	Wheelhouse workstation must allow control of at least the following devices and functions: <ul style="list-style-type: none"> • Main engine control, • Indicators and alarms of main Vessel systems, • Chart plotter, • Radar, • Communication equipment, VHF, intercom, • Navigation and work lights control, • Window washing and wipers control, • Thermal image camera, • Searchlight, • Fog horn, • Winch control. 	Do not fill
4.	Premises	
4.1.	Dryer system: for drying at least 2 work suit sets simultaneously.	Do not fill

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4.2. <ul style="list-style-type: none"> • Wardroom and cabins must be furnished. • The wardroom should have a rest area and a dining area. • 2 crew cabins, single occupancy with additional foldable bunk. • Passenger cabin must have at least 2 bunks. • Wheelhouse, cabins and wardroom shall be adequately ventilated and heated through an appropriate heating, ventilation and air conditioning system (HVAC). 	Do not fill	
4.3. Placement area: must be provided with a ceiling height at least 2 m in the passage areas.		Do not fill
4.4. The vessel should have a galley, which must be equipped at least with the following: <ul style="list-style-type: none"> • Kitchen working surface, • Kitchen sink, • A locker and a drying cabinet above the sink, • A freshwater faucet, hot and cool water, • Microwave oven at least 1,000 W, • Refrigerator with internal volume of at least 40 litres, • Automatic coffeemaker, 		Do not fill

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
<ul style="list-style-type: none"> • Water kettle, • Cooking dishes, dishes and cutlery (taking into accounts at least 6 persons), • Paper towel rack. 		
<p>4.5. The Vessel should have at least 2 lavatories, which are to be equipped with at least the following:</p> <ul style="list-style-type: none"> • Water toilet bowl, electrical, • A sink, • A freshwater faucet, hot and cold water, • Water drainage to suitable tank, • A lavatory paper rack. 		Do not fill
<p>4.6. The Vessel should have at least 2 shower rooms, which are to be equipped with at least the following:</p> <ul style="list-style-type: none"> • Shower with freshwater faucet, hot and cold water, • Towel rack, • Water drainage to suitable tank. 		Do not fill
<p>4.7. The door of the lavatory should be lockable from both sides to ensure privacy.</p>		Do not fill

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
4.8.	The cabin must be furnished with as many storage spaces as possible for storing equipment.	Do not fill
5.	Other spaces	
5.1.	The forepeak must function as a section for storing the anchor chain, line and other equipment.	Do not fill
5.2.	A high water level alarm sensor must be installed and the compartment be able to drain.	Do not fill
5.3.	Entrance to the forepeak must be through watertight manhole on the main deck.	Do not fill
5.4.	The pathways in the engine room should have a metal floor sheeting.	Do not fill
5.5.	The engine room must be equipped, with railings and gripping tubes for safe accessibility and moving around in engine room.	Do not fill
5.6.	It must be possible to place a TEU container at the stern of the Vessel. Container mounts must be installed on deck. The container will be used to keep equipment and tools for special operations, for example, to eliminate the consequences of accidents.	Do not fill
5.7.	The deck must have external connection for: • Electricity	Do not fill

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<ul style="list-style-type: none"> • Water • Air system • Hydraulic system 		
5.7.1. Desirable: Connections are located nearby, at the aft deck shipboard.		Do not fill
5.8. At the Vessel stern 1 winch with towing power of at least 30 tonnes each Bollard Pull (BP) must be installed. Winches will be used for technical emergency assistance – pulling, pushing and for rescue and salvage operations of ships in distress.	Do not fill	
5.9. At the stern of the Vessel a non-hydraulic removable A-Frame (SWL 25-30 t) for ploughing operations must be installed. The foundation of the A-Frame must be integrated in the hull / deck.	Do not fill	
5.10. The Vessel must be equipped with a hydraulic deck crane, with lifting capacity of at least 10 tons at declared aft deck length. The crane must include at least the following: <ul style="list-style-type: none"> • Operator seat, • Remote control, • Winch kit of 5 tons. 	Do not fill	

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
	Hydraulic deck crane will be used for buoy handling operations – lifting/setting and anchoring them.	
5.11.	At the stern of the Vessel there should be a stern roller (minimal width of 4 m) and towing pins of sufficient working load.	Do not fill
5.12.	Universal transducer (e.g. multibeam sonar) mounting/deployment system (e.g. pole) with cabling (power, ethernet) from the installation area to wheelhouse must be installed. Mount type - over the side. Tilt (swing), hinge and gear option for recovery and deployment, preferably hydraulics powered. Minimum transducer draft in line with vessel keel. Materials used for pole (steel, aluminum) must be chosen to support transducer weight in water of around 50 kg. Minimum pole transverse diameter is 150 mm. Default transducer width is 500mm, distance from hull at least 300mm.	Do not fill
5.14.	Towing pins must have option to be lowered to deck level and raised for operation.	Do not fill
5.15.	At the stern of the Vessel, 1 tugger winch (12-15 t at 1st layer) must be installed.	Do not fill
6.	Hull and deck structures	
6.1.	Hull	

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6.1.1.	The hull must be strong enough to be able to navigate in ice conditions. Breaking the ice with the Vessel's hull.	Do not fill	
6.1.2.	All materials used in the Vessel's shell plating must have a washer or other solution at the joints to avoid electrochemical corrosion.		Do not fill
6.1.3.	The paint renewal interval: min 3 years. Antifouling paint renewal interval: min 3 years.		Do not fill
6.1.4.	Sufficient number of anodes must be installed to protect underwater part of the hull.		Do not fill
6.2.	The mast must have flag hoisting system (at least 1 flag).		Do not fill
6.3.	In all internal and external areas of the Vessel a sufficient number of handrails and gripping pipes should be installed so that in rough conditions it is possible to move around the Vessel without releasing the grip.		Do not fill
6.4.	Colour scheme and markings according to Purchaser's marking guide. Main colour tones: <ul style="list-style-type: none"> • Blue • White • Green 		Do not fill

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
Markings: <ul style="list-style-type: none"> • Vessel name • IMO number • Logo 		
6.5.	Deck equipment	
6.5.1.	The Vessel must be equipped with an electrical or hydraulic windlass.	Do not fill
6.5.2.	The Vessel must be equipped by two anchors and galvanized chain. Each anchor chain must be at least 30 m long.	Do not fill
6.5.3.	Vessel must be equipped with a sufficient number of mooring gear and ropes to ensure safe docking in port in various weather conditions.	Do not fill
6.5.4.	The mast for navigation lights and antenna must be mounted on the upper deck and the length of the mast shall be in accordance with the requirements of the classification society.	Do not fill
6.5.5.	Technical deck must be placed on the aft deck of the vessel. The technical deck must be suitable for transporting objects (e.g. buoys) during navigation in ice conditions. The technical deck should have enough space to store 4 such objects at	Do not fill

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	the same time (maximum size of the objects – length: 12 m, width: 7 m).	
6.6.	Doors, hatches, windows	
6.6.1.	All doors and hatches outside and between weathertight bulkheads shall be weathertight.	Do not fill
6.6.2.	Doors and hatches must be equipped with marine grade locking mechanisms, which can be opened and closed from both sides, and a position fixing device.	Do not fill
6.6.3.	All external doors and hatches must be lockable with the same single key (master key). The set must include at least 10 keys.	Do not fill
6.6.4.	The portholes with wipers should have heated wipers and must be able to spray freshwater or antifreeze.	Do not fill
6.6.5.	Wheelhouse portholes must be electrically heated. Heating elements of portholes must be of a type that does not cause optical distortions either regular view or use binoculars.	Do not fill
6.6.6.	All wheelhouse portholes must have hot air blowing defrost system.	Do not fill
6.6.7.	The wheelhouse portholes must have solar screens/blinds or equivalent solution.	Do not fill
7.	Power units	

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
7.1.	Main engines	
7.1.1.	Main engines: two variable speed and load, low fuel consumption marine diesel engines. ME total power at least 2600 kW. The operation of main engine set must support the hybrid operation with electric propulsion system.	Do not fill
7.1.2.	Engine fuel consumption, emissions, environmental friendliness and service life must be considered when selecting the main engines. The main engines propulsion system shall have EIAPP certificate (Engine International Air Pollution Prevention Certificate) stating compliance with Tier III.	Do not fill
7.1.3.	Time between overhaul (TBO): not less than 10,000 working hours.	Do not fill
7.1.4.	Main engines must be self-contained, i.e. engines must have built-on pumps, heat exchangers, integrated lube oil and cooling systems, etc.	Do not fill
7.1.5.	Engines must be operable from captain's position.	Do not fill
7.1.6.	The engine control instrument readings must be in wheelhouse and must be visible to the captain.	Do not fill
7.1.7.	Both engines must be equipped with at least the following gauges and accessories:	Do not fill

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement	
<ul style="list-style-type: none"> • Tachometer (rpm), • Hour meter (h). • Lubrication oil pressure gauge (bar or KPa), • Coolant thermometer (°C), • Boost gauge (bar), • Transmission oil pressure gauge (bar), • Transmission oil thermometer (°C), • Voltmeter, • Amperemeter • Monitoring system. 			
7.1.8.	Both engines must have an alarm system with visual and audio signals and connected to monitoring system.		Do not fill
7.1.9.	The fuel systems of each main engine must be independent from each other.		Do not fill
7.1.10.	UMS must be installed in Engine room.		Do not fill
7.2.	Electric propulsion system		
7.2.1.	The Vessel must have an electric propulsion system to provide hybrid and /or electric-only operation of the Vessel.	Do not fill	

Requirement		Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
7.2.2.	The Vessel should have option to select automatic / manual hybrid and/ or electric-only propulsion via gearbox or other solution.		Do not fill
7.2.3.	Vessel must have a sufficient battery package with capacity to ensure Vessel operation in electric-only mode at least 5 knots for 1 hour. Test conditions due to the Technical Specification, 7.2.3.	Do not fill	
7.2.4.	The battery package should have a service life of at least 10 years to be able reach the performance for the same period.	Do not fill	
7.2.5.	The battery package should be able to be charged via the main engines on board.		Do not fill
7.2.6.	The battery package and Vessel auxiliary systems should be able to charge via shore power.		Do not fill
7.3.	Auxiliary systems		
7.3.1.	The Vessel must have a separate power supply: at least two diesel generators/auxiliary engines (AE) located in engine room.	Do not fill	
7.3.2.	AE must be operable from the captain's position.		Do not fill
7.3.3.	AE must provide power to all ship systems.		Do not fill
7.3.4.	AE must be equipped with at least the following control devices:		Do not fill

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
<ul style="list-style-type: none"> • Hour meter (h), • Lubrication oil pressure gauge (bar or Kpa), • Coolant thermometer (°C), • Lubrication oil pressure too low, • Coolant level too low, • Coolant overheat. 		
7.4.	Fuel tanks	
7.4.1.	Fuel level sensors must be placed in all fuel tanks and the indicators must be placed as follows: <ul style="list-style-type: none"> • One at fuel tank, • One in the bunker station, • One at the control console. 	Do not fill
7.4.2.	Fuel tanks must be vented and filled through the separate pipe from bunker station.	Do not fill
7.4.3.	It must be possible to use any of the fuel tanks.	Do not fill
7.4.4.	Each engine must have double water separator type filters with a changeover valve. Water separators must be equipped with "Water in fuel" sensor.	Do not fill

Requirement		Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
7.4.5.	The fuel tanks must be equipped with a low-level alarm, when the amount of fuel in either of the tanks is below 20% of the tank capacity.		Do not fill
7.4.6.	Each fuel tank and consumer must be equipped by a quick release closing valve, which must be operable from deck.		Do not fill
7.4.7.	Engines and gear boxes must be equipped with the oil drainage system. The system must include an electric pump.		Do not fill
7.4.8.	Fuel tank capacity at least 75 m ³		Do not fill
7.5.	Thrusters, propellers		
7.5.1.	The Vessel must be fitted with bow and stern thrusters operated from the wheelhouse. Removable grilles made of strips or bars shall be fitted to protect the drive unit. Power drive of bow and stern thrusters must be sufficient to support the vessel main tasks. If the Vessel is equipped with azimuth thrusters, the bow and stern thrusters are not needed.	Do not fill	
7.5.2.	The Vessel's propellers must be steel or CuNiAl.	Do not fill	
8.	Drainage systems		

