



APPROVED

Chair of the Board
Edžus Cābulis
Cēsis, 1 April 2019
Minutes No. 1

Procurement procedure

Purchase of equipment for a trial production line of alternative recycling of waste paper and hemp fibre into innovative heat insulation materials with improved thermal conductivity

Regulation

According to the financial support of the European Union's LIFE programme and the Administration of Latvian Environmental Protection Fund, project No. LIFE17 ENV/LV/000335 LIFE_PHIPP.



1. GENERAL PROVISIONS

1.1. Procurement Purchase of equipment for a trial production line of alternative recycling of waste paper and hemp fibre into innovative heat insulation materials with improved thermal conductivity, hereinafter referred to as the procurement.

Procurement is organized, in order to implement the European Commission's environment and climate action programme LIFE financed project Alternative recycling of waste paper and hemp fibre into innovative heat insulation materials with improved thermal conductivity, project No. LIFE17 ENV/LV/000335 LIFE_PHIPP.

Procurement organized according to the Cabinet Regulation No 104 of 28 February 2017 - Regulation on procurement procedure and its application to customer's financed projects.

1.2. Financing receiver: SIA BALTICFLOC, reg. No. 44103062908, registered office: Apt. 601, 40/22 Ata Kronvalda Iela, Cēsis, LV-4101, Latvia, hereinafter referred to as the Customer.

1.3. Subject of procurement: Purchase of new, unused (in original packaging) equipment (with product installation, construction of communications, connection to communications, run-up, adjustment, Customer's personnel training, provision of warranty and maintenance) for a trial production line of alternative recycling of waste paper and hemp fibre into innovative heat insulation materials with improved thermal conductivity.

Subject of procurement is divided into the following procurement subject parts:

- 1.3.1. Procurement subject part 1: Chemical dispenser;
 - 1.3.2. Procurement subject part 2: Fibre separator;
 - 1.3.3. Procurement subject part 3: Plate cutter;
 - 1.3.4. Procurement subject part 4: Furnace;
 - 1.3.5. Procurement subject part 5: Mixing bunker;
 - 1.3.6. Procurement subject part 6: Loading conveyor, 3 sets;
 - 1.3.7. Procurement subject part 7: Dispensing bunker, 3 sets;
 - 1.3.8. Procurement subject part 8: Dispenser, 3 sets;
 - 1.3.9. Procurement subject part 9: Packer;
 - 1.3.10. Procurement subject part 10: Dust filters, 2 sets;
 - 1.3.11. Procurement subject part 11: Air supply, 6 sets;
 - 1.3.12. Procurement subject part 12: Collection transport conveyor;
 - 1.3.13. Procurement subject part 13: Hammer-type grinders, 2 sets;
 - 1.3.14. Procurement subject part 14: Control panel,
- hereinafter referred to as the Product.

1.4. Product delivery place: Apt. 601, 40/22 Ata Kronvalda Iela, Cēsis, LV-4101, Latvia

1.5. Product delivery time: Supplier(s) must perform delivery of the Products included in the respective procurement subject part not later than the following terms (term is counted from the contract enactment (mutual signing) day):

- 1.5.1. Procurement subject part 1: Chemical dispenser – within 3 months;
- 1.5.2. Procurement subject part 2: Fibre separator – within 6 months;
- 1.5.3. Procurement subject part 3: Plate cutter – within 11 months;
- 1.5.4. Procurement subject part 4: Furnace – within 11 months;
- 1.5.5. Procurement subject part 5: Mixing bunker – within 11 months;
- 1.5.6. Procurement subject part 6: Loading conveyor, 3 sets – within 4 months;
- 1.5.7. Procurement subject part 7: Dispensing bunker, 3 sets – within 4 months;



- 1.5.8. Procurement subject part 8: Dispenser, 3 sets – within 3 months;
- 1.5.9. Procurement subject part 9: Packer – within 4 months;
- 1.5.10. Procurement subject part 10: Dust filters, 2 sets – within 3 months;
- 1.5.11. Procurement subject part 11: Air supply, 6 sets – within 11 months;
- 1.5.12. Procurement subject part 12: Collection transport conveyor – within 3 months;
- 1.5.13. Procurement subject part 13: Hammer-type grinders, 2 sets – within 6 months;
- 1.5.14. Procurement subject part 14: Control panel – within 11 months,

Supplier(s) must also perform installation, connection (including construction of necessary communications from connection places), run-up, adjustment of the delivered Product for normal operation and the Customer's personnel training (providing training to at least 2 employees) in general term for delivery of the Product and for the offered price. Personnel training must at least include basics of run-up, safe use, servicing of the Product and error elimination.

