



CZECH REPUBLIC
DEVELOPMENT COOPERATION

Bosnia and Herzegovina

**“Support to development departments
of municipalities and the City of Sarajevo”**

Tender Documentation for a Small Scale Public Contract

2014

Ref. No.: 280999/2014-ČRA

TENDER DOCUMENTATION
for a Small Scale Public Contract
on Supply

The Czech Development Agency
Nerudova 3, 118 50 Prague 1

announces

in accordance with Act No. 151/2010 Coll., on Foreign Development Cooperation and Humanitarian Aid Provided Abroad and on Amendments to Related Acts and Government Resolution No. 403 of May 29, 2013, on Foreign Development Cooperation in 2014 and the Mid-term Outlook of its Funding until 2016

Public Contract

**“IT equipment for the project Support to development departments
and the City of Sarajevo”**

The intervention will be implemented within the framework of the Czech Republic’s Official Development Assistance
(Hereinafter referred to as “ODA”) in Bosnia and Herzegovina

Contracting authority:	
Name of the contracting authority:	Czech Republic – Czech Development Agency (CzDA)
Address of the contracting authority:	Nerudova 3, 118 50 Prague 1, Czech Republic
Registration Number /Tax identification number	75123924 / not a payer of VAT
Person authorized to negotiate in the contractual matters:	Ing. Michal Kaplan, director of Czech Development Agency
Phone/fax:	+420 251 108 130/+420 251 108 225
E-mail:	kaplan@czda.cz
Contact person in technical matters:	Ing. Michaela Cvečková
Phone:	+420 251 108 134
E-mail:	cveckova@czda.cz

The Tender Documentation defines the subject of the Public Contract at the level of detail necessary to prepare an offer. The documentation contains supplementary information to the public contract notice as well as the tender conditions that the Contracting Authority will assess and that if not met will result in the offer's elimination from the evaluation. The Tender Documentation is binding for the tenderer.

1. Description of the current situation and the project

Overall goal of this intervention is to improve living standards of the inhabitants of Sarajevo. Specific objective of the project is the increase of projects financed by IPA or other funds available in Bosnia and Herzegovina.

Bosnia and Herzegovina has signed the pre-Assessment Contract with the EU and thus has access to various EU funds. Those funds are not being used fully. The project is focused on trainings of the staff of municipalities and the city of Sarajevo on PCM and writing of project proposals. The technical part of the project is delivery of IT equipment that will allow the trained personnel to work on the project proposals. This IT component is the focus of the tender.

2. Detailed specification of the Public Contract

The subject of this Public Contract includes:

- Procurement of personal computers (PCs) and printers in quantities and as per the minimal technical requirements stated below
- Delivery and installation of all IT equipment in 4 municipalities and the City of Sarajevo offices (5 locations in total in Sarajevo)
- Training in the usage of the supplied technology for the final users (separately per locations)
- Guarantee min. 2 years
- Service in place available

All the equipment must be new and the least violating to the environment.

The minimal technical details for the IT equipment are as follows (meaning the offered equipment must be of this or higher standards):

PC:

Intel Core i3, RAM min. 4GB, graphic card, HDD 500GB, USB 3.0, Bosnian keyboard, mouse, Windows 7 Professional 64-bit (D5T98EA), Antivirus, WiFi card
Quantity: 20 PCs (4 per partner institution)

Monitor:

LED, VA, min. 22''
Quantity: 20 Monitors (4 per partner institution)

Laser color multifunctional printer-scanner-copier machine:

A4 format, LCD, 20pages/min., 600x600dpi, Wireless Direct, USB 2.0, LAN, WiFi, including 1 spare set of cartridge

Quantity: 5 machines (1 per partner institution)

Black and white printing machine:

Laser printing machine format A4, 18pages./min, 600x600dpi, 2MB, USB 2.0, LAN, WiFi, including 1 spare set of cartridge

Quantity: 5 printers (1 per partner institution)

3. Term and place of the performance of the Public Contract

Term of the performance of the Public Contract

The Public Contract shall be executed on the basis of a contract concluded between the CzDA and the tenderer.