Requirement		Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
8.1.	Each watertight compartment must have a bilge level sensor, which activates bilge alarm and in automatic mode activates the bilge pump.		Do not fill
8.2.	System must be equipped with electrical bilge pumps that must be able to pump bilge water depending on the need directly overboard or to the bilge tank.		Do not fill
8.3.	A manual draining pump with a separate pipeline must also be installed in the engine room.		Do not fill
9.	Heating and Ventilation system		
9.1.	Main heat source is main engines through the heat exchangers to the central heating system. A fuel-burned boiler must be the secondary heat source.		Do not fill
9.2.	In winter conditions, it is necessary to ensure the water temperature in the heating system 65 °C.		Do not fill
9.3.	Central heating system productiveness/power must meet the submitted environmental conditions.		Do not fill
9.4.	All tanks must be equipped with natural ventilation.		Do not fill
9.5.	All ventilation pipes/openings are equipped with self-closing valve.		Do not fill
10.	Fresh water system		

Requirement		Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
10.1.	Fresh water tank capacity at least 25m ³ . The metal inside the tank must have a hard coating.		Do not fill
10.2.	The freshwater tank must be equipped with a water level sensor, indication of which is led to instrument panel in the wheelhouse and that has a low-level alarm. Alarm must engage when the water level falls below 20%.		Do not fill
11.	Firefighting system		
11.1.	The engine room of the vessel must be protected by fire-smothering system CO2 or equivalent environmentally friendly fire extinguishing system that does not deplete oxygen.		Do not fill
11.2.	The fire extinguishing system must activate automatically and manually from the wheelhouse.		Do not fill
11.3.	The Vessel must be equipped with Marine External Fire Fighting FIFI System.	Do not fill	
12.	Electrical system		
12.1.	General		
12.1.1.	Electrical network must be isolated from hull structure.		Do not fill
12.1.2.	Uninterrupted supply must be ensured in case of changeover from main power supply to auxiliary- or shore supply.		Do not fill

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12.1.3.	Vessel must be equipped with heating and air-conditioning system (HVAC).	Do not fill
12.1.4.	The electrical system and power supply must be built with a reserve of future increase in power consumption and use of spare circuits with 10% spare capacity beyond those established during the construction of the vessel.	Do not fill
12.2.	Power management system	
12.2.1.	A power management system must be installed on board and have the following supervisory functions: <ul style="list-style-type: none"> • Monitoring of system voltages, currents, and frequencies, • Monitoring of ground-fault currents for the entire electrical system on board. 	Do not fill
12.2.2.	The system must have the following audible and visual alarm functions: <ul style="list-style-type: none"> • Low voltage for all system voltages, • Ground-fault current, • Low voltage for charging battery banks, • Power failure alarm when the vessel is unmanned (with notification to the general alarm to guarding service or SMS message). 	Do not fill

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
12.2.3. Power management must have the following functions and controls (manual and automatic): <ul style="list-style-type: none"> • Switching to and from shore power, • Switching to and from the main and emergency source of power, • Operation of the generator, • Operation of the main and emergency power. 		Do not fill
12.3. Consumer and starter batteries in an emergency can be interchangeable.		Do not fill
12.4. All cables are marked with a permanent marking system, type "Partex" or equivalent. External cables must be marked with stainless metal marking. Ship cables must be halogen-free and of marine approved type.		Do not fill
12.5. The Interior of the Vessel must be equipped with a sufficient number of the electrical equipment, PCs, tools, charging of VHF handsets and mobile phones etc. The precise location of the outlets must be coordinated with the Purchaser during the vessel designing process.		Do not fill
12.6. Wheelhouse workdesk must be equipped with following: <ul style="list-style-type: none"> • Internet connection, 		Do not fill

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	<ul style="list-style-type: none"> • Sockets for connecting additional devices to 220 V power grid. 	
12.7.	There must also be electrical outlets on the outside deck and in the engine compartment. Outlets on the outside of the vessel must be fitted with protection switch, UV and waterproof (IP67).	Do not fill
12.8.	Desirable: cable trays must be made of stainless steel.	Do not fill
12.9.	The connection to the shore power must be placed on the aft deck. The shore power plug has to have a safety switch, must be waterproof (IP 67), suitable to standard at least 32A socket	Do not fill
12.10.	There must be electrical consumption meter installed to the shore power circuit.	Do not fill
12.11.	Electrical system must feature isolation and transformer with capacity to supply power for maintaining all systems work on board including heating, maintenance work and charging of batteries when docked.	Do not fill
12.12.	Vessel must be equipped with batteries that are powerful enough to allow engine start (at least 10 times) in winter conditions.	Do not fill
12.13.	The service and starting batteries on the Vessel must be maintenance free and vibration resistant.	Do not fill

Requirement		Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
12.14.	The batteries must be safely fastened in ventilated battery box.		Do not fill
12.15.	All batteries on board are equipped with chargers to charge batteries while electrical system is fed by main engine, auxiliary diesel generator or from shore supply.		Do not fill
12.16.	Bridge Navigation Watch Alarm System must be installed.		Do not fill
12.17.	Integrated automation, control and monitoring system must be installed.		Do not fill
13.	Illumination		
13.1.	Interior light intensity must comply with current working environment regulation of the Republic of Latvia.		Do not fill
13.2.	Following protection levels to be followed: <ul style="list-style-type: none"> • Inside technical spaces: at least IP44, • Lights on deck: at least IP67. 		Do not fill
13.3.	The Vessel must have lighting and emergency lighting.		Do not fill
13.4.	Wheelhouse must be equipped with low level lighting red LED lights for night navigation.		Do not fill
13.5.	All Vessel's sections and compartments must be lighted by means of LED daylight lights.		Do not fill

Requirement		Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
13.6.	In the salon as an addition to the regular ceiling lighting each seat must have a dimmable reading LED light.		Do not fill
13.7.	All light and instrumentation in wheelhouse and in control console must be dimmable down to total darkness.		Do not fill
13.8.	LED deck light (at least 45W each light) for lightening the vessel and the area around it and low light LED deck lights for illuminating walking pathway around the wheelhouse and the forward deck must be installed. Lights must be placed so that they will not reflect to wheelhouse windows and control console.		Do not fill
13.9.	It must be possible to turn deck lights on as separate direction groups (bow, aft, port- and starboard side).		Do not fill
13.10.	The Vessel shall be equipped with COLREG regulation requirements compliant navigation lights.		Do not fill
13.11.	The navigation and deck lights must be operated from control panel and be located near the navigator. Navigation lights control unit must be fitted with graphic signal lamps. If any of the navigation lights is not working, the control unit must give an alarm with the signal lamp and buzzer.		Do not fill
13.12.	Two powerful searchlights shall be installed on the wheelhouse roof.	Do not fill	
13.13.	Desirable: Searchlight technical requirements at least:	Do not fill	

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement	
<ul style="list-style-type: none"> • Range: 1lux at 2 000 meters, • Adjustable focus of the beam: 2-7 degrees, • Corrosion resistant, • Protection class at least IP67, • Adjustable horizontal rotation at least 300, degrees and vertical movement at least 10 degrees. 			
14.	Alarm system		
14.1.	The fire alarm system must consist of at least: <ul style="list-style-type: none"> • Fire alarm control unit, • At least 1 heat detectors in the engine room, • At least 1 smoke detector in every compartment. 	Do not fill	
14.2.	The vessel bilge alarm system must consists of at least: <ul style="list-style-type: none"> • Bilge system control- and alarm panel, • Operating switches for every bilge pump (manual-0-auto). 	Do not fill	
14.3.	The central alarm panel must contain at least following alarms: <ul style="list-style-type: none"> • Hydraulic oil level, • Accumulator undercharge/ overcharge alarm, 	Do not fill	

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
<ul style="list-style-type: none"> • Low fuel level alarm, • Low freshwater level alarm, • Shore power cut-off alarm. 		
15. Integrated navigational system		
15.1. The Vessel must be equipped at least with following: <ul style="list-style-type: none"> • Radar system, • At least 2 multifunctional at least 19" monitors in total must be integrated into the fore console in the wheelhouse, • Electronic chart system (ECS) with SAR functions if possible, • Echo sounder with 3D function + an echo sounder sensor that provides correct water depth reading at all vessel speeds, • Rudder angle indicator, • Automatic Identification System (AIS class A) with transmitter switch off function, • Autopilot with track control function, remote control and other necessary, • Satellite compass, 	Do not fill	

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
<ul style="list-style-type: none"> • Magnetic compass, • EPIRB, • AIS-SART, • Weather station, • FLIR, • Speed log. 		
15.2.	Desirable: Integrated X-band+ broadband 4G (dome antenna) radar system that includes oil spill and small target detection capability.	Do not fill
15.3.	Touchscreen + keyboard.	Do not fill
15.4.	Resolution at least Full HD.	Do not fill
15.5.	HDMI, DVI inputs.	Do not fill
15.6.	At least the following information must be displayed: <ul style="list-style-type: none"> • Wind speed & direction, • Barometric pressure, • Relative humidity, • Air temperature. 	Do not fill
16.	Communication system	

Requirement		Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
16.1.	For marine communication GMDSS VHF DSC (A class) marine radio station and antenna must be installed. The installation location of the radio station must be coordinated with the Purchaser.	Do not fill	
16.2.	At least 3 handheld VHF radio stations.	Do not fill	
16.3.	External loudhailer.	Do not fill	
16.4.	Internal communication between the wheelhouse, cabin, engine room and on deck.		Do not fill
16.5.	The captain position must be equipped with "hands free" system that allows to communicate through all Vessel's communication devices.		Do not fill
17.	Equipment		
17.1.	Safety equipment		
17.1.1.	Install safety and rescue equipment in accordance with the requirements classification society (LR or BV or DNV), for navigation area A2.		Do not fill
17.2.	Inventories		
17.2.1.	The Vessel must be equipped with all special tools, that are needed for daily inspection and regular maintenance of the main and auxiliary engines, transmission, propulsion, hydraulic equipment, fire-extinguishing pump and other		Do not fill

Requirement	Supplier's confirmation for compliance with requirement	Detailed parameters of the Supplier's vessel / installed equipment (incl. manufacturer, technical parameters) / explanation on how the Supplier / Vessel will comply with requirement
	relevant equipment, as well as servicing the same for winter docking. Storage facilities must be provided for storing tools on board of the Vessel.	

/position, name, surname of the representative of the Tenderer/

_____ /Signature/

* "date" and "signature" do not need to be filled in, if the document is signed with a qualified electronic signature containing a time stamp.

ANNEX NO 3: CONFIRMATION OF FINANCIAL STANDING

DRAFT_CONFIRMATION OF TENDERER'S FINANCIAL STANDING_11 07 2023

FOR THE PROCUREMENT

"PURCHASE OF A MULTI-PURPOSE ICE-CLASS SERVICE VESSEL"

(ID NO _____)

We certify that _____ /name of the Tenderer / member of the partnership / member of the group of suppliers/ annual financial turnover (2020, 2021, and 2022 or for the last three accounting years) is as follows:

Year	Turnover, EUR
2020	
2021	
2022	

_____/position, name, surname of the representative of the Tenderer/

_____/Signature/

* "date" and "signature" do not need to be filled in, if the document is signed with a qualified electronic signature containing a time stamp.

ANNEX NO 4: FINANCIAL PROPOSAL

DRAFT_FINANCIAL PROPOSAL_11 07 2023
FOR THE PROCUREMENT
"PURCHASE OF A MULTI-PURPOSE ICE-CLASS SERVICE VESSEL"
(ID NO _____)

The Tenderer _____ /*name of the Tenderer / the group of Suppliers/* offers to design, built, deliver and transfer to the Purchaser a multi-purpose ice-class service vessel in accordance with the Procurement documents and the Tenderer's Proposal for the following total purchase price excluding Value Added Tax:

EUR _____
(in words: _____ Euro)

/position, name, surname of the representative of the Tenderer/

_____/Signature/

* "date" and "signature" do not need to be filled in, if the document is signed with a qualified electronic signature containing a time stamp.