1.6. Customer's contact person: Chair of the Board Edžus Cābulis, +371 26336333, info@balticfloc.lv

1.7. Offer validity term: Offer is valid for at least 3 months after the offer submission term end.

1.8. In order to reduce the risk of origination of unforeseen costs during fulfilment of the contract and to prepare offers corresponding to the actual situation at the site (e.g., Product arrangement, gas connection, power installations, etc.), site (Product installation place) inspection is mandatory for applicants. Site inspection is confirmed by the Applicant's person with signatory authority or the Applicant's authorized person by signing the site inspection confirmation (form Site Inspection Confirmation included in Annex 3 to this Regulation).

1.9. Customer chooses the offer that is the most favourable economically and satisfies the Customer's needs best, including is energy efficient and reduces the Customer's possible risks, as well as provides for efficient utilization of the Customer's granted financing.

1.10. If necessary, Customer may negotiate with applicants, as well as is entitled to invite other suppliers to submit initial offers, as well as to invite them to negotiations, at any time before making the final decision on choice of the supplier to conclude contract with.

1.11. Applicants must offer warranty period of at least 24 months for the Products. During the warranty period, Supplier's responsibility is to replace or repair damaged parts in case of the Defect of the Product within 2 working days after applying of the Defect or by agreement of the Parties, at the Supplier's own expense. Service response time is within 1 working day after receiving the call. During the whole warranty period of the Product, Supplier performs free maintenance of the Product according to the Product maintenance schedule, however at least annually.

2. REQUIREMENTS TO EXECUTION AND PROCEDURE FOR SUBMISSION OF OFFERS

2.1. Applicant may submit the offer on one or more fully offered Products (procurement subject parts), including for all Products (procurement subject parts). Applicant may only submit one (1) offer variant in each procurement subject part.

2.2. Offers must be submitted in 2 computer-printed copies (originals) in Latvian or English.

2.3. Applicant must at least submit the following documents:

2.3.1. Application for participating in procurement (completing the form included in Annex 1 to this Regulation). If offer documents are signed by the applicant's authorized person, the power of attorney issued by the person having the right of representation must be attached. If offer is submitted by an association of suppliers, offer documents are signed according to provisions of the mutual agreement of suppliers, attaching the mutual agreement;