The Contracting Authority has specified the following conditions associated with the term of performance of the Public Contract:

- **Deadline for starting the performance of the supply:** after the contract is signed with the tenderer – assumption: **3.9.2014**
- **Deadline for completing the performance of the whole supply (including installations and training):** **30.9.2014**

Place of performance of the Public Contract

The place where the IT equipment shall be delivered is Sarajevo (town halls of 4 municipalities and the City of Sarajevo), Bosnia and Herzegovina. Contacts will be given to the winning tenderer once the contract is signed.

4. Expected value of the Public Contract

Expected value of the Public Contract: CZK 500 000 incl. VAT

The total amount of funds that will be released for the execution of the Public Contract in the period of 9.-10. 2014 is a maximum of CZK 0.5 million, incl. VAT. This is the maximum possible price that cannot be exceeded. Should the tenderer's offer contain a value that exceeds this amount, the Contracting Authority shall eliminate the tenderer from the tender proceedings for failure to comply with the tender conditions.

5. Requirements for proof of qualifications

The qualifications for this Public Contract shall be proven in the following way and according to the requirements specified below:

- The tenderer shall demonstrate that he himself/her herself or one of his suppliers has already delivered a contract of supply of the same or similar IT equipment, having a similar or higher financial value and the same or higher quality.
- By presenting an extract from the Public registry, Businesses and Property registration if the supplier is registered there, or an extract from another similar register if he/she is registered there. Extracts from the Public registry, Business and Property registration may not be older than 90 calendar days.
- By providing proof of the clean criminal record (Legal Entity of Public Law-Service Agency of the Ministry of Internal Affairs of Bosnia and Herzegovina) of the tenderer's statutory representatives.

In cases where the proof of the qualification is provided through sub-suppliers, the supplier is obligated to submit to the Contracting Authority a contract concluded with the sub-supplier that proves the sub-contractor's commitment to provide services designated for the performance of the Public Contract by the supplier or to provide items or rights that the supplier will be authorized to handle when delivering the Public Contract, namely at least in the scope in which the sub-supplier proved his compliance with the qualification requirements.

Consequences of non-compliance with the qualification requirements

Suppliers who do not comply with the qualification requirements in the required scope shall be eliminated by the Contracting Authority from participating in the tender proceedings.

Authenticity and age of documents

The tenderer shall deliver simple copies of the documents proving his/her compliance with the qualification requirements. Documents proving compliance with the qualification requirements that are in a language other than English **must be delivered in an officially translated version**. Documents proving compliance with the basic qualification requirements as well as the extract from the Public registry, Business and Property registration may not be older than 90 calendar days on the last day as of which the qualification compliance is to be proven.

6. Offer preparation method, offer format

The tenderer's offer shall be prepared in writing exclusively in English (documents in other language or non-translated documents let to elimination of the offer) and shall comply with the Contracting Authority's requirements specified in the tender proceedings notice and in this tender documentation.

OFFER DIVISION:

1) Document part:

- a) Proposal cover sheet, see Annex No. 1, containing the following declaration:
 - The tenderer's declaration that the specified final tender price is the final price and the maximum permissible price for the entire duration of the Public Contract.
- b) The contents of the offer including the page numbers for specific sections (chapters, parts)
- c) A list of the submitted documents proving the tenderer's qualification
- d) Specific documents used by the tenderer to prove fulfillment of the qualifying criteria

2) Technical part: other documents (according to the Contracting Authority's requirements for the preparation of the offer in the individual points of this tender documentation)

- a) the "Contract Performance Description" document, min. 1 page of A4 format which shall also contain:
 - Description of the supplied products, which should definitely show the technical requirements as per the minimal technical requirements in Chapter 2
 - Warranty length on all of the supplied products in full months
 - Time frame for delivery, installation, trainings
 - Method and conditions of the provision of the warranty service, i.e. guaranteed time for the elimination of the defects and failings in the products (in days)
 - Confirmation, that the offer includes also delivery, installation of equipment and training on its use for the final users in 5 different locations in Sarajevo
- b) Other requirements by the Contracting Authority according to Article 12 of this tender documentation (supplier system);

The "Contract Performance Description" document, which the tenderer submits as a part of the offer, shall be binding for the tenderer. The information contained in this document shall be evaluated in the offer evaluation according to the declared evaluation criteria specified in this tender documentation.

The "Contract Performance Description" document of the corresponding winning offer shall become a part of the contract when the commercial contract on the project implementation is executed.