ANNEX NO 5: DESCRIPTION OF PREVIOUS EXPERIENCE

DRAFT_DESCRIPTION OF THE TENDERER'S PREVIOUS EXPERIENCE_11 07 2023
FOR THE PROCUREMENT
"PURCHASE OF A MULTI-PURPOSE ICE-CLASS SERVICE VESSEL"
(ID NO _____)

The Tenderer hereby certifies that within the last 7 years (2016-2022 and up to the date of submitting of the Proposal) the Tenderer or the group of Suppliers (if the Tenderer is a group of Suppliers) or a shipbuilding company, which the Tenderer is authorized to represent, has built and delivered to the purchasers:

- 1) at least 1 (one) **multi-purpose vessel with length no less than 25 meters**;
- 2) at least 1 (one) **ice class vessel** no less than 1C (Finnish-Swedish class);
- 3) at least 1 (one) **vessel with hybrid or electric propulsion**;
- 4) at least 1 (one) **vessel with buoy handling function**, and in particular:

Requirement	Purchaser of the vessel (name, registration no., address, contact person (e-mail address, phone number)	Year when the vessel was delivered to the purchaser	Description of the built vessel, name, flag, IMO number (if applicable)
A multi-purpose vessel with length no less than 25 meters			
An ice class vessel no less than 1C (Finnish-Swedish class)			
Vessel with hybrid or electric propulsion			
Vessel with buoy handling function			

Note: It is permissible for one vessel to meet more than one of said criteria.

/position, name, surname of the representative of the Tenderer/

_____ /Signature/

* "date" and "signature" do not need to be filled in, if the document is signed with a qualified electronic signature containing a time stamp.

ANNEX NO 6: PROPOSAL SECURITY BANK GUARANTEE OR
DRAFT_INSURANCE POLICY – TERMS AND CONDITIONS_11 07 2023

FOR THE PROCUREMENT
"PURCHASE OF A MULTI-PURPOSE ICE-CLASS SERVICE VESSEL"
(ID NO _____)

A bank guarantee or an insurance policy shall contain the following terms and conditions and guarantees of the issuer:

We, _____ /name, registration number and legal address of the issuer/ have been informed that _____ /name, registration number and legal address of the Tenderer/, thereafter – the "Tenderer", will participate in the procurement "Purchase of a multi-purpose ice-class service vessel" (ID No _____) announced by Sabiedrība ar ierobežotu atbildību "LVR Flote", a Latvian limited liability company, registration number 40103321893, legal address: Kundziņsala 3rd line, 36, Riga, LV-1005, Latvia (the "Procurement").

In accordance with the terms and conditions of the Procurement regulations the Tenderer has to submit the proposal security of fixed amount of EUR 210'000.00 (two hundred ten thousand euro) as a credit institution guarantee or an insurance policy of insurance company. The Proposal security may not exceed three months counting from the day when the Proposals were opened and within such time limit shall be in effect until the day when the selected Tenderer submits a performance bond.

We are aware that the Proposal security shall be paid to you in full in any of the following cases: (i) the Tenderer withdraws its proposal during the period of validity of the proposal security, or (ii) the Tenderer had been awarded to enter into the Procurement contract; however, the Tenderer has not submitted the performance bond as provided for in the Procurement regulations within the specified time limit, or (iii) the Tenderer has been awarded to enter into the Procurement contract, however, the Tenderer does not sign the Procurement contract within the specified time limit.

We hereby certify that we have issued in your favor an irrevocable and unconditional *guarantee / insurance policy* for EUR 210'000.00 (two hundred ten thousand euro) as the Tenderer's proposal security for its participating in the Procurement.

We hereby irrevocably undertake an obligation to pay to you the Tenderer's proposal security for EUR 210'000.00 (two hundred ten thousand euro) in full. The payment will be made within 5 (five) business days upon receipt of your first request in writing (a paper document or an electronic document) which contains your statement that the Tenderer has not fulfilled his obligations under the Procurement regulations and indicates the obligations that have not been fulfilled. We will make the payment to the account indicated in your request.

This guarantee / insurance policy shall become effective on the date of its issue and shall be in full force and effect for the shortest of the following time limits:

- Until _____ 2023*;

- Until the day when the Tenderer to whom the Procurement contract has been awarded submits the Performance bond;
- Until conclusion of the Procurement contract.

**Note: No less than 3 (three) months as from the opening of the Proposal.*

ANNEX NO 7: PERFORMANCE BOND BANK GUARANTEE OR
DRAFT_INSURANCE POLICY SAMPLE – TERMS AND CONDITIONS_11 07 2023

FOR THE PROCUREMENT
"PURCHASE OF A MULTI-PURPOSE ICE-CLASS SERVICE VESSEL"
(ID NO _____)

A bank guarantee or an insurance policy shall contain the following terms and conditions and guarantees of the issuer:

We, _____ /name, registration number and legal address, e-mail address of the issuer/ have been informed that:

(i) _____ /name, registration number and legal address of the Tenderer/, hereinafter – the "Tenderer", has participated in the procurement "Purchase of a multi-purpose ice-class service vessel" (ID No _____) announced by Sabiedrība ar ierobežotu atbildību "LVR Flote", a Latvian limited liability company, registration number 40103321893, legal address: Kundziņsala 3rd line, 36, Riga, LV-1005, Latvia (the "Procurement");

(ii) The Tenderer has been awarded the right to conclude the Procurement contract;

(iii) Due to the terms and conditions of the Procurement regulations the selected tenderer within 10 (ten) business days upon receiving relevant notification regarding the results of the Procurement shall submit a valid performance bond of fixed amount of EUR 500'000.00 (five hundred thousand euro) as a credit institution guarantee or an insurance policy of insurance company;

(iv) Due to the terms and conditions of the Procurement regulations the performance bond shall be applicable to all the Tenderer's obligations under the Procurement contract, including fines, contractual penalties, and other amounts demanded reasonably from the Tenderer under the Procurement contract.

We hereby certify that we have issued in your favor an irrevocable and unconditional *guarantee / insurance policy* for EUR 500'000.00 (five hundred thousand euro) as the Tenderer's performance bond under the Procurement contract.

We hereby irrevocably undertake an obligation to pay to you up to EUR 500'000.00 (five hundred thousand euro) if the Tenderer fails to fulfil its obligations under the Procurement contract as due. The payment will be made within 5 (five) business days upon receipt of your first request in writing (a paper document or an electronic document) which contains your statement that the Tenderer has not fulfilled his obligations under the Procurement contract and indicates the obligations that have not been fulfilled. We will made the payment to the account indicated in your request.

This *guarantee / insurance policy* shall become effective on the date of its issue and is valid until _____ 2024*.

* Note: No less than the Vessel's delivery deadline.

ANNEX NO 8: TECHNICAL SPECIFICATION

DRAFT_TECHNICAL SPECIFICATION_11 07 2023

FOR THE PROCUREMENT

“PURCHASE OF A MULTI-PURPOSE ICE-CLASS SERVICE VESSEL”

(ID NO _____)

1.	General
1.1.	This technical specification (hereinafter – TS) describes minimum requirements and completeness set for the Multi-purpose ice-class service vessel (hereinafter – the Vessel). TS provides basic information, standards and technical requirements to enable the Supplier to carry out detailed design, engineering and production work in accordance with the requirements of the applicable rules and regulations.
1.1.1.	No goods, services and/or involved persons that are subject to and/or subject to Sanctions (prescribed international, European Union or national sanctions or sanctions affecting significant financial and capital market interests of the European Union or member states of the North Atlantic Treaty Organization) directly or indirectly are used in the construction of the ship. The Supplier does not take any actions aimed at circumventing the sanctions.
1.2.	The types of equipment mentioned in TS are only to explain the functionality of the required equipment.
1.3.	<p>The Vessel must be designed and produced in accordance with good shipbuilding practice and must comply with rules and standards IMO Conventions and IACS to this kind of craft.</p> <p>The Supplier must follow design, engineering and production requirements laid down in this TS.</p> <p>If not clearly defined, the Supplier must follow the good shipbuilding practice.</p> <p>Requirements in TS marked as “desirable” are not compulsory, and alternative solutions from the Seller are welcome.</p>
1.4.	LVR Flote aims to minimise its impact on the environment and adheres to the policy of fuel saving and reducing emissions.
1.5.	<p>The Vessel will operate in the Daugava River, the Gulf of Riga and the Baltic Sea (navigation area A2). Operation is planned all year round, including operation in ice conditions.</p> <p>The Vessel’s main tasks:</p> <p>I - Ice breaking in the port and Gulf of Riga during ice navigation period;</p> <p>II - Out of the ice navigation period, the Vessel will perform following operations (approx. share of total annual workload outside of ice breaking, %):</p> <ul style="list-style-type: none"> • Boarding operations - 8% • Depth measurements -10%

	<ul style="list-style-type: none"> • Buoy handling and anchors lifting and installation - 35% • Buoy service - 35% • Technical emergency assistance - 1% • Transportation of personnel and equipment - 5% • Elimination of consequences of accidents - 5% • Ploughing operations - 1%
1.6.	All materials, equipment and mechanisms used for the building Vessel must be new.
1.7.	The Supplier must install all equipment in accordance with equipment manufacturers' requirements.
1.8.	All of the installed equipment must be modern and may not be out of production.
1.9.	All of the installed equipment must have responsible maintenance representatives in European Union. Representative should be no further than 2000 km (straight-line distance) from Riga, or Supplier must provide maintenance service in the Republic of Latvia by other means.
1.9.1.	Deck machinery must be able to operate on bio-soluble oil.
1.10.	Estimated usage of Vessel
1.10.1	A minimum life-span of the 20 years must be considered when building the Vessel (at least 3,000 engine hours per year).
1.11.	Delivery of the Vessel
1.11.1.	When delivering the Vessel to the Purchaser after completion of all works, the Vessel must be completely ready for immediate use. The Vessel hand over to the Purchaser takes place in the port of Riga, Republic of Latvia as specified by the Purchaser.
1.11.2.	All the Vessel's equipment must be located in its foreseen locations according to project approved by Class (IACS member).
1.11.3.	The Vessel, its mechanisms and equipment must be tested, fully cleaned and painted.
1.11.4.	<p>Together with the Vessel, the Supplier shall handover to the Purchaser three sets of the documents (in digital format on memory stick) that include at least the following:</p> <ol style="list-style-type: none"> 1) Technical drawing of the Vessel, her systems and equipment; 2) Installed equipment and spare parts list (including, makers list); 3) Operation and service manuals of the Vessel, her systems and installed equipment in English; 4) Certificates (Class, Flag, CE, declaration of conformity, other if available). <p>Other documentation required for registration of the Vessel.</p>
1.12.	Rules and regulations
1.12.1.	The Vessel shall be designed, built and equipped according to Lloyd's Register (LR) or Bureau Veritas (BV) or DNV Special Service Craft Ruled requirements and rules.