2.3.2. Technical and financial offer (completing the form included in Annex 2 to this Regulation);



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| 2.3.3. Product installation place inspection confirmation (completing the form included in Annex 3 to this Regulation); |
| 2.4. Applicant must submit the offer sewn-together, attaching the table of contents. |
| 2.5. Applicant must submit offers in a closed envelope personally or mailing offers to the Customer's office at: Apt. 601, 40/22 Ata Kronvalda Iela, Cēsis, LV-4101, Latvia, before 16.00 on 15 May 2019. Envelope must at least specify the name of the procurement, as well as the applicant's name, registration No., address and contact phone. |
| 2.6. If offer is mailed, the interested applicants ensured that the Customer receives the offer not later than by 16.00 on 15 May 2019. |
| 2.7. Applicants may acquaint themselves with the procurement regulation at the Procurement Supervision Bureau and on the Customer's website http://www.balticfloc.lv , receive a copy thereof at the Customer's office in Apt. 601, 40/22 Ata Kronvalda Iela, Cēsis, at 10.00 to 16.00 on working days or by sending a request to the e-mail: info@balticfloc.lv . |
| 2.8. Additional information about the technical specifications is available by contacting the Customer's contact person. |
| 3. PRICE |
| 3.1. Contractual price of the offer must be specified in euro (EUR), VAT excl., as well as separately VAT and the total amount, VAT incl. |
| 3.2. Price must be specified with the delivery of the Products to the Product delivery place, also including in the price the Product installation, construction of communications, connection to communications, run-up, adjustment for normal operation and the Customer's personnel training (providing training to at least 2 employees), provision of warranty and maintenance, as well as including other possible costs related to the delivery of the Products (including possible rise of prices during validity of the contract), in order to provide for high-quality fulfilment of the contract in full amount according to the Customer's requirements. |
| 4. PAYMENT |
| 4.1. Maximum acceptable advance payment is 20% of the total contractual amount (before receiving the advance, supplier will have to submit an advance guarantee, provisions of which are specified in Annex 4 to this Regulation). |
| 4.2. Payment conditions will be stipulated in the contract. |
| 5. APPLICANT SELECTION CRITERIA |
| 5.1. Applicant must be able to provide for the Product delivery, installation, construction of communications, connection to communications, run-up, adjustment for normal operation and the Customer's personnel training (providing training to at least 2 employees), provision of warranty and maintenance according to the technical and functional requirements of the Products. |
| 5.2. Applicants must be entitled to distribute the offered manufacturer's Product (must submit the manufacturer's confirmation, if the Product manufacturer has provided for any). |
| 5.3. Applicant may not have conflict of interests with the Customer in accordance with the restriction provided for by clause 11 of the Cabinet Regulation No 104 of 28 February 2017 - Regulation on procurement procedure and its application to customer's financed projects. |
| 5.4. Applicant must have at least 3 years of experience in delivery, installation, servicing of and provision of warranty to similar Products. |
| 5.5. Applicant has not been recognized insolvent by a court decision, its economic activities have not been terminated or, according to information available in the Commercial Register, is not in process of liquidation, and no other similar situation provided for by the state regulatory enactments exists. Applicant has no tax debts (over EUR 150) and prosecutions for bribery. |



6. MINIMUM TECHNICAL AND FUNCTIONAL REQUIREMENTS TO SUBJECT OF PROCUREMENT

General requirements

- 1) Applicants may replace any and all references to specific standards, Products or manufacturers used in the procurement documents, with the equivalent ones.
- 2) All Products are equipped with a safety system and are connected into one safety system.
- 3) All Products must be able to function fully at least at the ambient temperature from – 20⁰C to + 40⁰C.
- 4) Supplier(s) must also perform installation, connection (including construction of necessary communications from connection places, also constructing the power line from general switching substation, as well as providing for operation of the Products in joint control panel for all equipment), run-up, adjustment of the delivered Products for normal operation and the Customer's personnel training (providing training to at least 2 employees) in general term for delivery of the Products and for the offered price.
- 5) Personnel training must at least include basics of run-up, safe use, servicing of the Product and error elimination.
- 6) Warranty period for the Products is at least 24 months.
- 7) During the warranty period, Supplier's responsibility is to replace or repair damaged parts in case of the Defect of the Product within 2 working days after applying of the Defect or by agreement of the Parties, at the Supplier's own expense. Service response time is within 1 working day after receiving the call.
- 8) During the whole warranty period of the Product, Supplier performs free maintenance of the Product according to the Product maintenance schedule, however at least annually.

6.1. Procurement subject part 1: Chemical dispenser

Necessary quantity: 1 set

Technical parameters

Chemical dispenser from BIG BAGS. Dispenser consists of two separate iron frames with dispensing ducts below. Both chemical ducts are joint using screws in one supply and are mixed, ground by a hammer mill and transported to joint material flow. Dispensing duct supplies chemicals using the screw. Operator may adjust the supplied quantity from the control panel. Chemical supply is connected to the sensor at the material supply and stops supply, when material is not supplied. Electric rope telfer with beam profile extended outside is used for loading and lifting BIG BAGS. Adjustable chemicals supply quantity of at least 10 to 240 kg/h.

Height: 2650 to 3000 mm;

Length: 2250 to 2750 mm;

Width: 1000 to 1300 mm;

Weight: max 3000 kg;

Colour: RAL 9018 or similar tone;

Capacity: at least 10 to 240 kg/h;

Operating voltage: 400 V (50 Hz)

Total maximum power of power-consuming units max 12 kW.