3) *Tender price*

- a) filled in offer cover sheet, Annex No. 1
- b) presented in the draft contract, Annex No. 2.

4) *Draft contract*

Attach to the offer a draft contract pursuant to Article No. 2 signed by the tenderer.

- 5) The last sheet of the offer shall be the tenderer's declaration specifying the total number of sheets of all parts of the offer; it shall be signed by a person authorized to represent the tenderer.

FORMAT OF THE PROPOSAL

The proposal, including all documents, shall be prepared in electronic version (can be scanned). All sheets included in the proposal shall be numbered using a consecutive numerical sequence.

All the materials should be compressed to the RAR or ZIP format with max. size 3 MB. The proposal should be sent via e-mail to the following address: olga_zdralkova@mzv.cz, with the copy of the e-mail sent to the contact person, to the following e-mail: cveckova@czda.cz.

The subject of the e-mail should be the following: "IT Equipment BiH". The following template should be included in the body of e-mail with the basic information about the tenderer:

Business name, respectively name of the tenderer or multiple suppliers jointly, legal form

Identification number (or registration number)

Tenderer's registered office or residence

Post code Municipality/City

Public Contract – open proceedings

"IT equipment for the project Support to development departments of municipalities and the City of Sarajevo"

7. **Tender price preparation method**

Requirements for the method used to prepare the tender price and the objective conditions under which it is possible to exceed the tender price:

- The tenderer shall specify the total tender price in Czech crowns.

- The tenderer shall specify the total tender price in Czech crowns broken down as the price excluding VAT, the amount of any Czech VAT and the total price including Czech VAT (in both numbers and words). The tenderer shall specify this tender price on the offer's cover sheet, and the tenderer shall also specify the total price, including any Czech VAT, in the draft of the implementation contract. This total tender price is the highest permissible price for the entire duration of the Public Contract. The total tender price, including any Czech VAT, shall also be included in the evaluation.
- The total tender price must include all of the costs of the tenderer/contractor of performing the Public Contract, including all taxes, even including taxes and VAT in the recipient's country, all customs fees, including changes in tax rates including any VAT, including all other fees, as well as the risks associated with the effects of changes of the Czech currency's exchange rates, general price developments and all other costs of the tenderer/contractor. These costs shall be paid solely by tenderer.
- By submitting a proposal in this tender procedure, the tenderer acknowledges that the price offered by him must include all of the above mentioned costs of the performance of the Public Contract. The tenderer is obliged to include these costs into the tender price.
- The Contracting Authority shall not allow the tender price to be exceeded. The tender price shall be valid for the entire duration of the Public Contract.

8. Commercial and payment conditions

Commercial conditions

The Contracting Authority has stipulated the commercial conditions for performance of the Public Contract, namely in the form of a draft contract of a mandatory nature. The text of the draft contract is a part of the tender documentation (Annex No. 2).

The tenderer shall fill in the missing information in the electronic version of the draft contract and submit it as a part of the proposal.

The tenderer shall fill in the marked blank fields in the text of the draft contract without in any way changing the wording of the draft. If the tenderer modifies the wording of the contract in a way other than the method specified above, he shall be eliminated from the tender proceedings.

The draft contract shall be signed by the tenderer's authorized person in a manner that is consistent with the legal entity's or natural person's method of representation according to the Commercial or Civil Code. An unsigned contract shall be deemed to constitute an unsigned offer within the meaning of the law and therefore has no legal effect. Offers containing an unsigned contract shall be eliminated from the tender proceedings and the tenderer shall be eliminated for failure to comply with the tender conditions.

Payment conditions

The payment conditions are specified in the Annex No.2 - draft contract.

9. Evaluation method

The proposals shall be evaluated based on the **economic benefits** of the proposals using the following criteria:

Partial criteria

Description of the criteria	Weights in %:
a) Total tender price including VAT - weight of the partial criterion	70%
b) Duration of the warranty on the supplied goods (in months)	15%
c) The guaranteed time for the elimination of the defects and failings in the products according to warranty (in days)	15%

Specification of individual partial criteria and the evaluation method

In partial criterion a), the Contracting Authority shall evaluate the total tender price, including VAT, in CZK. The total tender price must be presented in the Annex No. 2 of the tender documentation. The tender price is the total price (according to Annex No. 2 of the tender documentation).