	Upon delivery the Vessel must have a class certificate and other class documents from one of the classification societies.
1.12.2.	The Supplier must ensure that the Vessel is provided with an IMO number.
1.12.3.	The Vessel must comply with ice class at least LR 1c (Finnish-Swedish class).
1.12.4.	The Supplier must involve Classification Society: Lloyd's Register (LR) or Bureau Veritas (BV) or DNV for supervision of the Vessel construction.
1.12.5.	The Supplier shall carry all costs concerning the supervision by Classification society.
2.	Dimensions and performance
2.1.	Dimensions of the Vessel
2.1.1.	Length overall: from 27 m till 34 m
2.1.2.	Breadth moulded: min 10 m
2.1.3.	Draught: max 3,5 m
2.1.4.	GT: not more than 480
2.2.	Performance
2.2.1.	<p>The top speed of the Vessel: at least 10 knots.</p> <p>The Vessel shall be designed and constructed to achieve a test speed of not less than 10 knots at maximum draught with the propulsion engines operating at 100 % of the maximum continuous rating (MCR).</p> <p>Test conditions:</p> <ul style="list-style-type: none"> • Clean hull • Calm sea • Max wind strength: 2 points on the Beaufort scale.
2.2.2.	Number of members of the Vessel's crew: must comply with the requirements of the Classification society.
2.2.3.	Passenger capacity: at least 6 persons excluding the Vessel crew. Primally, passengers are technicians, personnel of the hydrographic service and other.
2.2.4.	<p>The Vessel must be operational in the following temperatures:</p> <ul style="list-style-type: none"> • Air: at least -25 °C to +35 °C • Water: at least 0 °C to +25 °C
3.	General arrangement and design
3.1.	<p>The Vessel should have at least the following areas:</p> <ul style="list-style-type: none"> • Wheelhouse • Main deck • Forepeak • Tank section • Engine room

	<ul style="list-style-type: none"> • After peak • Accommodations: minimum 10 persons (incl. crew): <ul style="list-style-type: none"> ✓ 2 single cabins for crew members with additional foldable bunks ✓ Other cabins for passengers • Galley and mess room • Toilets: at least 2 pcs • Shower rooms: at least 2 pcs • Storage room (for auxiliary equipment)
3.2.	The main deck and other walking lines must be covered by an anti-slipping paint.
3.3.	The Vessel must be equipped by fenders and 1 Push bow.
3.4.	The Supplier must present to the Purchaser for confirmation and approval detailed full-size wheelhouse model (drawing or digital 3D model).
3.5.	<p>Wheelhouse workstation must allow control of at least the following devices and functions:</p> <ul style="list-style-type: none"> • Main engine control • Indicators and alarms of main Vessel systems • Chart plotter • Radar • Communication equipment, VHF, intercom • Navigation and work lights control • Window washing and wipers control • Thermal image camera • Searchlight • Fog horn • Winch remote control
4.	Premises
4.1.	Dryer system: for drying at least 2 work suit sets simultaneously.
4.2.	<ul style="list-style-type: none"> • Wardroom and cabins must be furnished • The wardroom should have a rest area and a dining area • 2 crew cabins, single occupancy with additional foldable bunk • Passenger cabins must have at least 2 bunks • Wheelhouse, cabins and wardroom shall be adequately ventilated and heated through an appropriate heating, ventilation and air conditioning system (HVAC)
4.3.	Placement area: must be provided with a ceiling height at least 2 m in the passage areas.
4.4.	<p>The vessel should have a galley, which must be equipped at least with the following:</p> <ul style="list-style-type: none"> • Kitchen working surface • Kitchen sink • A locker and a drying cabinet above the sink

	<ul style="list-style-type: none"> • A freshwater faucet, hot and cool water • Microwave oven at least 1,000 W • Refrigerator with internal volume of at least 40 litres • Automatic coffeemaker • Water kettle • Cooking dishes, dishes and cutlery (taking into accounts at least 6 persons) • Paper towel rack
4.5.	<p>The Vessel should have at least 2 lavatories, which are to be equipped with at least the following:</p> <ul style="list-style-type: none"> • Water toilet bowl, electrical • A sink • A freshwater faucet, hot and cold water • Water drainage to suitable tank • A lavatory paper rack
4.6.	<p>The Vessel should have at least 2 shower rooms, which are to be equipped with at least the following:</p> <ul style="list-style-type: none"> • Shower with freshwater faucet, hot and cold water • Towel rack • Water drainage to suitable tank
4.7.	The door of the lavatory should be lockable from both sides to ensure privacy.
4.8.	Cabins should be equipped with as many storage spaces as possible for storing equipment.
5.	Other spaces
5.1.	The forepeak must function as a section for storing the anchor chain, line and other equipment.
5.2.	A high water alarm sensor must be installed and the compartment be able to drain.
5.3.	Entrance to forepeak must be through watertight manhole on the main deck.
5.4.	The pathways in the engine room should have a metal floor sheeting.
5.5.	The engine room must be equipped, with railings and gripping tubes for safe accessibility and moving around in engine room.
5.6.	<p>It must be possible to place a TEU container at the stern of the Vessel. Container mounts must be installed on the deck.</p> <p>The container will be used to keep equipment and tools for special operations, for example, to eliminate the consequences of accidents.</p>
5.7.	<p>From the deck there must be an external connection for:</p> <ol style="list-style-type: none"> 1. Electricity 2. Water 3. Air system

	4. Hydraulic system
5.7.1.	Desirable: Connections are located nearby, at the aft deck shipboard.
5.8.	At the Vessel stern at least 1 winch with towing power of at least 30 tonnes Bollard Pull (BP) must be installed. The winch will be used for emergency technical assistance: pulling, pushing and for rescue and salvage operations of ships in distress.
5.9.	At the stern of the Vessel a non-hydraulic removable A-Frame (SWL 25-30t) for ploughing operations must be installed. The foundation of the A-Frame must be integrated in the hull / deck.
5.10.	The Vessel must be equipped with a hydraulic deck crane, with lifting capacity of at least 10 tons at declared aft deck length). The crane must include at least the following: <ul style="list-style-type: none"> • Operator seat • Remote control • Winch kit of 5 tons A hydraulic deck crane will be used for buoy handling operations - lifting/setting and anchoring them.
5.11.	At the stern of the Vessel there should be a stern roller (minimal width of 4 m) and towing pins with sufficient working load.
5.12.	Universal transducer (e.g. multibeam sonar) mounting/deployment system (e.g. pole) with cabling (power, ethernet) from the installation area to wheelhouse must be installed. Mount type - over the side. Tilt (swing), hinge and gear option for recovery and deployment, preferably hydraulics powered. Minimum transducer draft in line with vessel keel. Materials used for pole (steel, aluminum) must be chosen to support transducer weight in water of around 50 kg. Minimum pole transverse diameter is 150 mm. Default transducer width is 500mm, distance from hull at least 300mm.
5.13.	Towing pins must have option to be lowered to deck level and raised for operation.
5.14.	At the stern of the Vessel, 1 tugger winch (12-15 t at 1st layer) must be installed.
6.	Hull and deck structures
6.1.	Hull
6.1.1.	The hull must be strong enough to be able to navigate in ice conditions. Breaking the ice with the Vessel's hull.
6.1.2.	All materials used on the Vessel's shall plating must have a washer or other solution at the joints to avoid electrochemical corrosion.
6.1.3.	The paint renewal interval: min 3 years. Antifouling paint renewal interval: min 3 years.

6.1.4.	Sufficient number of anodes must be installed to protect underwater part of the hull.
6.2.	The mast must have flag hoisting system (at least 1 flag).
6.3.	In all internal and external areas of the Vessel, a sufficient number of handrails and gripping pipes should be installed so that in rough conditions it is possible to safely move around the Vessel without releasing the grip.
6.4.	<p>Colour scheme and markings according to Purchaser's marking guide. Main colour tones:</p> <ul style="list-style-type: none"> • Blue • White • Green <p>Markings:</p> <ul style="list-style-type: none"> • Vessel name • IMO number • Logo
6.5.	Deck equipment
6.5.1.	The Vessel must be equipped with an electrical or hydraulic windlass.
6.5.2.	The Vessel must be equipped by two anchors and galvanized chain. Each anchor chain must be at least 30 m long.
6.5.3.	Vessel must be equipped with a sufficient number of mooring gear and ropes to ensure safe docking in port in various weather conditions.
6.5.4.	The mast for navigation lights and antenna must be mounted on the upper deck and the length of the mast shall be in accordance with the requirements of the classification society.
6.5.5.	Technical deck must be placed on the aft deck of the Vessel. The technical deck must be suitable for transporting objects (e.g. buoys) during navigation in ice conditions. The technical deck should have enough space to store 4 such objects at the same time (maximum size of the one object – length: 12 m, width: 7 m).
6.6.	Doors, hatches, windows
6.6.1.	All doors and hatches outside and between weathertight bulkheads shall be weathertight.
6.6.2.	Doors and hatches must be equipped with marine grade locking mechanisms, which can be opened and closed from both sides, and a position fixing device.
6.6.3.	All external doors and hatches must be lockable with the same single key (master key). The set must include at least 10 keys.
6.6.4.	The portholes with wipers should have heated wipers and must be able to spray freshwater or antifreeze.

6.6.5.	Wheelhouse portholes must be electrically heated. Heating elements of portholes must be of a type that does not cause optical distortions either regular view or use binoculars.
6.6.6.	All wheelhouse portholes must have hot air blowing defrost system.
6.6.7.	The wheelhouse portholes must have solar screens/blinds or equivalent solution.
7.	Power units
7.1.	Main engines
7.1.1.	Main engines: two variable speed and load, low fuel consumption marine diesel engines. ME total power at least 2600 kW. The operation of main engine set must support the hybrid operation with electric propulsion system.
7.1.2.	Engine's fuel consumption, emissions, environmental friendliness, and service life must be considered when selecting of main engines. The main engines propulsion system shall have EIAPP certificate (Engine International Air Pollution Prevention Certificate) stating compliance with Tier III.
7.1.3.	Running hours between overhaul (TBO) not less than 10,000 working hours.
7.1.4.	Main engines must be self-contained i.e. engines must have built-on pumps, heat exchangers, integrated lube oil and cooling systems, etc.
7.1.5.	Engines must be operable from captain's position.
7.1.6.	The engine control instrument readings must be in wheelhouse and must be visible to the captain.
7.1.7.	Both engines must be equipped with at least the following gauges and accessories: <ul style="list-style-type: none"> • Tachometer (rpm) • Hour meter (h) • Lubrication oil pressure gauge (bar or KPa) • Coolant thermometer (°C) • Boost gauge (bar) • Transmission oil pressure gauge (bar) • Transmission oil thermometer (°C) • Voltmeter • Amperemeter • Monitoring system
7.1.8.	Both engines must have an alarm system with visual and audio signals and connected to monitoring system.
7.1.9.	The fuel systems of each main engine must be independent from each other.
7.1.10.	UMS must be installed in Engine room.
7.2.	Electric propulsion system

7.2.1.	The Vessel must have an electric propulsion system to provide hybrid and /or electric-only operation of the Vessel.
7.2.2.	The Vessel should have option to select automatic / manual hybrid and / or electric-only propulsion via gearbox or other solution.
7.2.3.	Vessel must have a sufficient battery package with capacity to ensure the Vessel operation in electric-only mode at speed of at least 5 knots for 1 hour. Test conditions: <ul style="list-style-type: none"> • Clean hull • Calm sea • Max wind strength: 2 points on the Beaufort scale
7.2.4.	The battery package should have a service life of at least 10 years to be able reach the performance for the same period.
7.2.5.	The battery package should be able to be charged via the main engines on board.
7.2.6.	The battery package and Vessel auxiliary systems should be able to charge via shore power.
7.3.	Auxiliary systems
7.3.1.	The Vessel must have a separate power supply: at least two diesel generators/auxiliary engines (AE) located in engine room.
7.3.2.	AE must be operable from the captain's position.
7.3.3.	AE must provide power to all ship systems
7.3.4.	AE must be equipped with at least the following control devices: <ul style="list-style-type: none"> • Hour meter (h) • Lubrication oil pressure gauge (bar or KPa) • Coolant thermometer (°C) • Lubrication oil pressure too low • Coolant level too low • Coolant overheat
7.4.	Fuel tanks
7.4.1.	Fuel level sensors must be placed in all fuel tanks and the indicators must be placed as follows: <ul style="list-style-type: none"> • One at fuel tank • One in the bunker station • One at the control console
7.4.2.	Fuel tanks must be vented and filled through the separate pipe from the bunker station.
7.4.3.	It must be possible to use any of the fuel tanks.

7.4.4.	Each engine must have double water separator type filters with a changeover valve. Water separators must be equipped with "Water in fuel" sensor.
7.4.5.	The fuel tanks must be equipped with a low-level alarm, when the amount of fuel in either of the tanks is below 20% of the tank capacity.
7.4.6.	Each fuel tank and consumer must be equipped by quick release closing valve must be operable from deck.
7.4.7.	Engines and gear boxes must be equipped with the oil drainage system. The system must include an electric pump.
7.4.8.	Fuel tank capacity at least 75m ³ .
7.5.	Thrusters and propellers
7.5.1.	<p>The Vessel must be fitted with bow and stern thrusters operated from the wheelhouse. Removable grilles made of strips or bars shall be fitted to protect the drive unit.</p> <p>Power drive of bow and stern thrusters must be sufficient to support the Vessel's main tasks.</p> <p>Alternatively, if the Vessel is equipped with azimuth thrusters, the bow and stern thrusters are not needed.</p>
7.5.2.	The Vessel's propellers must be steel or CuNiAl.
8.	Drainage systems
8.1.	Each watertight compartment must have a bilge level sensor, which activates bilge alarm and in automatic mode activates the bilge pump.
8.2.	System must be equipped with electrical bilge pumps that must be able to pump bilge water depending on the need directly overboard or to the bilge tank.
8.3.	A manual draining pump with a separate pipeline must also be installed in the engine room.
9.	Heating and Ventilation system
9.1.	<p>Main source of heat is main engines through the heat exchangers to the central heating system.</p> <p>The fuel oil-burned boiler must be the secondary heat source.</p>
9.2.	In winter conditions, it is necessary to ensure the water temperature in the heating system is at least 65 °C.
9.3.	Central heating system productiveness/power must meet the submitted environmental conditions.
9.4.	All tanks must be equipped with natural ventilation.
9.5.	All ventilation pipes/openings are equipped with self-closing valve.