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

6.2. Procurement subject part 2: Fibre separator

Necessary quantity: 1 set

Technical parameters

Automatic division of roll-pressed, baled industrial hemp into two fractions – hemp fibre and hemp shives. Fibre is prepared for further processing, hemp shives are packed in big bags.



Capacity: at least 1500 kg/h;
Colour: RAL 5003 and RAL 9018 or similar tone;
Total maximum power of unit consumption max 40 kW.

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

6.3. Procurement subject part 3: Plate cutter

Necessary quantity: 1 set

Technical parameters

Plate cutter consists of 2 parts.

First part is located before furnace and performs side adjustment for 1800 mm wide sheet after forming unit. Cut material is returned for recycling.

Second part is placed after furnace and must be able to cut material at least into 4 parts.

Capacity: at least 1000kg/h;

Total maximum power of unit consumption max 16 kW.

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

6.4. Procurement subject part 4: Furnace

Necessary quantity: 1 set

Technical parameters

Equipment consists of 4 parts:

1) Requirements to forming:

Vertical air formation chamber laying material in uniform layer before heating in furnace. Material from forming chamber is supplied to furnace using conveyor with adjustable condensation belt.

Product thickness: adjustable at least 20 to 100 mm;

Product weight: at least 800 g/m² to 8000 g/m²;

Capacity: at least 750 kg/h;

Product width: at least 1800 mm.

2) Requirements to furnace:

Special heating furnace for waste paper, hemp and other fibres. Operates with natural gas and electric power

Product width: at least 1800 mm;

Product thickness: at least 2 to 10 cm;

Density: at least 40 to 100 kg/m³;

Operating temperature adjustment: at least 30 to 220 °C;

Capacity: at least 750 kg/h.

3) Requirements to cooling:

Cooling system has 3 positions.

Cooling takes place immediately after furnace by air ventilation. Air ventilation is followed by shafts filled with cold water. Final cooling also by air ventilation.

4) Requirements to calibration:

Calibration takes place in cooling part with cold water shafts, where final material sized is formed by decreasing shaft size.

Product thickness: at least 20 to 100 mm;

Product width: at least 1800 mm;

Total maximum power of unit consumption max 150 kW.

Additional requirements

Must be supplied with technical and operating documentation in Latvian.



6.5. Procurement subject part 5: Mixing bunker

Necessary quantity: 1 set

Technical parameters

Mixing bunker is intended for mixing different fibres into one mass. Cyclone is located above dispensing bunker ensuring free material flow to bunker, driving away the excess air. Equipment consists of 3 parts:

1. Material storage part.
2. Material feeding part.
3. Material mixing and supplying part.

Capacity: at least 750 kg/h;

Mixing speed: at least 50 to 70 rpm;

Total maximum power of unit consumption max 30 kW.

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

6.6. Procurement subject part 6: Loading conveyor, 3 sets

Necessary quantity: 3 sets

Technical parameters

Material supply conveyor consists of 2 parts. First part is intended for material loading and sorting. Conveyor will be in horizontal position. Conveyor type - chain conveyor with veneer deck able to jointly withstand loading weight of at least 1.5 t. First conveyor is followed by second conveyor supplying up the sorted material. Conveyor is intended for dispensing the material to grinder from the top. Conveyor type – rubber conveyor.

Conveyor No. 1

Width: at least 1250 mm;

Length: at least 5000 mm;

Height: adjustable at least 600 to 800 mm;

Support board height: at least 1000 to 1200 mm;

Operating voltage: 400 V 50 Hz;

Supply speed: adjustable 0.01 to 0.2 m/s;

Conveyor type: chain conveyor with veneer deck;

Colour: RAL 5003 or similar tone.

Conveyor No. 2

Width: at least 1250 mm;

Length: 9400 to 10000 mm;

Height: 100 to 2800 mm;

Board height: 500 to 600 mm;

Operating voltage: 400 V 50 Hz;

Speed: adjustable 0.2 to 0.7 m/s;

Conveyor type: rubber conveyor;

Colour: RAL 5003 or similar tone;

Total maximum power of unit (each set) consumption max 5 kW.