In partial criterion b) and c) the Contracting Authority shall evaluate the stated duration of the warranty on the supplied material, as it will be shown in the Contract Fulfillment process Description as well as the guaranteed time for the elimination of the defects and failings in the products according to warranty.

The actual evaluation within the given partial criterion shall be performed by the evaluation committee on the basis of the following partial criteria.

Name of the partial criterion	Corresponding weight of the criterion
Total price of the contract incl. VAT	70%
The length of the warranty on the supplied goods in months	15%
Method and conditions of the provision of the warranty service, i.e. days until the solution of the emerged problem	15%

Point value allocation method:

For the purposes of the evaluation of their proposals, the tenderers are obligated to provide information as specific as possible regarding the individual partial criteria. The information provided for the purposes of the evaluation is also binding from the perspective of the subsequent performance of the subject-matter of the contract.

A scoring scale ranging between 0 and 100 points for each partial criterion shall be used to evaluate the proposals. Scores reflecting the success of the proposal shall be assigned to each evaluated proposal.

For criteria that can be expressed numerically and for which the best offer has the lowest value within the criterion (total tender price), the offer being evaluated shall receive a score that is determined by multiplying 100 and the ratio of the value of the best offer to the offer being evaluated.

The evaluation committee shall perform the evaluation according to the scoring method by multiplying the individual scores of the offers according to the partial criteria by the corresponding weight of the given criteria. Based on the sum of the resulting scores for the individual offers, the evaluation committee shall create the order of the success of the individual offers by designating the offer that received the highest score as the most successful one.

All evaluated offers shall be ordered according to the final scores from the offer with the highest score to the offer with the lowest score. The offer with the highest score shall be considered as the most economically beneficial offer.

The tenderer is not entitled to make his proposed conditions that are the subject of the evaluation subject to another condition. Making a condition subject to another condition or stating several different values for conditions that are a subject of the evaluation shall be deemed to constitute a reason for excluding the offer and eliminating the tenderer from the tender procedure. The Contracting Authority shall proceed in a similar manner if the value of a condition that is the subject of the evaluation is stated in a variable or form that is different from the one required by the Contracting Authority.

10. Tour of the place of performance, requesting additional information to the tender documentation

Tour of the place of the performance of the Public Contract

The Contracting Authority will not organize a tour of the place of the performance of the Public Contract.

Additional information to the tender documentation

Any requests for the provision of additional information to the tender documentation and the tender conditions shall be accepted by the Contracting Authority until 6 working days before the deadline for the submission of offers; the requests must be made by E-mail to the addresses of the persons authorized to award contracts (See Chapter 11).

11. Method of delivery and deadline for the submission of proposals

The way for the submission of Public Contract proposals is by e-mail to the following addresses. The proposals have to be sent to both of them as below:

To: olga_zdralkova@mzv.cz

Copy: cveckova@czda.cz

Contact person for the acceptance of proposals: Olga Zdrálková, Michaela Cvečková

Proposals may be submitted until 12.9.2014, 12 pm (noon) of time in Bosnia and Herzegovina (CET +1).

All tenderers who submit a proposal by the deadline stipulated for the submission of proposals shall receive a proposal acceptance confirmation via e-mail within 24 hours from the reception (working days). The confirmation shall contain information about the tenderer and the date and time the proposal is delivered.

Each tenderer may only submit one proposal.

11. Date and place of the opening of the proposals

The proposals shall be opened on 12.9.2014 from 12:05 PM of the Czech time (CET +1) at the Contracting Authority's address. The evaluation will take place within the deadline for submission of proposals and 3 coming working days (i.e. between 28.8. and 2.9.2014 including those dates).

12. Other requirements of the Contracting Authority regarding the performance of the Public Contract

Supplier system

The Contracting Authority requires the tenderer to specify in the proposal the parts of the Public Contract that he/she intends to assign to one or more sub-suppliers and to also specify the identification information and contact information of each sub-supplier. The tenderer shall be deemed to have complied with this condition of the Contracting Authority by providing a declaration in which he describes the sub-supplier system and specifies which part of the Public Contract the specific sub-suppliers will execute (the type of activity and percentage financial share of the subject-matter of the Public Contract shall also be specified).

