

Federal Law No. 94-FZ "On State and Municipal Procurement of Goods, Works and Services" (as amended in 2011) | Федеральная Антимонопольная Служба

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Approved by the Federation Council on 13th July 2005(as revised by the Federal Laws No. 207-FZ of 31.12.2005, No.42-FZ of 27.07.2006, No. 53-FZ of 20.04.2007 (as revised on 08.11.2007), No.218-FZ of 24.07.2007 (as revised on 08.05.2010), No.257-FZ of 08.11.2007, No.16-FZ of 23.07.2008, No.225-FZ of 01.12.2008, No.308-FZ of 30.12.2008 (as revised on 08.05.2009), No.323-FZ of 30.12.2008, No.68-FZ of 28.04.2009, No.93-FZ of 08.05.2009, No 144-FZ of 01.07.2009, No.147-FZ of 17.07.2009, No.155-FZ of 17.07.2009, No.164-FZ of 17.07.2009, No.261-FZ of 23.11.2009, No.273-FZ of 25.11.2009 (as revised on 08.05.2010), No.316-FZ of 17.12.2009, No.365-FZ of 27.12.2009, No.78-FZ of 05.05.2010, No.83-FZ of 08.05.2010, No.240-FZ of 27.07.2010, No.290-FZ of 03.11.2010, No.56-FZ of 05.04.2011, No.79-FZ of 21.04.2011)**Chapter 1. GENERAL PROVISIONS****Article 1. The Subject and Regulatory Goals of This Federal Law**

1. The given Federal Law regulates relations associated with procurement of goods, works and services for state and municipal needs and the needs of budget-funded organisations (further on referred to as state procurement). In particular, the Law establishes the uniform state procurement procedures to maintain the unity of the economic space of the Russian Federation in course of state procurement, efficiently use budgetary funds and extra-budgetary sources of financing, extend possibilities for physical and legal persons to participate in procurement and stimulate such participation, develop fair competition, improve the work of the authorities and local self-government bodies in the field of state procurement, ensure publicity and transparency of state procurement, and prevent corruption and other abuses in state procurement.

(as revised by No.83-FZ Federal Law of 08.05.2010)

2. The given Federal Law is applied in the cases of procurement of goods, works and services for state and municipal needs and the needs of budget-funded organisations, except when such services are provided by international financial organisations formed under the international treaties to which the Russian Federation is a signatory, as well as international financial organisations, with which the Russian Federation has concluded international treaties. The list of these international financial organisations shall be approved by the Government of the Russian Federation.

(as revised by No. 53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

3. Specifics of state defence procurement and procurement of material values for government reserves can be established by other federal laws.

Article 2. The Law of the Russian Federation and Other Normative Legal Acts of the Russian Federation on State Procurement

1. The law of the Russian Federation on state procurement is based on the provisions of the Civil Code of the Russian Federation, the Budget Code of the Russian Federation and consists of the given Federal Law and other federal laws regulating relations associated with state procurement. Legal standards established by other federal laws and related to state procurement must comply with this Federal Law.

2. In cases provided for by the law the Russian Federation on state procurement, the President of the Russian Federation, the Government of the Russian Federation can pass normative legal acts regulating relations in state procurement.

(as revised by No. 53-FZ Federal Law of 20.04.2007)

3. The federal executive body responsible for regulation of state procurement can adopt normative legal acts regulating relations in state procurements in the cases and within the scope of reference provided for by this Federal Law and the normative legal acts of the Government of the Russian Federation adopted in accordance with this Law.

4. If an international treaty signed by the Russian Federation establishes other rules than provided for by this Federal Law, the rules of the international treaty shall be applied.

Article 3. State Needs, Municipal Needs and the Needs of Budget-Funded Organisations (as revised by No. 83-FZ Federal Law of 08.05.2010)

1. State needs are funded from the federal budget or the budgets of the constituent territories of the Russian Federation and extra-budgetary sources of financing needs of the Russian Federation and government customers for goods, works and services necessary to fulfill the functions and powers of the Russian Federation and government customers (including implementation of the federal target programmes), to fulfill international obligations of the Russian Federation, including implementation of the inter-state target programmes, in which the Russian Federation participates (further on also referred to as the federal needs), or the needs of the constituent territories of the Russian Federation and government customers for goods, works and services necessary to exercise the functions and powers of the constituent territories of the Russian Federation and government customers, particularly to implement the regional target programmes (further on also referred to as the needs of the constituent territories of the Russian Federation). The needs of the federal budget-funded organisations and the budget-funded organisations of the constituent territories of the Russian Federation (regardless of the financing sources) are the needs for goods, works and services of the relevant budget-funded organisations.

(as revised by No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

2. The municipal needs are funded from the local budgets and extra-budgetary sources of financing needs of municipalities and municipal customers for goods, works and services necessary to resolve local issues and exercise some government powers transferred to the local self-government bodies under the federal laws and (or) the laws of the constituent territories of the Russian Federation, the functions and powers of municipal customers. The needs of municipal budget-funded organisations means are needs of these budget-funded organisations for goods, works and services that are funded by municipal budget-funded organisations (regardless of the source of financing).

(as revised by No. 53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

Article 4. Government Customers, Municipal Customers and Other Customers (as revised by No. 83-FZ Federal Law of 08.05.2010)

1. State customers and municipal customers are accordingly public authorities (including the bodies of state power), administrating authorities of the state extra-budgetary funds, local self-government bodies, public institutions and other recipients of the funds from the federal budget, the budgets of the constituent territories of the Russian Federation or local budgets for procurement of goods, works and services with budgetary funds and extra-budgetary sources of financing. Other customers are budget-funded organisations that procure goods, works and services regardless of the sources of procurement financing. State and municipal customers and other customers further on are referred to as customers. State and municipal needs as well as the needs of budget-funded organisations further on are referred to as needs of customers.

(as revised by No. 53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

2. If a federal executive body, an executive body of a constituent territory of the Russian Federation, a local self-government body authorised to exercise the functions for placing orders for the customers are formed (further on also referred to as the authorised body), such authorised bodies exercise procurement for customers, determined by a decision to form the authorised body, except signing state or municipal contracts as well as civil law contracts of budget-funded organisations for goods, works or services for the customers' needs. The state or municipal contracts as well as civil law contracts of budget-funded organisations shall be signed by the customers. The procedures of interactions between the authorised body and customers must be established by the decision to form the authorised body.

(Part 2 as revised by No.83-FZ Federal Law of 08.05.2010)

Article 5. Procurement of Goods, Works and Services for Customers' Needs

(as revised by No.83-FZ Federal Law of 08.05.2010)

Procurement of Goods, Works and Services for Customers' Needs means actions, provided for by this Federal Law, undertaken by the customers and authorised bodies to determine suppliers (executors, contractors) in order to conclude state or municipal contracts and civil law contracts of budget-funded organisations for goods, works and services for the customers' needs (further on also referred to as the contracts), and in cases provided for by Clause 14 Part 2 Article 55 of this Federal Law – also for the purposes of concluding other civil law contracts in any form.

Article 6. Specialised Organisation

1. A customer or an authorised body (if such a right is provided for by the decision on formation of this body) can engage on a contract basis, or in cases provided for by Clause 14 Part 2 Article 55 of this Federal Law on the basis of a civil law contract, a legal person (further on referred to as a specialised organisation) to exercise procurement functions by organising a tender for the right to conclude a contract (further on also referred to as a contract) or an auction for the right to conclude a contract (further on also referred to as an auction) – drafting tender documentation, auction documentation, publishing and placing notices about an open tender or

an auction, sending invitations to take part in a close tender or a closed auction and other functions related to tender or auction organisation. A customer, an authorised body from the Procurement Commission, determine the initial (original) contract price, the subject of the contract and essential contract conditions, approve a draft contract and tender or auction documentation, determine the conditions of a tender or an auction and change them; a contract shall be signed by a customer.

(as revised by No. 53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

2. A specialised organisation is selected by a customer, an authorised body by procuring services for customers' needs in accordance with this Federal Law.

(as revised by No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

3. A specialised organisation exercises the functions specified in Part 1 of this Article on behalf of a customer or an authorised body. Therewith, the rights and responsibilities arise for the customer or the authorised body.

4. A customer, an authorised body are jointly and severally liable for the damages inflicted upon a physical or a legal person as a result of unlawful actions (omissions) exercised by a specialised organisation within the scope of reference transferred to it by the customer, the authorised body on a contract basis and related to procurement, when the specialised organisation was exercising the functions specified in Part 1 of this Article on behalf of the customer or the authorised body.

(as revised by No.218-FZ Federal Law of 24.07.2007)

5. A specialised organisation cannot participate in procurement, under which this organisation exercises the functions specified in Part 1 of this Article.

(as revised by No.218-FZ Federal Law of 24.07.2007)

Article 7. Procurement Commissions

1. For procurement organised through a tender or an auction, or a quotation request for goods, works or services (further on referred to as quotation request) a Tender, Auction or Quotation Commission shall be formed (further on also referred to as a Commission).