10.	Fresh water system
10.1.	Fresh water tank capacity at least 25m ³ . The metal inside the tank must have a hard coating.
10.2.	The freshwater tank must be equipped with a water level sensor, indication of which is led to instrument panel in the wheelhouse and that has a low-level alarm. Alarm must engage when the water level falls below 20%.
11.	Firefighting system
11.1.	The engine room must be protected by fire-smothering system CO ₂ or equivalent environmentally friendly fire extinguishing system that does not deplete oxygen.
11.2.	The fire extinguishing system must activate automatically and manually from the wheelhouse.
11.3.	The Vessel must be equipped with Marine External Fire Fighting FIFI System.
12.	Electrical system
12.1.	General
12.1.1.	Electrical network must be isolated from hull structure.
12.1.2.	Uninterrupted supply must be ensured in case of changeover from main power supply to auxiliary- or shore supply.
12.1.3.	Vessel must be equipped with heating and air-conditioning system (HVAC).
12.1.4.	The electrical system and power supply must be built with a reserve of future increase in power consumption and use of spare circuits with 10% spare capacity beyond those established during the construction of the vessel.
12.2.	Power management system
12.2.1.	A power management system must be installed on board and have the following supervisory functions: <ul style="list-style-type: none"> • Monitoring of system voltages, currents, and frequencies • Monitoring of ground-fault currents for the entire electrical system on board
12.2.2.	The system must have the following audible and visual alarm functions: <ul style="list-style-type: none"> • Low voltage for all system voltages • Ground-fault current • Low voltage for charging battery banks • Power failure alarm when the vessel is unmanned (with notification to the general alarm to guarding service or SMS message)
12.2.3.	Power management must have the following functions and controls (manual and automatic): <ul style="list-style-type: none"> • Switching to and from shore power • Switching to and from the main and emergency source of power • Operation of the generator

	<ul style="list-style-type: none"> • Operation of the main and emergency power
12.3.	Consumer and starter batteries in an emergency can be interchangeable.
12.4.	All cables are marked with a permanent marking system, type "Partex" or equivalent. External cables must be marked with stainless metal marking. Ship cables must be halogen-free and of marine approved type.
12.5.	The Interior of the Vessel must be equipped with a sufficient number of the electrical equipment, PCs, tools, charging of VHF handsets and mobile phones etc. The precise location of the outlets must be coordinated with the Purchaser during the vessel designing process.
12.6.	Wheelhouse workdesk must be equipped with following: <ul style="list-style-type: none"> • Internet connection • Sockets for connecting additional devices to 220 V power grid
12.7.	There must also be electrical outlets on the outside deck and in the engine compartment. Outlets on the outside of the vessel must be fitted with protection switch, UV and waterproof (IP67).
12.8.	Desirable: cable trays must be made of stainless steel.
12.9.	The connection to the shore power must be placed on the aft deck. The shore power plug has to have a safety switch, must be waterproof (IP 67), suitable to standard at least 32A socket.
12.10.	There must be electrical consumption meter installed to the shore power circuit.
12.11.	Electrical system must feature isolation and transformer with capacity to supply power for maintaining all systems work on board including heating, maintenance work and charging of batteries when docked.
12.12.	Vessel must be equipped with batteries that are powerful enough to allow engine start (at least 10 times) in winter conditions.
12.13.	The service and starting batteries on the vessel must be maintenance free and vibration resistant.
12.14.	The batteries must be safely fastened in ventilated battery box.
12.15.	All batteries on board are equipped with chargers to charge batteries while electrical system is fed by main engine, auxiliary engines or from shore supply.
12.16.	Bridge Navigation Watch Alarm System must be installed.
12.17.	Integrated automation, control and monitoring system must be installed.
13.	illumination
13.1.	Interior light intensity must comply with current working environment regulation of the Republic of Latvia.
13.2.	Following protection levels to be followed:

	<ul style="list-style-type: none"> • Inside technical spaces: at least IP44 • Lights on deck: at least IP67
13.3.	The Vessel must have lighting and emergency lighting.
13.4.	Wheelhouse must be equipped with low level lighting red LED lights for night navigation.
13.5.	All Vessel's premises and compartments must be lighted by means of LED daylight lights.
13.6.	In the salon as an addition to the regular ceiling lighting each seat must have a dimmable reading LED light.
13.7.	All light and instrumentation in wheelhouse and in control console must be dimmable down to total darkness.
13.8.	LED deck light (at least 45W each light) for lightening the Vessel and the area around it and low light LED deck lights for illuminating walking pathway around the wheelhouse and the forward deck must be installed. Lights must be placed so that they will not reflect to wheelhouse windows and control console.
13.9.	It must be possible to swich on deck lights on as separate direction groups (bow, aft, port- and starboard side).
13.10.	The Vessel shall be equipped with COLREG regulation requirements compliant navigation lights.
13.11.	The navigation and deck lights must be operated from control panel and be located near the navigator. Navigation lights control unit must be fitted with indicator signal lamps. If any of the navigation lights is not working, the control unit must give an alarm with the signal lamp and buzzer.
13.12.	Two powerful searchlights shall be installed on the wheelhouse roof.
13.13.	<p>Desirable: Searchlight technical requirements at least:</p> <ul style="list-style-type: none"> • Range: 1 lux at 2 000 meters • Adjustable focus of the beam: 2-7 degrees • Corrosion resistant • Protection class at least IP67 • Adjustable horizontal rotation at least 300, degrees and vertical movement at least 10 degrees
14.	Alarm system
14.1.	<p>The fire alarm system must consist of at least:</p> <ul style="list-style-type: none"> • Fire alarm control unit • At least 1 heat detectors in the engine room • At least 1 smoke detector in every compartment
14.2.	<p>The vessel bilge alarm system must consists of at least:</p> <ul style="list-style-type: none"> • Bilge system control- and alarm panel

	<ul style="list-style-type: none"> • Operating switches for every bilge pump (manual-0-auto)
14.3.	<p>The central alarm panel must contain at least following alarms:</p> <ul style="list-style-type: none"> • Hydraulic oil level • Accumulator undercharge/ overcharge alarm • Low fuel level alarm • Low freshwater level alarm • Shore power cut-off alarm
15.	Integrated navigational system
15.1.	<p>The Vessel must be equipped at least with following:</p> <ul style="list-style-type: none"> • Radar system • At least 2 multifunctional at least 19" monitors in total must be integrated into the fore console in the wheelhouse • Electronic chart system (ECS) with SAR functions if possible • Echo sounder with 3D function + an echo sounder sensor that provides correct water depth reading at all vessel speeds • Rudder angle indicator • Automatic Identification System (AIS class A) with transmitter switch off function • Autopilot with track control function, remote control and other necessary • Satellite compass • Magnetic compass • EPIRB • AIS-SART • Weather station • FLIR • Speed log
15.2.	Desirable: Integrated X-band+ broadband 4G (dome antenna) radar system that includes oil spill and small target detection capability.
15.3.	Touchscreen + keyboard.
15.4.	Resolution at least Full HD.
15.5.	HDMI, DVI inputs.
15.6.	<p>At least the following information must be displayed:</p> <ul style="list-style-type: none"> • Wind speed & direction • Barometric pressure • Relative humidity • Air temperature
16.	Communication system

16.1.	For marine communication GMDSS VHF DSC (A class) marine radio station and antenna must be installed. The installation location of the radio station must be coordinated with the Contracting Authority.
16.2.	At least 3 handheld VHF radio stations.
16.3.	External loudhailer.
16.4.	Internal communication between the wheelhouse, cabin, engine room and on deck.
16.5.	The captain position must be equipped with “hands free” system that allows to communicate through all Vessel’s communication devices.
17.	Equipment
17.1.	Safety equipment
17.1.1.	Install safety and rescue equipment in accordance with the requirements of classification society (LR or BV or DNV), for navigation area A2.
17.2.	Inventories
17.2.1.	The Vessel must be equipped with all special tools, that are needed for daily inspection and regular maintenance of the main and auxiliary engines, transmission, propulsion, hydraulic equipment, fire-extinguishing pump and other relevant equipment, as well as servicing the same for winter docking. Storage facilities must be provided for storing tools on board of the Vessel.

ANNEX NO 9: DRAFT PROCUREMENT CONTRACT_11 07 2023

PROCUREMENT CONTRACT (draft)

Riga,

_____ 2023 (if signed in paper form)

Date of the document is the date of the time stamp
of the last enclosed qualified electronic signature (if signed electronically)

Limited liability company "LVR Flote", a limited liability company registered in the Republic of Latvia, unified registration number 40103321893, legal address: Kundziņsala 3rd line 36, Riga, LV-1005 (hereinafter – the "Purchaser"), represented by its Board member _____,

And

_____ (name), registration number _____, legal address _____ (hereinafter – the "Supplier") represented by its _____ (position, name, surname of the representative),

The Purchaser and the Supplier hereinafter individually and jointly referred to as the Party or the Parties,

On the basis of the results of the procurement "Purchase of a multi-purpose ice-class hybrid vessel", identification No. _____ (hereinafter all procurement documents, including the procurement regulations, its annexes, decisions, notifications, requests, explanations, and any other documents related to the procurement and all documents submitted for the procurement by the Supplier – the "Procurement" or the "Procurement documents"),

Now, therefore, from their own free will, without fraud, deceit or coercion, for and in consideration of the mutual terms, conditions and covenants hereinafter set forth the Parties have entered into the following agreement (hereinafter – the "Contract"):

1. SUBJECT MATTER OF THE CONTRACT

1.1 The Supplier shall design, built, deliver and transfer a multi-purpose ice-class hybrid vessel (hereinafter – the "Vessel") to the Purchaser under the terms and conditions of this Contract, while the Purchaser shall accept the Vessel complying with the terms and conditions of this Contract and to pay for the Vessel under the terms and conditions of this Contract.

1.2 The Vessel shall be designed, constructed, completed, delivered and handed over to the Purchaser by the Supplier in accordance with the Supplier's technical proposal, which are attached to the Contract as Annex 1 (thereinafter – the "Technical proposal").

1.3 Place of building: the Supplier's shipyard at _____.

1.4 Place of delivery: Riga Freeport, Latvia, at the pier specified by the Purchaser.

1.5 Time of delivery: _____, 2024 (will be specified due to the Proposal).

1.6 Under terms and conditions of this Contract the Vessel shall be considered delivered to the Purchaser upon the Parties have signed the transfer acceptance deed of the Vessel.

2. VALIDITY OF THE CONTRACT, DURATION AND TIMESCALE

2.1 The Contract shall enter into full force and effect as from the moment it has been signed by both Parties. The Contract shall be valid until all the obligations under the Contract are fulfilled completely.

2.2 The terms and sequence of designing, building, delivery and transfer of the Vessel shall be established in the Schedule of Shipbuilding that complies with the Contract's and the Technical Specification's terms and conditions and is agreed with the Purchaser. This timescale shall cover the stages from designing of the Vessel until it delivered to the Purchaser (hereinafter – the "Schedule"). The Supplier shall submit the Schedule to the Purchaser for approval until _____ 2023.

2.3 The Parties can agreed on changes in the Schedule, if there are circumstances that are not provided in the Contract or beyond the Supplier's control (Force Majeure), and that prevent from timely performance of the Contract. In such case, the Parties may agree to extend the timescale for the duration of the said circumstances. The request to extend the timescale shall be submitted to the Purchaser with all the supporting documents.

2.4 The Purchaser is entitled to make changes in the Technical Specification, if throughout the building period the necessity for such changes is based on the inspections and trials of the Vessel, its devices and equipment. If the Purchaser exercises such right, the Parties shall agree on relevant changes in the Schedule.