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

6.7. Procurement subject part 7: Dispensing bunker, 3 sets

Necessary quantity: 3 sets

Technical parameters

Dispensing bunker must provide for accumulation of material and uniform production flow. Below the bunker are two mixers keeping the material in motion and directing it to the dispensing



exit in the bottom. Bunker sides in the bottom part are rounded, pressing against material mixers. Cyclone is located above dispensing bunker ensuring free material flow to bunker, driving away the excess air.

Requirements to dispensing bunkers:

Length: up to 2200 mm;
Width: up to 2700 mm;
Height: up to 3400 mm;
Operating voltage: 400/50 V/Hz;
Bunker volume: at least 12 m³;
Dispensing exit size: 850 x 1700 mm;
Colour: RAL 5003 or similar tone;
Metal thickness: at least 4 mm.
Total maximum power of unit (each set) consumption max 12 kW.

Requirements to cyclones:

Width: 1300 mm;
Height: 3200 mm;
Input/output: 400 mm;
Colour: RAL 9018 or similar tone;

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

6.8. Procurement subject part 8: Dispenser, 3 sets

Necessary quantity: 3 sets

Technical parameters

Dispenser is located under dispensing bunker and its purpose is dispensing material in necessary quantity on collection transport conveyor. Dispensed material speed adjustable. Material is not supplied if level in bunker is below the sensor mark.

Gate size: 850 x 1700 mm;
Spindle diameter: at least 120 mm;
Capacity: adjustable at least 20 to 1500 kg/h;
Metal thickness: at least 4mm.
Total maximum power of unit (each set) consumption max 4 kW.

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

6.9. Procurement subject part 9: Packer

Necessary quantity: 1 set

Technical parameters

Packer consists of 2 parts. Packing must provide for manually piling of sheets, after a signal, sheets are automatically packed in film and go through thermal tunnel tightening film around material. Material is further accumulated on roll conveyor. Second part is pallet wrapper providing for stable, straight pallet wrapping.

Sheet package size: at least 400 x 400 x 400 mm to 1200 x 1000 x 800 mm;
Thermal chamber temperature: adjustable at least 30 to 220 °C;
Packing power: at least 1000 kg/h;
Total maximum power of unit consumption max 15 kW.

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

6.10. Procurement subject part 10: Dust filters, 2 sets

Necessary quantity: 2 sets



Technical parameters

Dust filters must provide for purification of equipment air from dust. Dust filters must be provided with fire safety. Dust filters must provide for purification of air from mixing and dispensing bunkers. Below the dust filter must be provided screw with gate output, so that dust can be discharged without stopping plant operation. Cleaning of vibrofilters or pneumofilters of the dust filter must be ensured.

Operating voltage: 400/50 Hz;

Height: at least 490 to 510 mm;

Size: at least 1.64 x 1.64;

Filter elements: 36 pcs. special fabric;

Maximum air flow: at least 15000 m³/h;

Colour: RAL 9018 or similar tone

Total maximum power of unit (each set) consumption max 1 kW.

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

6.11. Procurement subject part 11: Air supply, 6 sets

Necessary quantity: 6 sets

Technical parameters

Air supply provides for material transportation from grinders to dispensing bunkers, from collection conveyor to mixing bunker and taking all dust, excess air to dust filters. Pipe diameter 315 to 400 mm. Price must also include pipes and fittings.

Operating voltage: 400 V 50 Hz;

Maximum air flow: at least 15000 m³/h;

Colour: RAL 9018 or similar tone;

Pipes: galvanized.

Total maximum power of unit (each set) consumption max 15 kW.

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

6.12. Procurement subject part 12: Collection transport conveyor

Necessary quantity: 1 set

Technical parameters

Collection transport conveyor is a conveyor, on which pouring materials of 3 types are dispensed from dispenser. Conveyor must be provided with boars for holding the material. 100 to 300 kg of material will be on the conveyor simultaneously.

Length: at least 15000 to 17000 mm;

Width: at least 1250 mm;

Height from the floor: at least 600 to 800 mm;

Board height: at least 500 to 600 mm;

Operating voltage: 400 V 50 Hz;

Speed: adjustable at least 0.1 to 0.5 m/s;

Colour: RAL 5003 or similar tone;

Total maximum power of unit consumption max 5 kW.