2. Prior to publishing a notice about an open tender or an open auction, a quotation request, about shortlisting, or sending invitations to take part in a closed tender or a closed auction, in an official print media or placing on the official web-site, according to the procedures specified in Article 16 of this Federal Law, a customer, an authorised body makes a decision to form a Commission, determines its composition and work procedures, and appoints the Commission Chairman. A customer, an authorised body can mostly include in the Commission those persons who have undergone professional retraining or received advanced qualification in the field of procurement for customers' needs.

(as revised by No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008 and No.83-FZ

Federal Law of 08.05.2010)

ConsultantPlus: Note.

Re: for requirements to the members of a Commission, see Part 20 Article 65 of this document.

3. The Commission should comprise at least five members.

(as revised by No.308-FZ Federal Law of 30.12.2008 and No.89-FZ Federal Law of 08.05.2009)

3.1. If an open tender is for the rights to conclude a contract for creating a work of literature or art (except computer programs, databases), or performance, financing release or showing of a national film, the Tender Commission must include creative professionals in the relevant field of literature or art. Such professionals should comprise at least 50% of all members of the Tender Commission.

(Part 3.1 is introduced by No.218-FZ Federal Law of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

4. Members of the Commission cannot be physical persons who are personally interested in the procurement outcome (including physical persons who filed tender or auction bids, or bids for participating in a quotation request (further on referred to as a quotation request), or members of staff of the organisations who filed the bids), or the physical persons whom procurement participants are able to influence (including physical persons who are participants (shareholders) of these organisations, members of their management bodies, creditors of procurement participants), as well as officials, directly effecting control over procurement, of the federal executive body, executive bodies of the constituent territories of the Russian Federation, local self-government bodies authorised to effect control in the field of procurement (further on also referred to as the body authorised to effect control over procurement). Should such persons be identified among Commission members, the customer, the authorised body that made a decision to form the Commission, must immediately replace them with other physical persons who are not personally interested in the procurement outcome, whom procurement participants are not able to influence, and who also do not directly effect control in the field of procurement as officials of the bodies authorised to effect control in procurement.

(as revised by No.218-FZ Federal Law of 24.07.2007)

5. A Commission member can only be replaced by a decision of the customer, the authorised body who made the decision to form the Commission.

6. A Tender Commission opens the bids and opens access to the tender bids, that are in an information system in general use, filed in the electronic form and are signed in accordance with the normative legal acts of the Russian Federation (further on also referred to as bids opening and opening access to the bids filed as electronic documents), selects bidders, exercises bids consideration, evaluation and comparison, determines the winner, keeps a Protocol of bids opening and opening access to the bids filed as electronic documents, a Bids Consideration Protocol, a Bids Evaluation and Comparison Protocol.

(as revised by 218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

7. An Auction Commission considers the auction bids and selects the auction bidders, keeps the Bids Consideration Protocol.

(as revised by 218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

8. A Quotation Commission shortlists the procurement participants, keeps the Protocol of bids consideration for a shortlist in the cases provided for by this Federal Law, and considers, evaluates and compares the quotation bids and determines the winner of the quotation request, keeps the Protocol of consideration and evaluation of quotation bids.

(as revised by 218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

9. A customer or an authorised body can form a single Commission exercising the functions specified in Parts 6 - 8 of this Article. The Commission and its members are covered by the provisions of the Federal Law about members of Tender, Auction and Quotation Request Commissions.

(as revised by No.308-FZ Federal Law of 30.12.2008)

10. The Commission is entitled to exercise the functions specified in Parts 6 - 8 of this Article if more than 50% of its members are present at a Commission meeting. Commission members must be timely informed about the location, date and time of the meeting. Members of the Commission are not allowed to make a decision by absentee voting or delegate their powers to other persons.

(as revised by No.53-FZ Federal Law of 20.04.2007)

Article 8. Procurement Participants

1. Procurement participants can be any legal entities regardless of their organizational and legal form, the form of ownership, location, the place of capital origin and location of capital, or any physical persons, including individual entrepreneurs.

(as revised by No.83-FZ Federal Law of 08.05.2010 and No.79-FZ Federal Law of 21.04.2011)

2. Procurement participation can be restricted only in the cases provided for by this Federal Law and other federal laws.

3. Procurement participants can be involved in relations associated with procurement of goods, works and services for customers' needs both directly and through their representatives. The scope of reference of representatives of procurement participants are to be confirmed by a power of attorney issued and registered in accordance with the civil law, or its notary-certified copy.

(Part 3 is introduced by No.308-FZ Federal Law of 30.12.2008 as revised by No.83-FZ Federal Law of 08.05.2010)

Article 9. A State or a Municipal Contract for Goods, Works, Services, a Civil Law Contract of a Budget-

Funded Organisation for Goods, Works or Services

(as revised by No.308-FZ Federal Law of 08.05.2010)

1. A State of a municipal contract means a contract concluded by a customer on behalf of the Russian Federation, a constituent territory of the Russian Federation or a municipality to satisfy state or municipal needs. A civil law contract of a budget-funded organisation for goods, works or services, for the purposes of this Law, means a contract concluded on behalf of a budget-funded organisation. Civil law contracts of budget-funded organisations are concluded for a period not exceeding three years, except civil law contracts of budget-funded organisations, the subject of which are works in construction, reconstruction, restoration, capital repair, maintenance and (or) operation of capital construction facilities, as well as educational services (higher and secondary professional education) research and development, design and experimental works that can be concluded for a period exceeding three years if the duration of the production cycle of such works or services is more than three years. The period of the above contracts as well as other types of civil law contracts that can be concluded for a period over three years, and the periods, for which the contracts are concluded, can be established by the Government of the Russian Federation.

(Part 1 as revised by No.83-FZ Federal Law of 08.05.2010)

2. Contracts are concluded according to the procedures specified in the Civil Code of the Russian Federation and other federal laws with due account of the provisions of this Federal Law.

(as revised by No.83-FZ Federal Law of 08.05.2010)

3. After determining the winner of a tender, auction or a quotation request within the period specified for concluding the contract, a customer must withdraw from the contract with the winner of a tender, auction or a quotation request, if the winner of the tender, auction or quotation request evades the contract with a procurement participant, with whom the contract is being concluded, if establishing the fact of:

(as revised by No.53 Federal Law of 20.04.2007, No.83-FZ Federal Law of 08.05.2010)

1) Liquidating of legal entities - tender participants, auction participants, participants of procurement by means of a quotation request, or passing a judgment by an arbitration court that legal entities - tender participants, auction participants, participants of procurement by means of a quotation request – are bankrupts and about opening bankruptcy proceedings;

(as revised by No.218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

2) Suspending activities of the above persons according to the procedures provided for by the Code of the Russian Federation on Administrative Violations;

3) The above persons knowingly providing incorrect information, contained in the documents specified in Part 3 Article 25 or Part 2 Article 35 of this Federal Law;

4) The above persons being arrested and detained following a court order, if when the period for concluding

the contract expires, the book value of the distrained property exceeds 25% of the book asset value of the above persons according to the accounting reports for the last completed reporting period;

5) The above persons having arrears for payable taxes, charges and other mandatory payments to the budgets of all levels or state extra-budgetary funds for the passed calendar year, in excess of 25% of the book asset value of the above persons according to the accounting reports for the last completed reporting period, provided that the above persons are not challenging the above indebtedness in accordance with the law of the Russian Federation.

(Clause 5 is introduced by No.218-FZ Federal Law of 24.07.2007, as revised by No.308-FZ Federal Law of 30.12.2008)

3.1. In case of refusing to conclude a contract with the winner of a tender, auction of quotation request or if the winner of a tender, auction of quotation request evades the contract with the procurement participant with whom such contract is to be concluded, the customer, no later than one working day following the day of establishing the facts specified in Part 3 of this Article and that constitutes the grounds for refusing to conclude the contract, draws the Protocol on a refusal to conclude the contract, which should include information about the location, date and time of drawing the Protocol, about the person with whom the customer refuses to conclude the contract, information about the facts that constitute the grounds for refusal to conclude the contract, and the particulars of the documents corroborating such facts. The Protocol must be signed by the customer on the day when the Protocol is drawn. The Protocol must be drawn in two copies, one of which is to be kept by the customer. The customer must place the Protocol on the official web-site, determined according to the procedures specified in Article 16 of this Federal Law, within the day following the day when the Protocol was signed. Within two working days after signing the Protocol the customer forwards a copy of the Protocol to the person, with whom the customer refuses to conclude the contract.

(Part 3.1 is introduced by No.218-FZ Federal Law of 24.07.2007, as revised by No.308-FZ Federal Law of 30.12.2008)

4. An order is recognised as being placed on the day of concluding a contract and in cases specified in Clause 14 Part 2 Article 55 of this Federal Law – on the day of concluding other civil law contracts.

(as revised by No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

4.1. A contract price is firm fixed and cannot be changed in course of contract execution, except when a contract is concluded on the basis of Clause 2.1 Part 2 Article 55 of this Federal Law, and cases specified by Parts 4.2, 6 and 6.2 - 6.4 of this Article. Payment for the goods, works and services is at the price fixed in a contract, except when contracts for electric power services are based on Article 56.1 of this Federal Law. A contract price can be reduced based on the agreement between the parties without changing the contract quantity of goods, works, or services and other contract conditions.