3. PRICE AND PAYMENT CONDITIONS

3.1 The Purchase price of the Vessel is EUR _____ (_____ euro), excluding Value Added Tax (the "Purchase price").

3.2 The Purchase price includes the price of the Vessel, all the taxes, price of materials and equipment, transport and insurance expenses, expenses of after-sale maintenance during warranty period, training and briefing of staff, expenses related to all the trials of the Vessel, its delivery and transfer to the Purchaser, drawing-up and submission of the documents requested by the Purchaser, and all and any other direct and indirect expenses of the Supplier related to designing, construction, trials, delivery and transfer of the Vessel. By signing the Contract, the Supplier confirms that the Supplier completely analyzed the Technical specification and conditions provided in the Procurement documents and in the Contract, and has foreseen and assessed the total scope of the task for the Vessel's designing, construction and delivery. If, in order to execute the Contract properly, it is necessary to deliver other goods, to perform other services or works that should have been foreseen by any professional and reasonable supplier at the time of entering into the Contract, but that were not foreseen by the Supplier and not included into the Purchase price, then the Supplier shall deliver (provide) such goods (services, works) on its own account.

3.3 The Purchase price shall not be changed because of changed level of prices for goods, materials, services or any other obstacles.

3.4 The Value Added Tax shall be calculated and paid due to the relevant laws. If during the validity period of the Contract the Value Added Tax rate changes, the changed Value Added Tax rate shall be applied. The Purchase price shall not be changed because of changed Value Added Tax, unless the adopted legal acts provide otherwise.

3.5 The Purchaser shall pay the Purchase price as follows:

3.5.1 The first partial payment – 20 (twenty) % from the Purchase price – shall be made as an advance payment within 10 (ten) business days after the Supplier submitted to the Purchaser the guarantee letter of assurance of refund of such advance payment and relevant invoice;

3.5.2 The second partial payment – 20 (twenty) % from the Purchase price – shall be made within 10 (ten) business days upon the Parties have confirmed initiation of the Vessel's hull construction and the Supplier has presented to the Purchaser and the Purchaser has approved the Vessel's detailed full-size wheelhouse model (drawing or digital 3D model), and the Supplier submitted to the Purchaser the guarantee letter of assurance of refund of such payment and relevant invoice;

3.5.3 The third partial payment – 20 (twenty) % from the Purchase price - shall be made within 10 (ten) business days upon the Parties have signed the Vessel's main engines installation acceptance protocol and the Supplier submitted to the Purchaser the guarantee letter of assurance of refund of such payment and relevant invoice;

3.5.4 The fourth partial payment – 20 (twenty) % from the Purchase price - shall be made within 10 (ten) business days upon the Parties have signed the Vessel's acceptance protocol and the Vessel's trial has already started and the Supplier submitted to the Purchaser the guarantee letter of assurance of refund of such payment and relevant invoice;

3.5.5 The last partial payment – 20 (twenty) % from the Purchase price - shall be made within 10 (ten) business days upon the Supplier has delivered the Vessel as due, the Parties have signed the transfer acceptance deed of the Vessel, the Supplier has remedied all defects that are indicated in the transfer acceptance deed of the Vessel (if any) and the Supplier submitted to the Purchaser relevant invoice.

3.6 If the Supplier does not submit the guarantee letter of assurance of refund of the payment in question under Clauses 3.5.1 – 3.5.4, partial payments shall not be made until the Purchaser receives such letter (except together with the last partial payment). Such guarantee letter shall meet the requirements specified in Clauses 10.4 – 10.5 of the Contract.

3.7 The Purchaser shall transfer the amounts due under this Contract to the Supplier's bank account indicated in the Contract. The invoices have to be submitted only in electronical mode. The payment is considered paid on the day when the Purchaser's bank accepts a payment order and makes the transfer.

4. DESIGNING, BUILDING, TRIAL AND TRANSFER OF THE VESSEL

4.1 Designing and building of the Vessel:

4.1.1 Designing and building of the Vessel shall be done due to the Schedule. The Schedule may be amended only by a written agreement of the Parties;

4.1.2 The Supplier shall make sure that the Vessel would be designed and built in accordance with the good ship-building practice and requirements of vessel classification society, that they would meet the requirements of the legal acts of the European Union and the Republic of Latvia set out for the vessels of such type;

4.1.3 The Supplier shall coordinate a project and drawings of the Vessel with the Purchaser and the classification society in advance. The Purchaser has to approve the Vessel's project and drawings and submit its remarks or wishes within 15 (fifteen) days after receipt of the project and the drawings. If the Purchaser does not give a consent or remarks within the set term, it shall be considered that the Purchaser has approved the project and the drawings without any remarks;

4.1.4 Within 60 (sixty) days after entering into Contract the Supplier shall present to the Purchaser for confirmation and approval the Vessel's detailed full-size wheelhouse model (drawing or digital 3D model), as it required by the Technical specification, 3.4.

4.1.5 The Supplier has to make sure that all the supplied and used materials and equipment and their quality would correspond to the types specified in the project's drawings and specifications and quality according to the Technical Specification and the Procurement terms and conditions. If quality conformity certificates are not provided for the materials or it is evident that the characteristics listed in the certificate are false, the materials have to be tested at the Supplier's expense as demanded by the Purchaser in the place of manufacture, assembly, or shipbuilding. All the used materials and devices have to be new and comply with the standards of the European Union (EU) and requirements of The North Atlantic Treaty Organization (NATO) applicable to the parts, materials and equipment of such type;

4.1.6 Upon the Vessel is built, the necessary examinations and inspections of the Vessel, its devices and equipment shall be performed by the Supplier in order to assure the shipbuilding according to this Contract, Technical Specification, Procurement terms and conditions, the Vessel's general arrangement, project and drawings. The Purchaser shall have the right to take part in all the examinations and inspections of the Vessel, its devices and equipment during the entire shipbuilding period. The Supplier shall timely inform the Purchaser about trials and inspections, stating their place and time. If the Purchaser detects any discrepancy of the performed works, used materials or equipment, the Supplier shall be notified thereof, and the Supplier shall have to remedy the discrepancies at own expense, without violating the delivery term of the Vessel. The Purchaser shall have the possibility to enter the Vessel, to access its devices, mechanisms, engines and any other their place were the works are carried out or the materials are stored, including the shipyard and workshop, freely and without any limitations during the whole shipbuilding period;

4.1.7 During the designing and building of the Vessel's builder risk shall be insured. The insurance policy shall fully cover loss and liability from accidents including third-party liabilities.

4.2 Trials of the Vessel:

4.2.1 The purpose of the Vessel's trials is to prove that the Vessel has been built, fitted out and completed according to the Contract, the Technical Specification and the Procurement and that the Vessel and its equipment is operating appropriately. The mechanisms, parts, systems and equipment of the Vessel have to be checked in the course of static trials, dock trials and running trials at sea according to the approved trial programs, in presence of the representatives of the classification society and the Purchaser. All the trial programs have to be approved by the classification society;

4.2.2 The Purchaser shall have the right to demand that the Supplier would carry out preliminary trials of the built Vessel at its expense in presence of the Purchaser, prior to the trial of the Vessel;

4.2.3 In the course of the shipbuilding and after its completion, the Supplier shall notify the Purchaser in advance (at least 14 (fourteen) days beforehand) and in writing about future trials and inspections of the Vessel and its components, and about other trials and inspections, and to create appropriate conditions for the Purchaser's representatives to take part in such trials and inspections;

4.2.4 Not later than 14 (fourteen) days prior to the planned delivery day of the Vessel to the Purchaser, the Supplier shall coordinate the trial time and location of the Vessel with the Purchaser in writing and create conditions for the Purchaser, its representative and a representative of the classification

society to take part in the trials. The planned trials of the Vessel shall be carried out in favorable weather conditions, as assessed by the Supplier. If weather conditions are not favorable on the agreed trial day, the trials shall be conducted in the nearest future, when the weather conditions are favorable;

4.2.5 If the Vessel's trial results reveal that the Vessel or its parts or equipment do not comply with the requirements of the Contract, the Technical Specification or the Procurement documents, the Supplier shall undertake all the necessary measures to remedy the discrepancies immediately, but any case, not later than within 30 (thirty) days after recording the trial results. Having remedied the established defects, the Supplier shall organize immediately repeat trials of the Vessel, arrange their date, and time with the Purchaser. A representative of the classification society shall also participate in the repeated trials. The Supplier shall remedy the defects immediately and perform the repeated trials at own expense until the necessary result is achieved. The Purchaser's participation in the tests is the Purchaser's right, but not an obligation.

4.3 Delivery and transfer of the Vessel:

4.3.1 If the trial results of the built Vessel satisfies the Contract's requirements, the Technical Specification and conditions provided in the Procurement documents and the Purchaser confirms in writing that it can accept the Vessel, the Supplier shall notify the Purchaser in writing that the Vessel are ready for delivery and transfer and agree about the transfer date and time of the Vessel with the Purchaser in writing. The Purchaser shall have the right to refuse to accept the Vessel or any other work result reasonably if it considers that the Vessel or any other work result does not satisfy the requirements of the Contract, the Technical Specification or the qualities set out in the Procurement documents;

4.3.2 At least 1 (one) month before transfer of the Vessel to the Purchaser, the Supplier shall train and instruct persons indicated by the Purchaser at own expense about use, management, operation of the Vessel, its equipment, mechanisms, etc. Persons specified by the Purchaser have the right to participate in the passage of the Vessel to the place of delivery. The number of such persons indicated by the Purchaser shall not exceed six persons at a time;

4.3.3 At the time of delivery and transfer of the Vessel to the Purchaser, in addition to the transfer acceptance deed of the Vessel, the Supplier shall also submit to the Purchaser the following documents: a certificate issued by the classification society; the manufacturer's certificate about the built Vessel; Bill of sale, guarantee declaration of the Vessel; trial protocols of the Vessel; inventory deeds of the Vessel's equipment and spare parts; the Vessel's drawings, plans, other technical and warranty documentation regarding the Vessel's construction, equipment, mechanisms, engines, etc.;

4.3.4 The Purchaser has to accept the Vessel, if it satisfy the requirements of the Contract, the Technical Specification and the Procurement documents, unless there are any defects, recommendations or conditions identified by the classification society and/or public authorities of the Republic of Latvia;

4.3.5 The Purchaser shall sign the transfer-acceptance deed of the Vessel or reject the Supplier's request to sign it not later than within 5 (five) business days as of the Vessel is transferred to the place of delivery, stating the reasons of the made decision, terms and means of defects' remedy. The Supplier shall remedy the indicated defects immediately and at own expense. The transfer-acceptance deed of the Vessel shall be signed in 2 (two) copies of equal legal power, one to each Party, or an electronic document signed by qualified electronic signatures of the Parties shall be

made;

4.3.6 The Purchaser shall sign the transfer acceptance deed of the Vessel if the Vessel meets all requirements of the Contract, the Technical Specification and the Procurement documents, the requirements of the normative documents applicable in the Republic of Latvia, and other requirements that are usually applied for such vessels. The Purchaser can agree that some minor defects of the Vessel (if any) the Supplier shall remedy upon the Parties have signed the transfer acceptance deed of the Vessel. The Vessel shall be considered delivered to the Purchaser upon the Parties have signed the transfer acceptance deed of the Vessel;

4.3.7 The Supplier guarantees that at the time of the Vessel's delivery, the Vessel is neither mortgaged, nor under lien, nor used as a security of performance of any demands of the Supplier or other persons, there are no outstanding or due financial and non-financial obligations related to the Vessel. If any claims are filed with regard to the Vessel before its transfer day, the Supplier shall immediately reimburse the Purchaser's damage incurred because of such claims.

4.4 During the Vessel's trials and the passage to the place of delivery the Supplier, on its own expense, shall ensure that the Vessel is properly insured, i.e. the Vessel has Protection & Indemnity Insurance and Hull and Machinery insurance. The copies of insurance policies and documents confirming payment for such insurance shall be submitted to the Purchaser upon its first request.

4.5 The title to the Vessel shall be transferred to the Purchaser when the transfer-acceptance deed of the Vessel is signed in accordance with the terms and conditions of the Contract.