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

6.13. Procurement subject part 13: Hammer-type grinders, 2 sets

Necessary quantity: 2 sets

Technical parameters

Grinder is intended for grinding waste paper and hemp fibre to a specific fraction. Hammer-type



grinder must ensure simple replacement of hammers (knives) and sieve. Material loading from the top.

Capacity: at least 1500 kg/h;

Sieve size: 5 mm.

Total maximum power of unit (each set) consumption max 100 kW.

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

6.14. Procurement subject part 14: Control panel

Necessary quantity: 1 set

Technical parameters

Control panel is necessary for connection of the mentioned equipment to a joint control panel and its control in the system. Control panel (HMI) allows adjusting speed and operation of individual units. Equipment control must be provided with a programmable logic controller (PLC). Control panel must have at least 14” screen.

Colour: RAL 5003 or similar tone;

Additional requirements

Must be supplied with technical and operating documentation in Latvian.

ATTACHED:

| | |
|---------|--|
| Annex 1 | - Application for participation in procurement |
| Annex 2 | - Technical and financial offer form |
| Annex 3 | - Product installation place inspection confirmation |
| Annex 4 | - Advance guarantee provisions |



Annex No. 1

APPLICATION FOR PARTICIPATION IN PROCUREMENT

Purchase of equipment for a trial production line of alternative recycling of waste paper and hemp fibre into innovative heat insulation materials with improved thermal conductivity

Note: *Applicant must complete empty spaces in this form.*

To: SIA BALTICFLOC, reg. No. 44103062908, registered office: Apt. 601, 40/22 Ata Kronvalda Iela, Cēsis, LV-4101, Latvia

According to the procurement procedure regulation, we _____, (*applicant's name and reg. No.*) the undersigned confirm that we agree to the procurement procedure regulation. We conform that we will deliver, install, connect (including construction of necessary communications from connection places, also constructing the power line from general switching substation, as well as providing for operation of the Products in joint control panel for all equipment), run up, adjust the Products for normal operation and train the Customer's personnel (providing training to at least 2 employees), provide warranty and maintenance for the Product in the procurement subject part _____, in according with requirements provided for by the procurement procedure regulation.

1. We confirm that:
 - 1.1. We have acquainted ourselves with the procurement procedure documents and agree to all provisions mentioned by them, they are clear and understandable, we have no objections or complaints in this regard;
 - 1.2. The offered Product matches all requirements provided for by the procurement procedure documents;
 - 1.3. If Customer chooses this offer, we undertake to conclude the contract and fulfil all contractual provisions;
 - 1.4. We have all necessary resources at our disposal for timely and high-quality fulfilment of the contract in accordance with the requirements provided for by the procurement procedure documents;
 - 1.5. We are able to provide for the warranty to the Product.
2. We confirm that all submitted documents in the technical and financial offer are an integral and mandatory part of this application.



3. Offer is valid until _____.____.2019.¹
4. We require/do not require (strike-out the unnecessary) a pre-payment of ____% of the product price in the procurement subject part _____.
5. Information about the applicant or the person representing the association of suppliers in the procurement procedure:

| | |
|---|--|
| Applicant's name | |
| Registered with No. | |
| Registered office | |
| Office address | |
| Contact person (<i>name, surname, position</i>) | |
| Phone | |
| Fax | |
| E-mail address | |
| Taxpayer's registration No. | |
| Bank | |
| Code | |
| Account | |

I hereby assume full liability for the set of the documents submitted in the procurement procedure, information contained in them, execution, conformity to the requirements of the procurement regulation. Provided information and data are true.

Signature: _____

Name, surname: _____

Position: _____

Signature: _____

¹Offer must be valid at least 3 months after the offer submission term end.
Customer may agree with the applicant on extension of the offer term.