(Part 4.1 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008, No.261-FZ Federal Law of 23.11.2009 and

(as revised by No.218-FZ Federal Law of 24.07.2007 and No)

4.2. If a tender or auction documentation for procurement of technical maintenance works and (or) repair of machinery and equipment, providing communications services, legal services specified the price of spare parts (each spare part) for the machinery and equipment, the price per unit of services and (or) works offered by the person, with whom the contract is being concluded under this Federal Law, in the tender or auction bid, the price of spare parts (each spare part) for the machinery and equipment, the price per unit of the services and (or) works) are firm fixed and cannot be changed in course of contract execution. The payment for such works and services is based on the price per unit of services (works) and shall be made according to actually rendered services or carried out works at a price of each spare part to machinery and equipment and based on the number of spare parts supplied in course of contract execution, but not exceeding the initial (maximum) contract price specified in the tender or auction documentation.

(Part 4.2 is introduced by No.218-FZ Federal Law of 24.07.2007)

5. In course of contract conclusion and execution it is not allowed to change contract conditions, specified in Parts 11 and 12 of this Article, Part 12 Article 25, Part 5 Article 27, Part 3 Article 29, Part 1 Article 31, Part 7 Article 31.4, Part 3 Article 31.5, Part 12 Article 35, Part 6 Article 36, Part 13 Article 37, Part 3 Article 38, Part 1 Article 40, Part 14 Article 41, Part 22 Article 41.8, Part 11 Article 41.9, Part 15 Article 41.11, Parts 10 and 14 Article 41.12, Part 6 Article 42, Parts 6 and 8 Article 46, Part 8 Article 47, Part 10 Article 53 and Parts 5 and 6 Article 54 of this Federal Law, by parties agreement and unilaterally, except when provided for by Parts 6 - 6.7 and 8.1 of this Article, Part 26.1 Article 65 of this Federal Law.

(as revised by No.53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007, No.93-FZ Federal Law of 08.05.2009, No.83-FZ Federal Law of 08.05.201, No. 56-FZ Federal Law of 05.04.2011, and No.79-FZ Federal Law of 21.04.2011)

6. If provided by tender documentation, a customer, upon agreement with an executor or a contractor, in course of execution of a contract for research-and-development or technology works, rescue works, restoration of cultural heritage facilities (historical and cultural monuments) of the peoples of the Russian Federation, museum artefacts and collections, included in the Museum Fund of the Russian Federation, the documents from the Archive Fund of the Russian Federation, especially valuable and rare library documents, for providing medical and audit services, can change the contract scope of such works or services for no more than 10% if the need of such works or services, for which the contract is concluded, has changed, or if revealing the need for additional scope of works or services that are not included in the contract but are related to the works or services specified in the contract. If it is specified in the tender or auction documentation and if the order is placed with the single supplier under Clause 16 Part 2 Article 55 of this Federal Law, the customer, upon agreement with the supplier in course of the contract execution, can change the quantity of all contract goods by no more than 10% if the need of goods, for which the contract is concluded, has changed. Supplying additional goods, or carrying out additional volume of works or rendering additional services, a customer, upon agreement with a supplier (executor, contractor) can change the initial contract price pro rata to the quantity of such goods, the volume of such works or services but by no more than 10% of the contract price, and introducing changes to the contract due to a reduced need of such goods, works or services a customer must change the contract price accordingly. The price per unit of additionally supplied goods and per unit of goods if the need for such goods is reduced must be determined as a particular of dividing the initial contract price by the contract quantity of the goods.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.218-FZ Federal Law of 24.07.2007)

6.1. Executing a contract, it is not allowed to change the supplier (executor, contractor) except if the new supplier (executor, contractor) is the legal successor of the contract supplier (executor, contractor) following a reorganisation of the legal entity by a transformation, merger or acquisition.

(Part 6.1 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

6.2. If the price of a state contract for the federal needs and a civil law contract of a federal budget-funded organisation for the works for the needs of the federal budget-funded organisation, concluded for a period of no less than three years, is ten billion Rubles and more and it is impossible to execute the contract without changing the contract price due to a considerable increase of the cost of works that must be carried out, the price can be changed by a decision of the Government of the Russian Federation.

(Part 6.2 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

6.3. If the price of a state or a municipal contract for the works for the needs of a constituent territory of the Russian Federation or municipal needs, as well as a civil law contract of a budget-funded organisation of a constituent territory of the Russian Federation or a municipal budget-funded organisation for the works for the needs of a budget-funded organisation of a constituent territory of the Russian Federation or a municipal budget-funded organisation, concluded for a period of no less than three years, is one billion Rubles and more and five hundred million Rubles and more, and execution of these contracts without changing their price is impossible due to a considerable increase of the price of the works to be carried out, the contract price can be changed according to the relevant law of a constituent territory of the Russian Federation, or a decision of a representative local self-government body.

(Part 6.3 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

6.4. If changing, in accordance with the law of the Russian Federation, the government regulated prices (tariffs) for goods, works, services of the holders of natural monopolies, prices and tariffs for gas supply, tariffs for the goods and services of utility organisations, a customer, in course of executing a contract concluded under Clause 1 or 2 Part 2 Article 55 of this Federal Law must change the contract price pro rata to the changes of tariffs for the relevant goods and services of utility organisations, prices and tariffs for gas supply and prices (tariffs) for the goods, works and services of the holders of natural monopolies.

(Part 6.5 is introduced by No.218 FZ Federal Law of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

6.5. Concluding a contract, a customer, upon agreement with the participant, with whom the contract is being concluded under this Federal Law, can increase the quantity of the goods for the sum not exceeding the difference between the contract price, offered by the participant, and the initial (maximum) contract price (lot

price) if this customer right is specified in the tender or auction documentation. The price per unit of the goods must not exceed the price per unit of the goods determined as a particular of dividing the contract price specified in the tender bid or offered by the auction bidder, with whom the contract is concluded, by the quantity of the goods, specified in the notice of the open tender or the open auction.

(Part 6.5 is introduced by No.218 FZ Federal Law of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

6.6. When changing the contract customer, the rights and liabilities of the contract customer are transferred to the new customer in the same scope and under the same conditions.

(Part 6.6 is introduced by No.218 FZ Federal Law of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010).

6.7. Executing a contract, upon an agreement between the customer and the supplier it is possible to supply goods, the quality, technical and functional characteristics (consumer qualities) of which are improved in comparison with the quality and characteristics of the goods specified in the contract. In this case information required under Clause 8 Part 2 Article 18 shall be entered in the Register of Contracts concluded as a result of procurement.

(Part 6.7 is introduced by No.79-FZ Federal Law of 21.04.2011)

7. Concluding a contract for supplying energy resources, a draft contract forwarded by a customer to a supplier must be based on the volume of consumption of energy resources agreed in accord with the law of the Russian Federation.

(as revised by No.83-FZ Federal Law of 08.05.2010)

7.1. For procurement of communication services by the federal executive body responsible for special communications networks designed to fulfill the needs of the national defence and state security and acting as a state customer, the initial (maximum) price of the state contract and the price of the state contract if the above body places an order with the single executor, must be determined under the procedures established by the Government of the Russian Federation based on the need to compensate economically justified expenses related to rendering such services and compensate justified rate of profit (rate of return) on the capital used to render such services.

(Part 7.1 introduced by No.142-FZ Federal Law of 27.07.2006; as revised by No.53-FZ Federal Law of 20.04.2007)

7.2. In procurement of the works on construction, reconstruction, capital repair of capital construction facilities, the initial (maximum) contract price is determined for the whole period of such works based on their prices during the relevant years of the planned period of contract execution.

(Part 7.2 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

8. Terminating a contract is allowed exclusively upon an agreement between the parties or a court ruling on the grounds specified by the civil law.

(as revised by No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

8.1. If a contract is terminated due to a failure to execute or an improper execution of contract obligations by a supplier (executor, contractor), a customer can enter into a contract with a procurement participant, with whom the contract has to be concluded under this Federal Law if the winner of competitive bidding or the winner of quotation requests evades the contract, upon an agreement of this procurement participant. The contract shall be concluded with the above procurement participant under the conditions specified in Part 3 Article 29, Part 3 Article 38, Part 10 Article 41.12 and Part 8 Article 47 of this Federal Law accordingly, in view of the specific norms of this Part. If prior to terminating the contract, a supplier (executor, contractor) partially executed the contract obligation, then when concluding a new contract the quantity of goods, volume of works or services should be decreased in view of the quantity of goods supplied or the volume of works carried out and services rendered under the contract, earlier concluded with the winner of a tender or an auction or the winner of a quotation request. The contract price must be reduced pro rata to the quantity of goods supplied or the volume of works carried out and services rendered.

(Part 8.1 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.83-FZ Federal Law of 08.05.2010 and No.240-FZ Federal Law of 27.07.2010)

8.2. If a court makes a definition about securing a claim for terminating a contract for supply of food products, the means necessary to provide emergency medical service, medications, fuel that are required for normal survival of citizens and the absence of which will deteriorate their normal survival, a customer can place an order for such goods, works, services by a quotation request in accordance with Part 6 Article 42 of this Federal Law.