The Contracting Authority requires each sub-supplier to provide his written consent to being included in the proposal as a sub-supplier (e.g., in the form of an contract on a future contract between the supplier and sub-supplier). The tenderer shall also add to the proposal a binding written declaration of each sub-supplier on the future cooperation signed by the persons authorized to act on behalf of or represent the sub-supplier.

If the tenderer does not intend to assign a certain part of the Public Contract to another entity (sub-supplier), he/she shall add to his proposal a written Declaration specifying this fact.

13. Additional requirements of the Contracting Authority

The Contracting Authority also requires:

- all of the tenderer's declarations in the proposal shall be signed by a person authorized to act on the tenderer's behalf
- all of the tenderer's correspondence to the Contracting Authority related to this Public Contract shall be executed in English

The Contracting Authority shall not allow different versions of proposals.

14. The rights of the Contracting Authority

- The Contracting Authority reserves the right to refine the Public Contract specification or to add commercial and technical conditions. Any requirements to make changes in the tender conditions shall be exercised in the same way towards all tenderers
- The costs of participating in the tender procedure and preparing the proposal shall not be reimbursed to the tenderers.
- The Contracting Authority reserves the right to verify or clarify information declared by the tenderers in the proposals before making the decision on the selection of the best proposal.
- The Contracting Authority reserves the right to eliminate tenderers from further participation in the Public Contract if they state false information in their proposals.
- The Contracting Authority reserves the right to cancel the tender anytime without giving any specific reason.


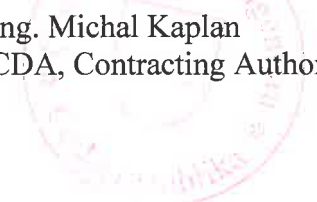
17. List of annexes to the tender documentation

- No. 1 Proposal cover sheet template
- No. 2 Draft contract

In Prague, 20.8.2014

Prepared by: Michaela Cvečková

Approved by:


Ing. Michal Kaplan
CDA, Contracting Authority


Annex No. 1 to the tender documentation Ref.No.280999/2014-ČRA

Offer cover sheet

Primary information:

Name of the public procurement:

“Support to development departments of municipalities and the City of Sarajevo – Delivery of IT equipment”

Owner: Czech Republic – Czech Development Agency

Address: Nerudova 3, 118 50 Prague 1, Czech Republic

Registration number: 75123924

Person authorized to negotiate

on behalf of the Czech Development Agency: Ing. Michal Kaplan, director

Applicant:

Address:

Registration number:

Tax identification number:

Person authorized to negotiate

on behalf of the applicant:

Bank connection:

Persons empowered

to represent:

Offer price:

Total price without VAT: CZK

VAT:.....CZK

Total price incl. VAT: CZK

Aforementioned total offer price incl. VAT is the final price, and can't be exceeded during the whole period of implementation of the public procurement.

In.....on (date).....

.....

First name, Last name, signature of the authorized person

CONTRACT

No. /2014-ČRA

BETWEEN

CONTRACT OWNER:	CZECH REPUBLIC – CZECH DEVELOPMENT AGENCY
Represented by:	Mr. Michal Kaplan, director
Residence:	Nerudova 3, 118 50 Praha 1
Contract owner's contact person:	Ing. Michaela Cvečková
Phone.:	+420 251 108 134
E-mail:	cveckova@czda.cz
Identification number:	75123924
Bank connection:	Czech National Bank, Na Příkopě 28, Prague 1
Account Number:	0000 – 72929011/0710
(hereafter „CzDA“)	

and

Supplier:
Represented:
Residence:
Supplier's contact person:
Phone.:
E-mail:
Registration number:
Tax identification number:
Bank connection:

(hereafter „Supplier“)

ON PROVISION OF SERVICES

1. SUBJECT OF THE CONTRACT

The subject of the Contract is specified in Annex 1 to this Contract forming "Contract Performance Description".

Period of performance:

September 2014

2. TERMS OF PAYMENT

2.1. The CzDA shall reimburse the Supplier for the goods and services specified in Article 1 of this Contract. The maximum amount to be paid by the CzDA under this specific Contract for the services listed in Article 1 of this Contract shall not exceed the amount of 500,000,- CZK (price including VAT).