Technical and financial offer form

TECHNICAL AND FINANCIAL OFFER FOR PART __

(To be completed individually for each part)

Applicant's name: _____

Registration number: _____

Registered office: _____

By submitting this offer we confirm that we will provide for delivery, installation of the Products, construction of communications, connection to communications, run-up, adjustment, Customer's personnel training, warranty and maintenance provision according to the requirements of the regulation of the procurement **Purchase of equipment for a trial production line of alternative recycling of waste paper and hemp fibre into innovative heat insulation materials with improved thermal conductivity, hereinafter referred to as the procurement.**

| No. | Product name / model name / product manufacturer | Quantity and unit | Detailed technical and functional description of the Product | Warranty period, months | Price, EUR, VAT 21% excl. (one unit) | Total price, EUR, VAT 21% excl. |
|-----|---|-------------------|--|-------------------------|---|---------------------------------|
| 1. | Name: Manufacturer: Model: | | Technical and functional description: Internet address, where it is possible to see the Product description and other information about the product (if available): | | | |
| | | | | | Total contractual price, VAT excl. | |
| | | | | | VAT 21% | |
| | | | | | Total contractual price, VAT incl. | |

Total contractual price of the offer, VAT excl., in words: _____

VAT 21%, in words: _____

Total amount, VAT 21% incl., in words: _____

We confirm that the offered contractual price includes all costs related to delivery, installation, connection (including construction of necessary communications from connection places, we will also construct the power line from general switching substation, as well as providing for operation of the Products in joint control panel for all equipment), run-up, adjustment of the delivered Products for normal operation and the Customer's personnel training (providing training to at least 2 employees), provision of warranty and maintenance of the Products (including possible rises of price during validity of the contract), in order to provide for high-quality fulfilment of the contract in full amount according to the Customer's defined requirements.

Signature of the person with signatory authority: _____

Name, surname: _____

Position: _____

Date: _____

Product installation place inspection confirmation

Cēsis, <day> <month> 2019

Inspection started – <time>

I confirm that, according to regulation of SIA BALTICFLOC, reg. No. 44103062908, registered office: Apt. 601, 40/22 Ata Kronvalda Iela, Cēsis, LV-4101, Latvia, hereinafter referred to as the Customer, organized procurement Purchase of equipment for a trial production line of alternative recycling of waste paper and hemp fibre into innovative heat insulation materials with improved thermal conductivity, we have inspected the Product installation place: Apt. 601, 40/22 Ata Kronvalda Iela, Cēsis, LV-4101, Latvia.

Applicant's authorized representative has acquainted themselves with the condition of the Product installation place and amount of works to be performed on site.

Inspection finished – <time>

Applicant's name: _____

Signature of the official or authorized person: _____

Signer's name, surname and position: _____

Approved:

Customer: _____
(Name, surname)

(Signature)

Advance guarantee provisions

1. **Advance guarantee** must be a guarantee issued by a credit institution, its branch or a foreign credit institution branch entitled to provide services in the Republic of Latvia or an insurance policy issued by an insurance company entitled to provide services in the Republic of Latvia, if it is issued according to the same conditions provided for by the procurement procedure documents as the credit institution's guarantee. Guarantee amount may be decreased according to the repaid advance amount, deducting it from the amounts mentioned by the Contractor's issued invoices.

Guarantee must include the following terms and conditions:

- 1.1. The Guarantor undertakes to pay the Customer's requested amount not exceeding the guarantee amount on the Customer's first written request, where the Customer specifies that the Contractor has not repaid the advance at the requested amount in accordance with the procedure provided for by the contract;
 - 1.2. Guarantee amount is equal to the advance amount;
 - 1.3. Guarantee must be valid from the advance payment date to the moment, when the Contractor intends to repay the advance amount fully, and another 28 (*twenty-eight*) days;
 - 1.4. Guarantee is irrevocable;
 - 1.5. The Customer must not request the guarantee amount from the Contractor before submitting the request to the guarantor;
 - 1.6. The ICC Uniform Rules for Demand Guarantees, ICC Publication No. 758 are applicable to the guarantee, and in respect of the matters not regulated by the mentioned ICC Rules, regulatory enactments of the Republic of Latvia are applicable to this guarantee. Regulatory enactments of the Republic of Latvia are applicable to the guarantee issued by an insurance company. Demands and disputes related to this guarantee will be examined by the court of the Republic of Latvia according to the regulatory enactments of the Republic of Latvia.
2. Guarantees may also be issued for a shorter term and guarantee extension submitted to the Customer not later than 10 (*ten*) days before the guarantee end term.