(Part 8.2 is introduced by No.218-FZ Federal Law of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

9. If a customer delays execution of contract obligations, the other party can demand payment of penalties (fines, late charges). Penalties (fines, late charges) are calculated for each day of delay of executing the contract obligations, starting from the day following the day specified in the contract when the obligation must be executed. Penalties (fines, late charges) shall be one three-hundredths of the refinancing rate of the Central Bank of the Russian Federation for the day of payment of penalties (fines, late charges). A customer can be relieved from paying penalties (fines, late charges) if a customer proves that delaying execution of the contract obligation was due to force majeure circumstances or through the fault of another party.

(as revised by No.83-FZ Federal Law of 08.05.2010)

10. The contract shall include a mandatory condition on liability of a supplier (executor, contractor) for failure or improper execution of the contract obligations.

(as revised by No.83-FZ Federal Law of 08.05.2010)

11. If a supplier (executor, contractor) delays fulfilling contract obligations, a customer can demand payment of penalties (fines, late charges). Penalties (fines, late charges) are calculated for each day of delay of executing the contract obligations, starting from the day following the day specified in the contract as the day when contract obligations must be fulfilled. Penalties (fines, late charges) shall be one no less than three-hundredths of the refinancing rate of the Central Bank of the Russian Federation on the day of payment penalties (fines, late charges). A supplier (executor, contractor) shall be relieved from paying penalties (fines, late charges) if proves that delaying execution of the contract obligation was due to force majeure circumstances or through the fault of the customer.

(Part 11 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

12. A contract shall include a mandatory condition about the procedures for customer verifying compliance of goods, works, and services to the requirements of quantity, completeness, volume and quality, specified in the contract. To verify quality conformance of the goods, works and services to the contract requirements, a customer can engage independent experts, chosen in accordance with this Federal Law.

(Part 12 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.218-FZ Federal Law of and No.83-FZ Federal Law of 08.05.2010)

Article 10. Methods of Procurement

1. Procurement can take place:

- 1) By organising competitive bidding in the form of a tender or an auction, including electronic auctions;
- 2) Without competitive bidding (by a quotation request, through a single supplier (executor, contractor), through trade exchanges).

1.1. According to the procedures established under Article 55.3 of this Federal Law, the Government of the Russian Federation can determine specifics of procurement of goods, works, services for the federal needs.

(Part 1.1 is introduced by No.79-FZ Federal Law of 21.04.2011)

2. In all cases procurement takes place through organising competitive bidding except cases provided for by this Federal Law.

2.1. Procurement of goods, works or services through competitive bidding can be organised in lots. A tender notice, tender documentation, auction notice and auction documentation separately specifies for each lot: the subject, the initial (maximum) price, the period and other conditions for supplying goods, carrying out works or rendering services. A procurement participant files a bid for a particular lot. A separate contract is to be concluded for each lot.

(Part 2.1 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

3. The decision about the method of procurement is made by a customer, an authorised body in accordance with the provisions of this Federal Law.

According to No.11812-KA/D04 Letter of the Ministry of the Russian Federation for Economic Development of 08.08.2007, customers can procure goods, works and services included in the List by quotation requests or from a single supplier (executor, contractor) following the procedures established by No.94-FZ Federal Law of 21.07.2005.

4. Procurement of goods, works and services for the customers' needs, that are not supplied, carried out, rendered under orders from a customer, an authorised body, for which there is a functioning market and which can only be compared by their prices, shall take place through auctions. The Lists of goods, works and services procurement through auctions are established by the Government of the Russian Federation. If goods, works and services are included in such lists, procurement for customers' needs through tenders is not allowed and shall be organised in accordance with Part 4.2 of this Article. If procurement of goods, works, services is organised through auctions in other cases (particularly, when such goods, works and services are not included in the Lists), procurement is organised under Article 4.2 of this Article.

(as revised by No.273-FZ Federal Law of 25.11.2009, No.83-FZ Federal Law of 08.05.2010 and No.240-FZ Federal Law of 27.07.2010)

4.1. Procurement of works for construction, reconstruction, capital repair of capital construction facilities, including highways, temporary build-ups, kiosks, open sheds and other similar build-ups, for the customers' needs is organised by open auctions in the electronic form. Procurement of works for construction, reconstruction, capital repair of especially hazardous, technically complex capital construction facilities as well as artificial highway structures included in federal, regional or municipal highways is organised through tenders or open auctions in the electronic form.

(Part 4.1 is introduced by No.53-FZ Federal Law of 20.04.2007 (revised on 08.11.2007), as revised by No.273-FZ Federal Law of 25.11.2009, No.83-FZ Federal Law of 08.05.2010)

4.2. Procurement of goods, works and services for customers' needs under Part 4 of this Article is organised through open auctions in the electronic form.

(Part 4.2 as revised by No.83-FZ Federal Law of 08.05.2010)

5. Violation of the procurement provisions of this Federal Law constitutes the grounds for a court, an arbitration court to invalidate the procurement order upon a claim of an interested person or a claim of the federal executive body, an executive body of a constituent territory of the Russian Federation or a local self-government body authorised to exercise control in the field of procurement.

6. Two and more customers, authorised bodies can jointly procure same-name goods, works, services by organising competitive bidding. The rights, obligations and liability of the customers, authorised bodies, which jointly organise competitive bidding and the procedures for joint organisation of competitive bidding are determined by an agreement between the parties in accordance with the Civil Code of the Russian Federation and this Federal Law. Contracts with the winner or winners of jointly organised competitive bidding are

concluded by each customer organising such competitive bidding, or each customer, for whom an authorised body organised procurement through competitive bidding. The parties execute the contract concluded with the winner or winners of jointly organised competitive bidding in accordance with the Civil Code of the Russian Federation and other federal laws with due account of the provisions of this Federal Law.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

ConsultantPlus Note:

Before the federal executive body responsible for regulation of state procurement approves the nomenclature of goods, works and services for state and municipal needs, the same-name goods, works and services mean the goods, works and services with similar technological and functional characteristics, that can differ from each other by insignificant features (details) not affecting the quality and the main consumer qualities of the goods, the outcome of works, services, are of uniform orientation and can be substituted (Part 19 Article 65 of this document).

6.1. The same-name goods, works, services mean the goods, works, services that belong to the same group of goods, works, services in accordance with the nomenclature of goods, works, services for the customers' needs approved by the federal executive body responsible for regulation of state procurement.

(Part 6.1 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

7. The procedures for interaction between customers, authorised bodies in jointly organised competitive bidding can be established by the Government of the Russian Federation.

8. A decision on joint organisation of competitive bidding for the needs of national defence and state security shall be made by the Government of the Russian Federation.

Article 11. Requirements to the Procurement Participants when Procurement is Organised through Competitive Bidding

1. When procurement is organised through competitive bidding, the following mandatory requirements to procurement participants shall be established:

1) Procurement participants must meet the requirements established under the law of the Russian Federation to the persons supplying goods, carrying out works and rendering services that are the subject of competitive bidding;

(as revised by No.53-FZ Federal Law of 20.04.2007)

2) There have been no liquidation of a legal person – a procurement participant and no ruling is issued by an arbitration court that a procurement participant - a legal person, an individual entrepreneur is recognised a bankrupt, and about opening bankruptcy proceedings;

(as revised by No.218-FZ Federal Law of 24.07.2007)

3) Activities of a procurement participant are not suspended under the Code of the Russian Federation on Administrative Violations as of the day when the tender bid or the auction bid is filed;

(as revised by No.308-FZ Federal Law of 30.12.2008)

4) A procurement participant does not have arrears on taxes payable, charges and other mandatory payments to the budgets of any level or state extra-budgetary funds in the previous calendar year, which exceeds 25% of the book asset value of the procurement participant according to the accounting reports for the last completed reporting period. It is considered that a procurement participant meets this requirement if the participant is challenging the arrears in accordance with the law of the Russian Federation and as of the day of considering the tender or auction bid the decision on the participant's claim has not been made yet.

2. When procurement is organised through competitive bidding, a customer, an authorised body can also establish the following requirements to the procurement participants:

1) Procurement participants should have exclusive rights for items of intellectual property, if due to contract execution the customer acquires the rights for the items of intellectual property except procurement of the works of art or literature (except computer programs, databases), performance, financing release or showing a national film;

(as revised by No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

2) Information about procurement participants is not included in the Register of Unfair Suppliers kept under this Federal Law.

ConsultantPlus Note:

For application of Part 2.1 Article 11 of this document see: the Letters of the Ministry of the Russian Federation for Economic Development- No. 20320-AP/D04, FAS Russia - No. ATs/25728, "Rosavtodor" – No. 01-24/11859, and "Rosstroj" – No. VB-4731/01 of 25.12.2007.