The request for the payment shall be admissible only if accompanied by the relevant invoice issued by the Supplier and in accordance with Article 1. The invoice should be annexed by the originals of hand-over protocols for all goods and services provided in English.

2.2. The payments will only be done in CZK.

2.2.1. Figures in the Supplier's invoices will be in CZK.

2.3. The CzDA shall reimburse the invoice to the Supplier within 21 days of the date on which the request for payment was approved by the CzDA and after the hand-over protocols were delivered and accepted by the CzDA in accordance with Annex 1. Contract Performance Description.

2.4. The above mentioned amounts will be **paid only by bank transfer** to the following account opened in the name of the Supplier:

Intermediary Bank:

Beneficiary Bank:

Beneficiary:

Account No:

3. OBLIGATIONS OF THE SUPPLIER

The Supplier undertakes:

3.1. To ensure service and utilize the money paid by the CzDA exclusively for the purpose of the project and in accordance with the terms and conditions set out in this Contract.

3.2. To observe any applicable laws in the execution of this Contract, and to hold the CzDA harmless of any claims from third parties (including State authorities) related to the execution of this Contract.

4. PATENTS, LICENSES AND INTELLECTUAL PROPERTY

4.1. The Supplier undertakes to protect the CzDA against all third-party actions for breach of copyright or other intellectual property rights, which might arise out of this Contract.

- 4.2. The Supplier declares that it is the rightful owner of the intellectual rights to all information supplied by virtue of this Contract, and that it is entitled to sell or transfer those rights in accordance with the terms of this Contract. If intellectual rights are the property of third parties, the Supplier shall request those third parties to confirm to the CzDA, in writing and within four weeks following signature of the Contract, that the Supplier is indeed entitled to sell or dispose of those rights in accordance with the terms of this Contract.
- 4.3. When the provision of services involves the use of a patent, certificate of utility (utility model), trademark, industrial drawing or model belonging to a third party, the Supplier shall indemnify the CzDA against infringement proceedings brought by that party.
- 4.4. The CzDA and the Supplier shall exchange all information on any industrial property right that could impede the performance of the Contract.

5. DOCUMENTATION

- 5.1. Thereafter, the Supplier shall provide free of charge to the CzDA any update of the documentation provided.
- 5.2. The Supplier shall permit the CzDA to reproduce all or part of the documentation provided, for its internal needs, directly connected with use by its personnel. The CzDA shall ensure that any indication concerning the intellectual property rights appearing on the original copies is reproduced.

6. QUALITY AND STANDARDS

- 6.1. The Supplier undertakes to perform the Contract to the highest professional standards. The Supplier shall have sole responsibility for complying with any legal obligations incumbent on him, notably those resulting from employment, tax and social legislation.
- 6.2. The Supplier shall have sole responsibility for taking the necessary steps to obtain any permit or license required for performance of the Contract under the laws and regulations in force at the place where the tasks assigned to him are to be executed.
- 6.3. The Supplier must ensure that any member of the staff performing the Contract has the professional qualifications and experience required for the execution of the tasks assigned to him.
- 6.4. The Supplier shall neither represent the CzDA nor behave in any way that would give such an impression. The Supplier shall inform third parties that he does not belong to the Czech public service.
- 6.5. The Supplier shall have sole responsibility for the member of the staff that executes the tasks assigned to him.
- 6.6. Should the Supplier fail to perform his obligations under the Contract in accordance with the provisions laid down therein, the CzDA may - without prejudice to its right to

terminate the Contract - reduce or recover payments in proportion to the scale of the failure.

The CzDA can only exercise this right after the Supplier does not repair such failure within 15 days from notification by the CzDA.

6.7. The CzDA can monitor compliance with the standards.

7. LIABILITY

7.1. The CzDA shall not be liable for damage sustained by the Supplier in performance of the Contract except in the event of willful misconduct or gross negligence on the part of the CzDA.

7.2. The Supplier shall be liable for any loss or damage caused by himself in performance of the Contract, including in the event of sub-Contracting. The CzDA shall not be liable for any act or default on the part of the Supplier in performance of the Contract.

7.3. The Supplier shall provide compensation in the event of any action, claim or proceeding brought against the CzDA by a third party as a result of damage caused by the Supplier in performance of the Contract.