5. RIGHTS AND OBLIGATIONS OF THE PARTIES

5.1. The Purchaser undertakes:

5.1.1. To perform the Contract appropriately and honestly;

5.1.2 To cooperate with the Supplier in the course of the Contract's performance by providing all the reasonably requested information, the necessity whereof arises in the course of the Contract's performance;

5.1.3 To make the Purchase price payments timely and due to this Contract's terms and conditions;

5.1.4 To comply with the internal rules in the shipyard while inspecting the works;

5.1.5 To grant the necessary authorizations to the Supplier to act in the name of the Purchaser, when necessary;

5.1.6 To fulfil appropriately other duties provided in the Contract and in the laws of the Republic of Latvia.

5.2. The Purchaser shall have the right:

5.2.1 To carry out any inspection that the Purchaser finds necessary without separate notice if the suspicion (doubts) arise that the Supplier will not be able to deliver the Vessel on time or that the Vessel is built in poor quality, unprofessionally, and in violation of the requirements;

5.2.2 To monitor, inspect, supervise and control the course of the Vessel's designing and building, its quality, used materials, quality of materials, etc.;

5.2.3 In the course of the Vessel's designing and building, to give compulsory instructions to the

Supplier, including, but without limitation to, the instructions on the materials and equipment that, in the Purchaser's opinion, do not comply with the Technical Specification or other provisions of the Contract; regarding replacement of such materials and equipment by good and suitable materials and equipment; regarding remaking any works at the Supplier's expense, regardless of the already performed, related trials or done partial payment, if, in the Purchaser's opinion, they do not comply with the Technical Specification or other provisions of the Contract, quality of materials, equipment or work; and other instructions related to the Contract's performance. The Purchaser shall have the right to demand the Supplier to remedy the defects of the performed (pending) works also when the defects were not discussed in the acceptance protocol, transfer-acceptance deed of the Vessel or in another document, if such defects could not have been noticed at the time of signing the document in question;

5.2.4 To visit the shipyard and watch the performance of the Vessel's building. The Purchaser's representatives shall have right to enter all the premises of the shipyard under the Supplier's supervision, where the Vessel or its parts are made, during the ordinary work hours;

5.2.5 While building the Vessel, to demand reasonably for replacement of any employee, if the Purchaser has the reason to believe that the person in question is not diligent and is performing the functions inappropriately;

5.2.6 To execute any other rights provided in the Contract and in the laws of the Republic of Latvia.

5.3 The Supplier undertakes:

5.3.1 To comply with the terms provided in the Contract and in the Schedule; to fulfil the Supplier's obligations due to the Contract as carefully and effectively as possible, in accordance with the best, universally acknowledged professional, technical standards and practice, using all the necessary skills and knowledge;

5.3.2 To notify the Purchaser in writing immediately about any circumstances that prevent or could prevent the Supplier from completion of the shipbuilding and transfer of the Vessel within the agreed term. In such case, the Supplier shall undertake all the necessary measures urgently to prevent impact of the formed circumstances on the quality of shipbuilding works and to carry out the part of shipbuilding works in question as quickly as possible so that the delivery term of the Vessel would not be violated;

5.3.3 To submit a written report to the Purchaser until the 15th (fifteenth) of the each calendar month about the works performed in the last month (progress of the Contract's performance);

5.3.4 Upon the Purchaser's request, to provide written information about the works planned in the next month or in another period asked by the Purchaser;

5.3.5 Upon the Purchaser's request, in addition to the monthly report, furnish the calculations and documents confirming the type, value and volume of the works, and the documents that confirm quality of the main materials (products) used for works, as well as other information and documents required by the Purchaser;

5.3.6 Upon the Purchaser's request, to record the information about factual course of the Contract's performance, the information significant for the Contract's performance, and other requested information;

5.3.7 To grant additional help to the Purchaser at own expense during registration process of the Vessel, including submission of additionally requested documents or clarifications to the Purchaser or to the relevant classification register;

5.3.8 To indemnify the Purchaser on its own account from any claims and losses caused by the Supplier's actions or negligence in relation of the Contract's performance and to reimburse the damage caused by such actions to third persons, as well as their losses, including the losses caused by violation of any legal acts, illegal use of patents, trademarks and other objects of intellectual property, or violation of any rights of any persons;

5.3.9 To inform the Purchaser in writing within 5 (five) days about all the significant circumstances that have or may have impact on proper performance of the contractual obligations;

5.3.10 Not to use the Purchaser's trademark or name in any advertising, publications or elsewhere without an advance written consent of the Purchaser;

5.3.11 To ensure confidentiality and protection of the information received from the Purchaser in the course of the Contract's execution and related to it, unless disclosure of information is governed by the legal acts of the European Union and the Republic of Latvia;

5.3.12 After the Contract is executed and upon written request of the Purchaser, to return all the documents received from the Purchaser in order to execute the Contract if the return is possible in consideration to the form of the documents, or to destroy the documents;

5.3.13 To fulfil appropriately other duties provided in the Contract and in the laws of the Republic of Latvia.

5.4 The Supplier shall have the right to receive the payments in the way as specified in the Contract on the condition that the Supplier performs its obligations due to the terms and conditions of the Contract.

5.5 The Parties shall notify each other in writing of any changes or circumstances that could affect the fulfilment of the Contract.

5.6 Neither Party shall be entitled to assign all or part of its rights and obligations under the Contract to any third party without written consent of the other Party.

6. WARRANTY

6.1 The Vessel shall be a subject to a warranty, and in particular:

6.1.1. All materials used in the construction, hull and building of the Vessel shall be subject to a warranty period of ____ (_____) months, as specified in the Supplier's offer for the Procurement, from the date of handover of the Vessel to the Purchaser;

6.1.2 Main and auxiliary engines, machinery and systems, radio and navigation equipment, electronic and automatic control systems, software, main batteries for the Vessel shall be subject to a warranty period of ____ (_____) months, as specified in the Supplier's offer for the Procurement, from the date of handover of the Vessel to the Purchaser.

6.2 During the warranty period the Supplier shall remedy free of charge all defects or failures of the Vessel which are not due to any fault on the part of the Purchaser. The addresses of repair shops are provided in the Supplier's offer for the Procurement.

6.3 Upon written notification about the defects by the Purchaser, the Supplier shall come to the Vessel within 2 (two) business days to identify and remedy the defects. If they cannot be remedied immediately because of the defects' nature and scope, the Supplier shall agree the remedy term with the Purchaser in written.

6.4 If the Supplier does not come to the Vessel to identify the defects and/or does not agree about their remedy term in the procedure established herein, or if the Supplier does not start remedy actions for more than 15 (fifteen) days or the Supplier is late to remedy the defects by more than 15 (fifteen) days or when it becomes evident that the Supplier will not remedy the defects appropriately, the Purchaser shall have the right to assign remedy works to third persons, while the Supplier shall unconditionally and on the Purchaser's first request to cover the Purchaser's expenses incurred thereby.

6.5. The Supplier shall replace all the defective parts and details by new original ones only.

7. SUBCONTRACTORS

(Applies if the Supplier indicated the use of subcontractors in Procurement documents)

7.1 In order to execute the Contract, the Supplier can use the following subcontractors hereinafter – the "Subcontractors):

7.1.1 _____;

7.1.2 _____;

7.2 The Supplier is not entitled to change the Subcontractors and to involve additional subcontractors in the performance of the Contract without prior written approval of the Purchaser. The Purchaser may request the opinion of the Supplier, the Subcontractor in question and the new subcontractor regarding the reasons for change.

7.3 The Purchaser shall not agree to the change of the Subcontractor if any of the following conditions is fulfilled:

7.3.1 The new subcontractor does not meet the requirements brought forward for subcontractors which are laid down in the Procurement procedure documents;

7.3.2 The subcontractor on whose capacities the Supplier has relied upon to certify that the qualification thereof conforms to the requirements of the Procurement is replaced and the new subcontractor does not have at least the same qualification, or it conforms to the reasons for exclusion of the tenderers;

7.3.3 As a result of the change of the Subcontractor such amendments to the Supplier's proposal for Procurement, if they would have been initially included therein, would influence the selection of the Supplier tender according to the tender evaluation criteria specified in the procurement procedure documents.

7.4 The Purchaser shall agree to the change of the Subcontractor, if the conditions of Clause 7.3 of the Contract are not applicable to the new subcontractor, and (i) the Subcontractor has notified in writing on refusal to participate in the performance of the Contract, (ii) the new subcontractor conforms to the requirements of the Procurement.

7.5 The Supplier shall, within as short period of time as possible, but not later than within 5 (five)

business days after it has received all information and documents necessary for taking of a decision in accordance with this section of the Contract, take a decision to permit or refuse the change of subcontractors.

8. AMENDMENTS AND TERMINATION

8.1 The Contract may be supplemented, amended, or terminated by mutual agreement between the Parties, unless otherwise specified in the Contract. Any changes or additions to the Contract shall be made in writing and shall become an integral part of the Contract once signed by the Parties.

8.2 The Purchase price can be increased, if the Purchaser requires additional goods or services based on the Technical Specification. In such case, the Parties agree on relevant changes in written. Such differences shall not exceed 10 (ten) % of the Purchase price.

8.3 Amendments to the Contract are permitted only if they do not change the general nature of the Contract and comply with one of the following conditions:

8.3.1 The amendments are minor, or

8.3.2 Such amendments are permitted by the Contract and the applicable law.

8.4 The Party shall immediately inform the other Party if the Party find:

8.4.1 Any contradictions in the data provided in the Contract, its Annexes and the Procurement documents;

8.4.2 That the data provided in the Contract are different from the actual conditions.

8.5 The Purchaser shall have the right to terminate the Contract unilaterally, provided the Supplier is notified thereof in writing at least 15 (fifteen) days in advance, on any of the following grounds:

8.5.1 The Supplier is declared insolvent, or its activity is suspended or terminated, or there are other important circumstances, and totality of all these circumstances creates precondition that the Supplier will not be capable to execute the Contract on time or qualitatively;

8.5.2 If the Supplier is late to deliver the Vessel by more than 60 (sixty) days;

8.5.3 If the delivery of the Vessel has to be postponed for indefinite period due to force majeure circumstances or if the force majeure circumstances last for more than 3 (three) months after the deadline for the Vessel's delivery;

8.5.4 If the Vessel or any interim outcome is lost or damaged before its transfer to the Purchaser, hence making it impossible for the Supplier to execute the Contract on time;

8.5.5 If it is learnt that the Supplier had entered into some agreement restricting competition unlawfully, in order to get a Contract, or has provided false data in the Procurement documents regarding the qualification requirements;

8.5.6 If the Supplier does not remedy the defects, because of which the Vessel or its technical parameters or equipment does not satisfy the contractual requirements, within the term set by the Purchaser or it becomes evident that the Supplier cannot remedy such defects within the term set by the Purchaser;

8.5.7 If the Supplier (including any employee of the Supplier, intermediary, representative, etc.) gives

or offers (directly or indirectly) to any employee of the Purchaser any benefit in the form of an item, monetary fee, commissions, services, other tangible or intangible benefit as an incentive or reward for any action related to the Contract or omission to act, or for showing favor or disfavor or omission to show them (bribe) to any person related to the Contract;

8.5.8 If the contractual penalty and fines the Supplier shall pay to the Purchaser reaches 10 (ten) % from the Purchase price;

8.5.9 In other cases provided by the Contract or applicable laws.

8.6 The Purchaser shall have the right to terminate the Contract unilaterally with immediate effect, if the Contract cannot be performed due to the Sanctions (Clauses 16.1. – 16.5.).

8.7 If the Purchaser terminates the Contract on any ground specified in Clause 8.5 and 8.6 of the Contract, the Supplier shall refund all the money amounts received from the Purchaser under this Contract, and, if such termination is based on any of Clauses 8.5.1 – 8.5.2, 8.5.4 – 8.5.7, then the Supplier shall pay to the Purchaser a fine of 10 (ten) % from the Purchase price excluding VAT. The Supplier has to pay the amounts indicated herein to the Purchaser not later than within 30 (thirty) calendar days after the Contract's termination.

8.8 The Supplier shall have the right to terminate the Contract, provided the Purchaser is notified thereof in writing 15 (fifteen) days in advance, if the Purchaser is late to pay for more than 30 (thirty) days and does not do anything to change the situation within the term set by the Supplier, despite the written requests of the Supplier, as well as in other cases provided in the applicable laws.

9. RESPONSIBILITY OF THE PARTIES

9.1 If the Purchaser is late to pay within the set term due to own fault, upon the Supplier's request, the Purchaser shall pay 0.05 (five hundredths) % contractual penalty from the outstanding amount for each day of delay.