2.1. In procurement of works for construction, reconstruction, capital repair of capital construction facilities through an auction, if the initial (maximum) contract price (lot price) is 50 million Rubles and more, a customer, an authorised body can also establish the requirement that in the last five years preceeding the deadline for filing the auction bids, procurement participants carried out works for construction, reconstruction, capital repair of capital construction facilities, that belong to the same group, sub-group or one of several groups, sub-groups of works, which are procured, in accord with the nomenclature of goods, works, services for the customers' needs, approved by the federal executive bodies responsible for regulation of state procurement, and the cost of which is no less than 25% of the initial (maximum) contract price (lot price), for which the auction is organised. Into account shall be taken the cost of all works for construction, reconstruction, capital repair of one of capital construction facilities (at the choice of the procurement participant) carried out by the procurement participant (with due account for legal succession).

(Part 2.1 introduced by No. 218-FZ of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

2.2. The Government of the Russian Federation can set unified additional requirements, including qualifying

requirements to the procurement participants in procurement of goods, works, services for the federal needs as well as the needs of the constituent territories of the Russian Federation or municipal needs, to fulfill expenditure obligations of the constituent territories of the Russian Federation, municipalities, financial partial or full sources of their financing are target-oriented inter-budget transfers from the federal budget or the budget of state extra-budgetary funds of the Russian Federation. The acts of the Government of the Russian Federation, adopted in accord with this Part, shall be considered at sessions of the Government of the Russian Federation according to the established procedures.

(Part 2.2 is introduced by No.79-FZ Federal Law of 21.04.2011)

3. The Government of the Russian Federation can set additional requirements to procurement participants for the goods, works and services for the needs of national defence and state security that such procurement participants should have productions capacity, technological equipment, financial and labor resources necessary to produce goods, carry out works, and render services that are the subject of procurement.

4. Apart from the requirements specified in Parts 1 - 3 of this Article, and established under Article 55.3 of this Federal Law, the Government of the Russian Federation, a customer, an authorized body cannot set other requirements to procurement participants.

(as revised by No.79-FZ Federal Law of 21.04.2011)

5. The requirements specified in Parts 1 - 3 of this Article are specified for all procurement participants.

6. A customer, an authorised body, a Tender or Auction Commission verifies whether procurement participants meet the requirements specified in Clause 2 Part 2 of this Article, if such a requirement is set by a customer, an authorised body, and can also verify whether the procurement participant meet the requirements set in Clauses 2 - 4 Part 1 of this Article. The customer, the authorised body, the Tender or Auction Commission cannot obligate procurement participants to prove that they meet the requirements.

(as revised by No. 218-FZ of 24.07.2007)

2.2. The Government of the Russian Federation can set unified additional requirements, including qualifying requirements to the procurement participants in procurement of goods, works, services for the federal needs as well as the needs of the constituent territories of the Russian Federation or municipal needs, to fulfill expenditure obligations of the constituent territories of the Russian Federation, municipalities, financial partial or full sources of their financing are target-oriented inter-budget transfers from the federal budget or the budget of state extra-budgetary funds of the Russian Federation. The acts of the Government of the Russian Federation, adopted in accord with this Part, shall be considered at sessions of the Government of the Russian Federation according to the established procedures.

Article 12. Qualification for Competitive Bidding

1. When considering bids for taking part in tenders and auction, a Tender or Auction Commission does not qualify a procurement participant for a tender or an auction if:

1) A procurement participant failed to file the documents specified in Part 3 Article 25 of this Federal Law (except the document specified in Sub-Clause "g" Clause 1 Part 3, Part 3.1 Article 25 of this Federal Law),

Part 2 Article 31.4 or Part 2 Article 35 of this Federal Law, or if such documents contain incorrect information about the procurement participants or the goods, works, services, about works of art or literature, performance, a national film, for supply, carrying out, rendering, creating or financing of release or showing of which the order is being placed;

(Clause 1 as revised by No. 218-FZ of 24.07.2007)

2) Failure to meet the requirements specified in Article 11 of this Federal Law;

3) Failure to file a document or a copy of a document to confirm depositing monetary funds as a tender or auction security, if the tender or auction documentation specifies the requirements for the tender or auction security;

(as revised by No. 218-FZ of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

4) A tender or an auction bid does not meet the requirements specified in the tender or auction documentation, particularly, when such bids contain a contract price offer exceeding the initial (maximum) price (lot price), the initial (maximum) price per unit of goods, the initial (maximum) price of spare parts (each spare part) to the machinery and equipment, the initial (maximum) price per unit of services and (or) works. If the tender documentation for procurement of supplies of technical means for rehabilitation of disabled persons, educational services, services for health-resort treatment and health improvement (providing vouchers, etc.) for the customers' needs specifies the customer right to conclude contracts with several procurement participants, the decision that the bid does not meet such requirements cannot be made only on the basis of the quantity of goods or volume of services in the tender notice does not correspond to the quality of goods, or volume of services specified in the bid.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010 20.04.2007)

2. It is not allowed to refuse qualification on the grounds other than specified in Part 1 of this Article.

2.1. Considering the bids for open auctions in the electronic form, the decision to refuse qualification for participating in an open auction organised in the electronic form under Chapter 3.1 of this Federal Law is made in accordance with Article 41.9 of this Federal Law.

(Part 2.1 is introduced by No-93-FZ Federal Law of 08.05.2009)

3. A customer, an authorised body can request information from relevant bodies and about liquidation of a legal entity – procurement participant that filed a bid for a tender or an auction, about the ruling of an arbitration court that the participant – a legal entity, an individual entrepreneur is pronounced bankrupt and about initiating bankruptcy proceedings, suspending activities of this participant in accordance with the procedures provided for in the Code of the Russian Federation on Administrative Violations, about such participants having arrears on taxes payable, charges and other mandatory payments to the budgets of all levels and to the state extra-budgetary funds in the past calendar year, about challenging such arrears and the outcome of claim consideration, and if the customer, the authorised body set the requirement specified in Part

2.1 Article 11 of this Federal Law – about commissioning of a capital construction facility, the acts of acceptance of a capital construction facility, presented to obtain a permit to commission the facility. Within ten days upon receiving a request from a customer, an authorised body the above bodies and organisations must submit the necessary information.

(as revised by No. 218-FZ of 24.07.2007)

4. If established that the documents filed by a procurement participant under Part 3 Article 25, Part 2 Article 31.4, Part 2 Article 35 or Parts 4 and 6 Article 41.8 of this Federal Law contain incorrect information, established the fact of liquidation of a legal entity – a procurement participant or that an arbitration court ruled to recognise the participant – a legal entity, an individual entrepreneur bankrupt and to initiate bankruptcy proceedings, the fact of suspending activities of this participants in accordance with the procedures provided for in the Code of the Russian Federation on Administrative Violations, the fact that such procurement participant has arrears on taxes payable, charges and other mandatory payments to the budgets of all levels and to the state extra-budgetary funds in the past calendar year, exceeding 25% of the book asset value of the participant according to the accounting reports for the last completed reporting period, provided that the procurement participant is not challenging these arrears under the law of the Russian Federation, a customer, an authorised body, a Tender or an Auction Commission must suspend such participant from the tender or the auction at any stage of the tender or the auction.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ of 24.07.2007 and No.93-FZ Federal Law of 08.05.2009)

5. The decision of a customer, an authorised body, a Tender or an Auction Commission to suspend a procurement participant from a tender or an auction or the decision of a Tender or an Auction Commission to refuse qualification for a tender or an auction can be challenged by the procurement participant in accordance with the procedures provided for by this Federal Law.

6. Qualification by a customer, an authorised body, a Tender or an Auction Commission of a procurement participant that cannot be qualified under Part 1 of this Article, if a customer, an authorised body, a Tender or an Auction Commission established the facts specified in Part 1 of this Article, or refusal to qualify on the grounds other than specified in Part 1 of this Article, constitutes the grounds for a court to invalidate competitive bidding upon the claim of an interested person or upon a claim of the federal executive body, an executive body of a constituent territory of the Russian Federation, a local self-government body responsible for control in the field of procurement.

(as revised by No. 218-FZ of 24.07.2007)

Article 13. National Regime for the Goods Originating from Foreign States, Works, Services Carried Out, Rendered by Foreign Persons

1. Procurement of the goods originating from foreign states, works, services carried out, rendered by foreign persons is under the national regime that such goods, works, services are allowed for the purposes of procurement of goods, works, services for the customers' needs on equal conditions with the goods of Russian origin, works, services carried out, rendered by Russian persons, if provided otherwise by international treaties signed by the Russian Federation, this Federal Law or other federal laws.

(as revised by No.83-FZ Federal Law of 08.05.2010)

2. The regime established under Part 1 of this Article applied to the goods originating from foreign states, works, services carried out, rendered by foreign persons, if a similar regime is established by a foreign state or a group of foreign states regarding the goods of Russian origin, and works, services carried out, rendered by Russian persons.

3. The federal executive body responsible for regulating procurement, upon instructions from the Government of the Russian Federation establishes the conditions for admission of the goods originating in a foreign state or a group of foreign states, works, services carried out, rendered by persons, for the purposes of procurement of goods, works, services for the customers' needs in one of the following cases:

(as revised by No.83-FZ Federal Law of 08.05.2010)

1) If a foreign state or a group of foreign states has (have) not established a regime for the goods of Russian origin, works, services carried out, rendered by Russian persons similar to a regime provided for by Part 1 of this Article;

2) If in procurement of goods, works, services for the customers' needs, the goods of Russian origin, works, services carried out, rendered by Russian persons have a priority upon the goods originating in a foreign state or several foreign states, works, services carried out, rendered by foreign persons.