7.4. The Supplier shall take out insurance against risks and damage relating to performance of the Contract if required by the relevant applicable legislation.

7.5. The Supplier declares:

- that he has not made and will not make any offer of any type whatsoever from which an advantage can be derived under the Contract,
- that he has not granted and will not grant, has not sought and will not seek, has not attempted and will not attempt to obtain, and has not accepted and will not accept, any advantage, financial or in kind, to or from any party whatsoever, where such advantage constitutes an illegal practice or involves corruption, either directly or indirectly, inasmuch as it is an incentive or reward relating to performance of the Contract.

8. TAXATION

The Supplier shall have sole responsibility for compliance with the tax laws, which apply to him. Failure to comply shall make the relevant invoices invalid.

9. FORCE MAJEURE

9.1. *Force majeure* shall mean any unforeseeable and exceptional situation or event beyond the control of the Contracting parties which prevents either of them from performing any of their obligations under the Contract, was not due to error or negligence on their part or on the part of a Supplier, and could not have been avoided by the exercise of due

diligence. Defects in equipment or material or delays in making it available, labour disputes, strikes or financial problems cannot be invoked as *force majeure* unless they stem directly from a relevant case of *force majeure*.

9.2.If either Contracting party is faced with *force majeure*, it shall notify the other party without delay by registered letter with acknowledgment of receipt or equivalent, stating the nature, likely duration and foreseeable effects.

9.3.Neither Contracting party shall be held in breach of its Contractual obligations if it has been prevented from performing them by *force majeure*. Where the Supplier is unable to perform his Contractual obligations owing to *force majeure*, he shall have the right to remuneration only for tasks actually executed.

9.4.The Contracting parties shall take the necessary measures to reduce damage to a minimum.

10. TERMINATION OF THE CONTRACT

10.1. The CzDA reserves the right to terminate this Contract and the Supplier undertakes to repay the expenses in the following cases:

- If the Supplier fails to deliver any of the goods and services under the terms of this Contract, or
- If the Supplier fails to fulfill any of the terms of this Contract, or
- Where the CzDA seriously suspects the Supplier of fraud, corruption, involvement in a criminal organization or any other illegal activity detrimental to the CzDA's financial interests.

With the exception of fraud, corruption, involvement in a criminal organization or any other illegal activity detrimental to the CzDA's financial interests, this right can only be exercised by the CzDA after such failure is not repaired by the Supplier within 15 days from notification by the CzDA.

10.2. In case of *force majeure*, notified in accordance with Article 9.2., either Contracting party may terminate the Contract, where performance of Contracted services cannot be ensured until 31st October 2014.

11. SUSPENSION OF THE CONTRACT

Without prejudice to the CzDA's right to terminate the Contract, the CzDA may at any time and for any reason suspend execution of the Contract, pending orders or specific Contracts or any part thereof. Suspension shall take effect on the day the Supplier receives notification by registered letter with acknowledgment of receipt or equivalent, or at a later date where the notification so provides. The CzDA may at any time following suspension give notice to the Supplier to resume the work suspended. The Supplier shall not be entitled to claim compensation on account of suspension of the Contract, of the orders or specific Contracts, or of part thereof.

12. AMENDMENTS

Any amendment to this Contract must be in writing, signed by the parties hereto; failing which such amendment shall have no effect and be void.

13. APPLICABLE LAW AND SETTLEMENT OF DISPUTES

- 13.1. The Contract shall be governed by the national substantive and procedural law of the Czech Republic.
- 13.2. Any dispute between the parties resulting from the interpretation or application of the Contract, which cannot be settled amicably, shall be brought before the courts of the Czech Republic.

14. FINAL PROVISIONS

- 14.1. This Contract becomes effective upon the signing of the Contract by duly authorized representatives of both parties and will remain in effect until the date of the last money transfer from the account of the CzDA to the account of the Supplier (see Article 2.21. of this Contract).
- 14.2. Done in Sarajevo in four original counterparts in the English language on2014.

List of Annexes:

- Annex 1. Contract Performance Description (will be added the one of the winning candidate)
- Annex 2. Extract from the Commercial Register (of the winning candidate)

For and on behalf of the CzDA
Mr. Michal Kaplan, director

For and on behalf of the Supplier
.....