9.2 If the Supplier is late to perform any actions under the Contract for more than 14 (fourteen) days due to own fault, upon the Purchaser's request, the Supplier shall pay the fine of EUR 500.00 (five hundred euro) for each overdue day.

9.3 If the Supplier does not deliver the Vessel within the set term or does not remedy the defects timely under the terms and conditions of this Contract, the Purchaser shall be entitled to calculate 0.05 (five hundredths) % fine from the Purchase price (excluding VAT) for each day of delay.

9.4 The Purchaser shall have the right to deduct the contractual penalty, fines and other reasonably demanded amounts from the amounts due to the Supplier through a unilateral setoff or to direct the demand for reimbursement to the contract performance bond.

9.5 Payment of contractual penalties and fines shall not release the Parties from the duty to fulfil the contractual obligations.

9.6 The total amount of contractual penalty and/or fines which under terms and conditions of the Contract a Party shall pay for the benefit of the other Party shall not exceed 10 (ten) % of the Purchase price (excluding VAT). The payment of contractual penalty and/or fines does not release the guilty Party from the obligation to compensate for direct damages, if such damages are caused to the other Party as a result of the guilty Party's illegal action or inaction.

10. PERFORMANCE BOND, GUARANTEE OF REFUND

10.1 The Contract's performance shall be secured by the performance bond in the amount of EUR 500'000.00 (five hundred thousand euro) submitted by the Supplier before entering into this Contract (hereinafter – the "Performance bond"). The Performance bond shall be applicable to all the Supplier's obligations under the Contract, including fines, contractual penalty, and other amounts demanded reasonably from the Supplier under the Contract. The Performance bond shall be valid for the whole period of time specified in Clause 1.5 of the Contract, but no longer until the Vessel is properly delivered and handed over to the Purchaser.

10.2 If the Vessel is not delivered within the term of validity of the Performance bond, the Supplier shall submit an extended Performance bond for its own account at least 10 (ten) business days before the deadline of the original Performance bond for the period of extended delivery term of the Vessel (if the Parties has agreed on such extension) or for the period, during which the Supplier plans to deliver the Vessel, and in both cases plus additional 30 (thirty) days. If the Supplier does not extend the Performance bond, the Purchaser has a right to suspend payments under the Contract or unilaterally to terminate the Contract.

10.3 The Supplier shall submit to the Purchaser the irrevocable first demand guarantee of refund of payments specified in Clause 3.5.1 – 3.5.4 of the Contract in the amount of 100 (one hundred) % of each payment in question hereinafter – the "Guarantee"). The wording of Guarantee has to be agreed with the Purchaser. The Guarantee may be applied for each payment or for all of them.

10.4 The Guarantee has to be issued by a bank of good reputation, i.e. who (or the parent bank) has at least A credit rating according to Standard & Poor's, A3 according to Moody's, or A according to Fitch. The validity term of the Guarantee cannot be shorter than 30 (thirty) days after the scheduled transfer of the Vessel to the Purchaser. Due to the Guarantee, the bank shall guarantee refund of the said payments to the Purchaser in the cases when the Supplier shall refund the payments due to terms and conditions of the Contract.

10.5 If the Supplier is late to deliver the Vessel, at least 10 (ten) business days prior to the deadline of the Guarantee, the Supplier shall furnish the extended Guarantee, the term whereof should be at least 30 (thirty) days after the deadline of the extended delivery term of the Vessel (if the Parties has agreed on such extension) or for the period, during which the Supplier plans to deliver the Vessel, and in both cases plus additional 30 (thirty) days. If the Supplier does not extend the Guarantee, the Purchaser has a right to suspend payments under the Contract or unilaterally to terminate the Contract.

11. INSURANCE

11.1 The Supplier shall insure the Vessel and all the parts used to build them, as well as civil liability of the Supplier arising from sailing of the built Vessel or in the course of changing the place of construction, during the trials and delivery journey to Riga port.

11.2 The insurance amount of the Vessel cannot be less than the Purchase price. The Purchaser has to be indicated as an additionally insured person in the insurance policy.

11.3 The insurance amount of the Supplier's civil liability cannot be less than the Purchase price.

11.4 In case of an insured event resulting in destruction or damage of the Vessel the Supplier must, if still possible, to perform all the obligations provided in the Contract.

11.5 Upon written request of the Purchaser, the Supplier shall immediately submit to the Purchaser copies of insurance policies and documents confirming payment for such insurance.

12. CONFIDENTIALITY

12.1 The information that makes the Contract's content and/or related to it, as well as any information disclosed deliberately or accidentally by one Party to another while executing the Contract (save for the information that cannot be held confidential according to the legal acts or publicly available information) shall be confidential. Each Party undertakes not to disclose any confidential information received from the other Party while executing the Contract or related to its execution. This information may be disclosed to third persons during the Contract's validity term and after its termination only in the scope necessary to fulfil the Contract properly, upon receipt of advance written consent of the other Party and in accordance with personal data protection requirements.

12.2 In case of disclosure of confidential information, the guilty Party shall reimburse all the direct losses to the other Party.

12.3 The Contract's provisions of confidentiality and personal data processing shall be valid for indefinite period.

13. COMMUNICATION

13.1 The Parties shall communicate in Latvian or English. All the notices, consents and other communication under the Contract shall be considered valid and properly delivered if they are delivered to the Party's legal address by courier or mail, or e-mail to the addresses indicated below:

13.1.1 The Supplier's e-mail address: _____@_____;

13.1.2 The Purchaser's e-mail address: info@lvrfloate.lv.

13.2 The Parties will consider notifications received within 7 (seven) days after they are sent, or sooner if it follows from the confirmation of receipt. If a notification has been sent electronically, it shall be considered as appropriately delivered to the other Party on the next business day.

13.3 The Parties shall immediately, yet not later than within 5 (five) business days, notify the other Party of any changes in their details (incl. registered address, e-mail address, VAT payer's number change/cancellation, change of their legal status, commencement of liquidation proceedings, declaration of insolvency proceedings, commencement of reorganization, etc.) that may affect the fulfilment of their contractual obligations. The losses incurred due to the Party's failure to timely and appropriately notify the other Party shall be fully covered by the culpable Party.

13.4 The persons responsible for solving of common operational issues are as follows: on behalf of the Supplier: _____, phone: _____, e-mail: _____; on behalf of the Purchaser _____, phone: _____, e-mail: _____.

14. DISPUTES

14.1 Any dispute and/or controversy arising out of or in connection with this Contract shall be solved in negotiations of the Parties. If there is no agreement, such dispute and/or controversy shall be settled: (i) if the Supplier is registered in the Republic of Latvia - by the courts of the Republic of Latvia under laws of the Republic of Latvia; (ii) if the Supplier is registered in a foreign country - by Riga City court, address: Abrenes street 8, Riga, LV-1050, Latvia.

15. FORCE MAJEURE CIRCUMSTANCES

15.1 The Party shall not be responsible for any non-implementation or partial non- implementation of any obligations under the Contract if the Party proves that this was caused by extraordinary circumstances beyond control of the Parties and that could not have been reasonably foreseen, avoided or eliminated by any means, e.g., governmental resolutions and other acts that have affected activities

of the Parties, political disorders, strikes, declared and undeclared wars, other armed fights, floods, fires, and other natural disasters.

15.2 The Party that asks to release it from responsibility has to notify the other Party about force majeure circumstances in writing immediately, and in any case, not later than within 3 (three) business days after appearance or learning about such circumstances, and to provide evidence that it has undertaken all the precautionary measures and made all the efforts to reduce expenses or negative consequences, as well as notify probable term of the obligations' fulfilment. The notification is also required when the basis of non-implementation of obligations disappears. If the Party does not send a notification on time or does not notify the other Party, it has to compensate damage incurred by the other Party because of untimely notification or absence of notification.

15.3 If force majeure circumstances that are beyond control of the Parties and that could not be foreseen, avoided reasonably or eliminated by any means continue for more than 3 (three) months, any Party is entitled to request termination of the Contract.

16. SANCTIONS CLAUSE

16.1. The parties undertake to comply with the principles of open, honest, transparent and responsible commercial activities, not to carry out any type of activity that may lead to the prescribed international, European Union or national sanctions or sanctions of the European Union or member states of the North Atlantic Treaty Organization affecting significant financial and capital market interests (before and after – Violation of Sanctions), their circumvention or imposition of Sanctions in relation to the Parties, their board and council members, participants or shareholders, beneficial owners, persons entitled to representation, or the procurator, or a person authorized to represent the Parties in their activities related to the branch, as well as to take preventive measures in order to prevent violations of the above-mentioned sanctions, as well as intentional or unintentional cases of their circumvention.

16.2. The parties confirm that at the time of entry into force of the Contract, they (including their members of the board or council, participants or shareholders, beneficial owners, persons entitled to represent or procurator, or a person authorized to represent them in activities related to the branch) Sanctions that may affect the performance of the Contract. In the event that any of the Sanctions will be applied to one of the Parties during the execution of the Contract, the relevant Party is obliged to notify the other Party in writing no later than the next working day after the relevant Party has been informed about it.

16.3. By signing the Contract, the Supplier certifies that:

16.3.1. does not cooperate and such persons will not be involved in the execution of the Contract (including, in the case of legal entities - their board or council members, participants or shareholders, beneficial owners, persons entitled to represent or procurator, or a person authorized to represent the relevant Party in activities related to branch), to which Sanctions have been applied, which may affect the execution of the Contract;

16.3.2. will not take any actions aimed at circumventing the Sanctions;

16.3.3. Goods, services and/or involved persons subject to and/or subject to Sanctions will not be used directly or indirectly in the performance of the Contract;

16.3.4. will not participate in any activities, the purpose or consequences of which is to circumvent the established Sanctions, including, will not act for the benefit and interests of the persons, entities or organizations to which the Sanctions are applied or to which they apply.

16.4. In order to ensure compliance with the Supplier's Sanctions and to avoid the risk of violating them,

during the term of the Contract, the Purchaser has the right to request and the Supplier is obliged to provide the requested evidence and certifications that as a result of the execution of the Contract, the Sanctions are not or will not be violated or circumvented.

16.5. The Customer has the right, without reimbursing any losses, expenses and without paying any compensation, to immediately unilaterally withdraw and terminate the Contract, by notifying the Supplier in writing, in any of the following cases:

16.5.1. if the performance of the Contract is affected or the Contract cannot be performed because Sanctions are applied to the Supplier during the performance of the Contract;

16.5.2. if the Purchaser has reason to believe that as a result of further execution of the Contract, the Supplier may face risks of violation of Sanctions;

16.5.3. if the Supplier has not provided the Purchaser with the requested information and evidence, which would allow the Purchaser to make sure that the execution of the Contract does not create a risk of violation of Sanctions or evasion of Sanctions;

16.5.4. if the Purchaser determines that any of the statements made by the Supplier during the contract period or before its conclusion have turned out to be false.

17. FINAL PROVISIONS

17.1 This Contract is prepared in accordance with the laws of the Republic of Latvia. This Contract shall be governed by and construed in accordance with the laws of the Republic of Latvia.

17.2 The Contract is made in 2 (two) copies of equal legal power, one to each Party; or in the case, an electronic document is made, it shall be signed by the Parties electronically by a qualified e-signature.

17.3 This Contract comprises the entire agreement of the Parties with respect to the subject matter contained herein and therein. All previously agreements and/or preliminary negotiations as to the subject matter of this Contract are hereby superseded. Titles of the Paragraphs of this Contract shall be used for better clearness of this Contract and shall not be used for interpretation of this Contract.

17.4 Invalidity of one condition of the Contract does not invalidate the entire Contract, unless the Parties would not have entered into the Contract, had not that condition been included. The Parties agree that in case of invalidity of one of the conditions of the Contract that does not invalidate the entire Contract, the aforementioned condition shall be replaced by a new valid condition by written agreement of the Parties, and that new condition should be as close as possible to the invalid condition with regard to the meaning, content, legal and economic result as possible.

17.5 The Parties hereby confirm that they have read the Contract, understood its contents and consequences, accepted it as being in compliance with their goals, and signed it.

17.6 The Contract is made in Latvian and English language. The Latvian wording of the Contract shall prevail.

18. ANNEXES

18.1 Technical Specification on ___ pages;

18.2 Technical proposal on ___ pages;

18.3 Financial proposal on 1 page;

18.4 Performance bond.



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19. DETAILS AND SIGNATURES