(as revised by No.83-FZ Federal Law of 08.05.2010)

(Part 3 as revised by No.308-FZ Federal Law of 30.12.2008)

4. The Government of the Russian Federation can set prohibitions and restrictions for the goods originating in a foreign state or a group of foreign states, works, services carried out, rendered by foreign persons for the purposes of procurement of goods, works and services for the needs of national defence and state security.

5. It is mandatory that the normative legal act, which establishes conditions, prohibitions and restrictions for the goods originating in a foreign state or several foreign states, works, services carried out, rendered by foreign persons for the purposes of procurement of goods, works and services for the customers' needs, must be published in accord with the procedures for official publishing of the normative legal acts of the Government of the Russian Federation or the normative legal acts of federal executive bodies and within three working days after the day when it was published it must be placed on the official web-site of the Russian Federation, determined under Part 1 Article 16 of this Federal Law.

(as revised by No.83-FZ Federal Law of 08.05.2010)

6. The goods originating in a foreign state or a group of foreign states, works, services carried out, rendered by foreign persons are allowed for the purposes of procurement of goods, works and services for the customers' needs in accordance with the prohibitions and restrictions established by the Government of the Russian Federation, and under the conditions established under Part 3 of this Article by the federal executive body

responsible for regulating procurement.

(as revised by No.83-FZ Federal Law of 08.05.2010)

7. A customer, an authorised body can enquire from the federal executive body, responsible for regulating procurement, information about the permit conditions for the goods originating in a foreign state or several foreign states, works, services carried out, rendered by foreign persons for the purposes of procurement of goods, works and services for the customers' needs. Within ten days, the above federal executive body must present the necessary information upon an enquiry made by a customer, an authorised body.

(as revised by No.83-FZ Federal Law of 08.05.2010)

Article 14. Participation of Penal Enforcement Institutions and Enterprises, Organisations of Disabled Persons in Procurement

(as revised by No.53-FZ Federal Law of 20.04.2007)

1. Under this Federal Law penal enforcement institutions and enterprises, organisations of disabled are granted advantages for participating in procurement.

(as revised by No.53-FZ Federal Law of 20.04.2007)

2. For the purposes of this Federal Law organisations of disabled persons mean national non-government organisations of disabled persons (including organisations formed as the unions of non-governmental organisations of disabled persons), where disabled persons and their representatives constitute no less than 80% of their members, and the organisations, the authorised (share) capital of which fully consists of contributions of national non-government organisations of disabled persons and the average staffing number of disabled persons in ratio to other workers is no less than 50%, and the proportion of remuneration of disabled persons in the salary fund is no less than 25%.

(as revised by No. 218-FZ of 24.07.2007)

On the procedures for applying Article 15 see No. 5684-APRD05 Letter of the Ministry of the Russian Federation for Economic Development, and No ATS/10329 Letter of FAS Russia of 29.04.2008.

Article 15. Specifics of Participation of Small Business Entities in Procurement

(as revised by No.53-FZ Federal Law of 20.04.2007)

1. Customers, except for procurement of the goods, works and services for the needs of national defence and state security, must place no less than 10% and no more than 20% of their overall annual volume of procurement of goods, works and services, in accord with the List of goods, works and services established by the Government of the Russian Federation, with small business entities through competitive bidding, quotation requests, where participants are small business entities; and state customers procuring the goods, works and

services for the needs of national defence and state security can exercise such procurement.

(Part 1 as revised by No.79-FZ Federal Law of 21.04.2011))

1.1. The initial (maximum) contract price (lot price) for procurement of goods, works, services for the customers' needs from small business entities must not exceed the initial (maximum) contract price (lot price) established by the Government of the Russian Federation.

(Part 1.1 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by FZ-308 Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

2. Procurement through competitive bidding, quotation requests, where procurement participants are small business entities, is organised in accordance with the procedures specified in Chapters 2 - 4 of this Federal Law, in view of the provisions of this Article.

(as revised by No.53-FZ Federal Law of 20.04.2007)

3. For procurement through competitive bidding, quotation requests that are provided for by Part 1 of this Article and where procurement participants are small business entities, information about such competitive bidding, quotation requests must be included in the notice about an open tender, an open auction or in the notice about a quotation request.

(as revised by No.53-FZ Federal Law of 20.04.2007)

4. For procurement through competitive bidding, quotation requests that are provided for by Part 1 of this Article and where procurement participants are small business entities, tender or auctions bids, or quotation bids filed by procurement participants that are not small business entities shall be rejected.

(as revised by No.53-FZ Federal Law of 20.04.2007)

5. If upon the expiry of the period for filing tender or auction bids small business entities filed less than two tender or auction bids, competitive bidding shall be declared invalid.

6. If competitive bidding is declared invalid and no bids was filed, or the bid filed by a single procurement participant did not meet the requirements and conditions specified in the tender or auction documentation, including the documentation of an open auction in the electronic form, repeated competitive bidding, where participants are small business entities, shall not be held and the volume of goods, works, services, for which the competitive bidding was organised, shall be accounted in the overall annual volume provided for by Part 1 of this Article. Procurement through competitive bidding shall be organised in accordance with the procedures provided for by Chapters 2, 3 and 3.1 of this Federal Law.

(as revised by No. 218-FZ Federal Law of 24.07.2007 and No.240-FZ Federal Law of 27.07.2010)

7. If upon the expiry of the period for filing quotation bids by small business entities no single bid is filed that meet the requirements specified in the notice about the quotation request, repeated quotation request, where

participants are small business entities, shall not be held and the volume of goods, works, services, for which the quotation request was organised, shall be accounted in the overall annual volume provided for by Part 1 of this Article.

(Part 7 is introduced by No. 218-FZ Federal Law of 24.07.2007)

Article 16. Informational Support in Procurement

1. www.zakupki.gov.ru is the official web-site of the Russian Federation for information about procurement of goods, works and services (further on referred to as the official web-site).

(Part 1 as revised by No. 218-FZ of 24.07.2007 (revised on 08.05.2010))

2. The federal executive body responsible for regulation of procurement and the federal executive body performing law enforcement functions for cash services of executing the budgets of the budget system of the Russian Federation are the authorised federal executive bodies that create, maintain, develop and service the official site.

(Part 2 as revised by No. 218-FZ Federal Law of 24.07.2007 (revised on 08.05.2010))

3. The federal executive body responsible for regulation of procurement creates the official web-site, keeps the official web-site, including registration and servicing of the web-site users, and develops the official web-site in terms of forming the functional requirements (particularly, as the model web-site).

(Part 3 as revised by No. 218-FZ Federal Law of 24.07.2007 (revised on 08.05.2010))

4. The federal executive body performing law enforcement functions for cash services of executing the budgets of the budget system of the Russian Federation creates the official web-site jointly with the federal executive body responsible for regulation of procurement specified in Part 3 of this Article, services the official web-site, particularly, ensures uninterrupted functioning of the official web-site, issuing to representatives of customers, authorised bodies, specialised organisations, bodies responsible for control over procurement and other organisations involved in procurement of goods, works and services in accordance with this Federal Law, the certificates of the keys to electronic digital signatures as part of registering users on the official web-site, who place information about procurement on the official web-site, as well as for the purposes of procurement by open auctions in the electronic form in accordance with Chapter 3.1 of this Federal Law, develops the official web-site in the part of functional improvements in accordance with the functional requirements specified in Part 3 of this Article and other improvements of the web-site.

(Part 4 as revised by No. 218-FZ Federal Law of 24.07.2007 (revised on 08.05.2010))

Under No. 218-FZ Federal Law of 24.07.2007 (revised on 08.05.2010), from 1st January 2010 Clause 5.1 will be added to this Article.

5. Lost effect on 1st January 2011. - No. 218-FZ Federal Law of 24.07.2007 (revised on 08.05.2010)

6. Information about procurement of goods, works, services, for the customers' needs, information about the conditions, prohibitions, about restricting access of goods originating in a foreign state or a group of foreign states, works, services accordingly carried out or rendered by foreign persons shall be placed on the official web-site free-of-charge. Therewith, information about procurement includes information specified by this Federal Law and information obtained in course of making decisions on organising procurement and in course of organising procurement, including information contained in a notice about open tender or an open auction, a notice about quotation request, tender documentation, auction documentation, changes introduced to such notices and such documentation, explanations about the above documentation, the Protocols drawn up in course of procurement, as well as information about complaints from procurement participants and their content, about decisions made upon considering such complaints, determinations issued by the federal executive body, executive bodies of the constituent territories of the Russian Federation, local self-government bodies responsible for procurement control.

(Part 6 as revised by No. 218-FZ Federal Law of 24.07.2007 (revised on 08.05.2010))

7. The procedures for registering users on the official web-site who place information about procurement on the official web-site, including registration periods, as well as the procedures for placing information on the official web-site and the form of procurement plan-schedules, the procedures for using the official web-site and requirements to technological, software, linguistic, legal and organizational means of users' support for this web-site are established by the federal executive body responsible for regulation of procurement and the federal executive body performing law enforcement functions for cash services of executing the budgets of the budget system of the Russian Federation.

(Part 7 as revised by No. 218-FZ Federal Law of 24.07.2007 (revised on 08.05.2010))

8. Information about procurement that is placed on the official web-site must be accessible free-of-charge.

(as revised by No. 218-FZ Federal Law of 24.07.2007)

Article 16.1. Organisation Providing Services for Keeping and Maintaining the Official Web-Site

(introduced by No. 218-FZ Federal Law of 24.07.2007 (revised on 08.05.2010))

1. The federal executive body responsible for regulation of procurement and the federal executive body performing law enforcement functions for cash services of executing the budgets of the budget system of the Russian Federation can use on a contract basis organisations (or an organisation) to provide services for keeping and maintaining the official web-site.

2. Selecting an organisation for the services for keeping and maintaining the official web-site (further on also referred to as the services for maintaining the official web-site and supporting its functionality) is exercised in accordance with this Federal Law.

Article 17. Control over Compliance with the Law of the Russian Federation and Other Normative Legal Acts of the Russian Federation on Procurement

(as revised by No. 218-FZ Federal Law of 24.07.2007)

1. Control whether a customer, an authorised organisation, a Tender, Auction or a Quotation Commission, the federal executive bodies responsible for creating, keeping, developing and maintaining the official web-site, an organisation providing the services for maintaining and supporting the official site, the federal executive body, keeping the Contract Register, electronic site operators comply with the law of the Russian Federation and other normative legal acts of the Russian Federation on procurement, is exercised by scheduled and unscheduled inspections. In course of these inspections, the results of evaluations of the tender bids under the criteria specified in Clauses 1 and 1.1 Part 4 Article 28, Clauses 1, 2 and 4 Part 3 Article 31.6 of this Federal Law are not subject to inspection.

(as revised by No.83-FZ Federal Law of 08.05.2010)

2. Control whether the federal executive bodies responsible for creating, keeping, developing and maintaining the official web-site, an organisation providing the services for maintaining and supporting the official site, the federal executive body, keeping the Contract Register, electronic site operators, comply with the law of the Russian Federation and other normative legal acts of the Russian Federation on procurement, and before the contract for procurement of goods, works, services for the needs of the constituent territories of the Russian Federation or municipal needs is concluded through an open auction in the electronic form by a customer, an authorised body, a specialised organisation, an Auction Commission, is exercised by the federal executive body responsible for control over procurement.

(as revised by No.83-FZ Federal Law of 08.05.2010 and No.240-FZ Federal Law of 27.07.2010)

3. Scheduled inspections of procurement of goods, works, services for the federal needs as well as the needs of federal budget-funded organisations, the needs of the constituent territories of the Russian Federation, as well as the needs of budget-funded organisations of the constituent territories of the Russian Federation, or municipal needs as well as the needs of municipal budget-funded organisations are exercised by the federal executive body, the executive body of a constituent territory of the Russian Federation, a local self-government body of a municipal district, a town district, responsible for control over procurement accordingly, under Part 2 of this Article. The procedures for scheduled inspections over procurement of goods, works and services for the customers' needs are established by the federal executive body regulating procurement.

(as revised by No.83-FZ Federal Law of 08.05.2010 and No.240-FZ Federal Law of 27.07.2010)

4. Unscheduled inspections of procurement of goods, works and services for the federal needs, the needs of federal budget-funded organisations, the needs of the constituent territories of the Russian Federation, the needs of budget-funded organisations of the constituent territories of the Russian Federation, or municipal needs as well as the needs of municipal budget-funded organisations are exercised by the federal executive body, the executive body of a constituent territory of the Russian Federation, a local self-government body of a municipal district, a town district responsible for control over procurement accordingly, under Part 2 of this Article.

(as revised by No.83-FZ Federal Law of 08.05.2010 and No.240-FZ Federal Law of 27.07.2010)

5. An unscheduled inspection takes place if a procurement participants complaint about actions (omissions) of a customer, an authorised body, a specialised organisation, or an electronic site operator, or a Tender, Auction

or Quotation Commission, or information about violating the law of the Russian Federation and (or) other normative legal acts of the Russian Federation on procurement is received, as well as in order to control execution of determinations issued under Part 9 of this Article. Therewith, such complaints are considered in accordance with the procedures established by Chapter 8 of this Federal Law. If an unscheduled inspection is based on a complaint by a procurement participant, a single decision shall be made upon the findings of the inspections and the outcome of complaint consideration.

(as revised by No.93-FZ Federal Law of 08.05.2009)

6. If information is received about failure of the persons specified in Part 1 of this Article to execute the determinations issued under Part 9 of this Article, and if information is received that the above persons exercised actions (omissions) that have the signs of an administrative violation, the federal executive body, the executive body of a constituent territory of the Russian Federation responsible for control over procurement can also carry out unscheduled inspections of procurement of goods, works, services for the needs of the constituent territories of the Russian Federation, the needs of budget-funded organisations of the constituent territories of the Russian Federation, or municipal needs as well as the needs of municipal budget-funded organisations.

(as revised by No.83-FZ Federal Law of 08.05.2010)

7. Scheduled inspections of the same customer, authorised body, operating on a continual basis Tender, Auction or Quotation Commission, each federal executive body authorised to create, keep, develop and maintain the official web-site, organisation providing the services for keeping and maintaining the official web-site, the federal executive body responsible for keeping the Contract register, the same electronic site operator are carried out no often than once in six months.

(as revised by No.83-FZ Federal Law of 08.05.2010)

8. Scheduled inspections of the same specialised organisation, Tender, Auction or Quotation Commission, except specified in Part 7 of this Article, are carried out no often than once in the period from publishing the notice about an open tender or an open auction, sending invitations to take part in a closed tender or a closed auction, or placing information about quotation request on the official web-site till the day when the contract is concluded, competitive bidding is recognised invalid or all quotation bids are rejected.

(as revised by No.83-FZ Federal Law of 08.05.2010)

9. If scheduled or unscheduled inspections, or investigation of complaints about actions (omissions) of a customer, an authorised body, a specialised organisation, an electronic site operator, or a Tender, Auction or Quotation Commission reveal violations of the law of the Russian Federation or other normative legal acts of the Russian Federation on procurement by the persons specified in Part 1 of this Article, the federal executive body, the executive body of a constituent territory of the Russian Federation or a local self-government body responsible for control over procurement can:

(as revised by No.93-FZ Federal Law of 08.05.2009)

1) Issue mandatory determinations to a customer, an authorised body, a specialised organisation, an electronic site operator, or a Tender, Auction or Quotation Commission, which actions (omissions) infringed the rights and legitimate interests of procurement participants, to eliminate such violations in accordance with the law of the Russian Federation, particularly about invalidating competitive bidding;

(as revised by No.240-FZ Federal Law of 27.07.2010)

2) Issue mandatory determinations to the persons specified in Part 1 of this Article to eliminate such violations in accordance with the law of the Russian Federation;

3) File a lawsuit to a court, an arbitration court asking to invalidate a procurement order.

10. A determination to eliminate violations of the law of the Russian Federation on procurement under the law of the Russian Federation, issued in accordance with Part 9 of this Article, must designate specific actions, which the person to whom such determination is issued must exercise to eliminate the violation.

11. In accordance with Part 9 of this Article, the federal executive body, the executive body of a constituent territory of the Russian Federation or a local self-government body responsible for control over procurement must place the determination on the official web-site within three working days after it was issued.

12. If scheduled or unscheduled inspections revealed a fact of actions (omissions) by the person,s specified in Part 1 of this Article, that have the signs of an administrative violation, a local self-government body responsible for control over procurement must within two working days upon revealing such facts forward the information about exercising the above actions (omissions) and documents, corroborating this fact, to the federal executive body or the executive body of a constituent territory of the Russian Federation responsible for control over procurement.

13. If scheduled or unscheduled inspections revealed a fact of the persons, specified in Part 1 of this Article, exercising actions (omissions) that have the signs of a crime, within two working days upon revealing such facts the federal executive body, the executive body of a constituent territory of the Russian Federation, a local self-government body responsible for control over procurement must forward the information about exercising such actions (omissions) to the law enforcement bodies.

14. Receiving information about failure by a person to execute a determination issued under Part 9 of this Article, a local self-government body responsible for control over procurement must forward information about it to the federal executive body responsible for control over procurement, or the executive body of a constituent territory of the Russian Federation responsible for control over procurement , or can approach a court, an arbitration court requesting to enforce the person to exercise actions in compliance with the law of the Russian Federation.

15. Receiving information about failure by a person to execute a determination issued under Part 9 of this Article the federal executive body, the executive body of a constituent territory of the Russian Federation responsible for control over procurement can impose penalties under the law of the Russian Federation, and approach a court, an arbitration court requesting to enforce the person to exercise actions in compliance with the law of the Russian Federation.

16. Carrying out inspections specified in Part 1 of this Article, members of staff of the federal executive body, an executive body of a constituent territory of the Russian Federation, a local self-government body responsible for control over procurement in accordance with their scope of reference, on presentation of their employment certificates and decisions of the heads (deputy heads) of the above bodies to carry out an inspection, have the right of access to the federal executive bodies, executive bodies of constituent territories of the Russian Federation, local self-government bodies, other bodies and organisations exercising the functions of the above bodies, management bodies of the state extra-budgetary funds, state-owned and budget-funded organisations, other recipients of budgetary funds, as well as organisations exercising the functions of specialised organisations providing services for maintaining the official web-site and supporting the web-site functioning, operators of electronic sites, to obtain documents and information about procurement that are required by the federal executive body, the executive body of a constituent territory of the Russian Federation, a local self-government body responsible for control over procurement.

(as revised by No.83-FZ Federal Law of 08.05.2010)

Article 17.1. Obligation to Submit Information to the Bodies Responsible for Control over Procurement

(introduced by No.218-FZ Federal Law of 24.07.2007)

1. Commercial and non-commercial organisations that exercise the functions of specialised organisations providing services for maintaining the official web-site and supporting the web-site functioning, operators of electronic sites, the federal executive bodies, executive bodies of constituent territories of the Russian Federation, local self-government bodies, other bodies and organisations exercising the functions of the above bodies, management bodies of the state extra-budgetary funds, state-owned and budget-funded organisations, other recipients of budgetary funds (their officials), must submit to the bodies responsible for control over procurement, upon a request from these bodies, documents, written or oral explanations, information about procurement (including information on procurement that constitutes state, commercial, service secrets or other secrets protected by law) that are required by them.

(as revised by No.83-FZ Federal Law of 08.05.2010)

2. Information on procurement that constitutes state, commercial, service secrets or other secrets protected by law is submitted to the bodies responsible for control over procurement in accordance with the norms of the federal laws.

Article 17.2. Obligations of the Bodies Responsible for Control over Procurement to Observe Commercial, Service Secrets or other Secrets Protected by Law

(introduced by No.218-FZ Federal Law of 24.07.2007)

1. Information that constitutes state, commercial, service secrets or other secrets protected by law and is obtained by the bodies responsible for control over procurement exercising their powers shall not be disclosed except in the cases provided for by the federal laws.

2. Members of staff of the bodies responsible for control over procurement have civil law, administrative and

criminally liability for disclosing information that constitutes state, commercial, service secrets or other secrets protected by law.

3. Damages inflicted upon a physical or a legal person as a result of disclosing information that constitutes state, commercial, service secrets or other secrets protected by law by the bodies responsible for control over procurement or their officials must be compensated at the expense of the Treasury of the Russian Federation, a treasury of a constituent territory of the Russian Federation, or a municipality accordingly.

Article 18. The Register of the Contracts Concluded upon the Results of Procurement

(as revised by No.83-FZ Federal Law of 08.05.2010)

1. The federal executive body performing law enforcement functions for cash services of executing the budgets of the budget system of the Russian Federation keeps the Register of State Contracts concluded on behalf of the Russian Federation, the constituent territories of the Russian Federation, municipal contracts concluded on behalf of municipalities, as well as civil law contracts of federal budget-funded organisations, budget-funded organisations of the constituent territories of the Russian Federation, municipal budget-funded organisations (further on referred to as the Contracts Register). The Contracts Register does not include information about the contracts and other civil law agreements concluded under Clause 14 Part 2 Article 55 of this Federal Law.

2. Contracts Register must contain the following information:

- 1) The name of a customer;
- 2) The source of financing;
- 3) The method of procurement;
- 4) The date of the auction, the announcement of tender result or the results of quotation request, and particulars of the document confirming the grounds for concluding the contract;
- 5) The date when the contract is concluded;
- 6) The contract subject, price and the period of execution;
- 7) The name, location (for legal entities), surname, name, patronymic, place of residence, the taxpayer's identification number (for physical persons) of a supplier (executor, contractor), except information about the physical person – supplier of cultural values, including museum artifacts and museum collections, as well as rate and valuable publications, manuscripts, archive documents (resupply state museum, library, archive funds, including their copies) that have historic, artistic or other cultural value and designed to resupply state museum, library, archive funds, cinema-, photo-funds and similar funds;

(as revised by No.79-FZ Federal Law of 21.04.2011)

- 8) Information about changing the contract specifying the changed contract conditions;

9) Information about executing the contract specifying the execution parameters, including information about the contract payment;

10) Information about terminating the contract specifying the grounds for terminating the contract.

3. Within three working days after concluding the contract, customers forward information specified in Clauses 1 - 7 Part 2 of this Article to the federal executive body performing law enforcement functions for cash services of executing the budgets of the budget system of the Russian Federation. If the contract conditions have been changed in accordance with this Federal Law, within three working days after such changes were made, customers shall forward to the above body information specified in Part 2 of this Article, and with regard to which the contract conditions have been changed. Information specified in Clauses 9 and 10 Part 2 of this Article shall be forwarded by customers to the above body within three working days after the day of executing or terminating the contract accordingly.

4. Within three working days upon receiving information specified in Part 2 of this Article, the federal executive body performing law enforcement functions for cash services of executing the budgets of the budget system of the Russian Federation places this information on the official web-site.

5. Information contained in the Contracts Register must be accessible on the official web-site free-of-charge.

6. The procedures for keeping the Contracts Register, the requirements to technological, software, linguistic, legal and organizational means of support of the official web-site where the Register is placed shall be established by the Government of the Russian Federation.

7. Information on procurement and concluded contracts, which constitutes state secrets, is included in a separate Contracts Register, for which the Government of the Russian Federation establishes keeping procedures. The above information is not subject to publishing in mass media and placing on the Internet.

Article 19. The Register of Unfair Suppliers

1. The Register of Unfair Suppliers is kept by the federal executive body responsible for control over procurement.

2. The Register of Unfair Suppliers includes information about procurement participants who evaded concluding contracts and about suppliers (executors, contractors), with whom contracts are terminated due to considerable violations of the contracts by them.

(as revised by No.2218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

3. The Register of Unfair Suppliers must contain the following information:

1) The name, location (for legal entities), surname, name, patronymic, place of residence, the taxpayer's identification number (for physical persons) of the persons specified in Part 2 of this Article;

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.308-FZ Federal Law of 30.12.2008)

2) The date of the auction, the announcement of tender result or the results of a quotation request, if the auction winner, the tender winner or the winner of a quotation request evaded concluding the contract, the date of recognising competitive bidding invalid, when the only procurement participant that filed a tender or an auction bid or the procurement participant that was recognised as the only auction or tender bidder, or the only auction bidder who took part in an auction evaded concluding the contract, the date of a quotation request, where the only procurement participant who filed a quotation bid evaded the contract, the date of concluding the contract that has not been executed or has not been properly executed;

(as revised by No.53-FZ Federal Law of 20.04.2007, No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

3) The contract subject, price and the period of execution;

4) The grounds and the date of contract termination if the contract is terminated due to considerable violations of the contract by a supplier (executor, contractor);

(as revised by No.83-FZ Federal Law of 08.05.2010)

5) The date of entering this information in the Register of Unfair Suppliers.

4. If the contract is concluded with the procurement participant with whom under this Federal Law the contract shall be concluded if the tender winner evades the contract, the procurement participant, whose tender bid was awarded number two, the auction participant who made the one before last offer of the contract price, or the winner of a quotation request evading the contract, within three working days after the contract was concluded with the above procurement participant, a customer shall forward to the federal executive body responsible for control over procurement information specified in Clauses 1 - 3 Part 3 of this Article and the extract from the Tender Bids Evaluation and Comparison Protocol, the Auction Protocol or the Quotation Bids Comparison and Evaluation Protocol in the part of determining the winner of competitive bidding, the tender participant whose tender bid was awarded number two, the auction participant who made the one before last offer of the contract price, or the winner of a quotation request, notification of the winner of competitive bidding, the tender participant whose tender bid was awarded number two, the auction participant who made the one before last offer of the contract price, or the winner of the quotation request about refusal to conclude the contract, the court order to compel the winner of competitive bidding, the tender participant whose tender bid was awarded number two, the auction participant who made the one before last offer of the contract price, or the winner of the quotation request to conclude the contract (if any) and other documents confirming the refusal of the winner of competitive bidding, the tender participant whose tender bid was awarded number two, the auction participant who made the one before last offer of the contract price, or the winner of the quotation request to conclude the contract.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

5. If the only participant procurement that filed a tender bid, an auction bid or a quotation bid, or the procurement participant recognised as the only auction or tender bidder, or the only auction bidder who took part in the auction, evaded the contract, within five working days after expiration of the period for concluding

the contract specified in the tender documentation, the auction documentation or the notice of a quotation request, a customer shall forward to the federal executive body responsible for control over procurement information specified in Clauses 1 - 3 Part 3 of this Article, and the extract from the Tender Bids Qualification Protocol, the Auction Bids Qualification Protocol, the Notice sent by the only procurement participant that filed the tender bid, the auction bid or quotation bid, or the procurement participant recognised as the only tender or auction bidder, or the only auction bidder that took part in the auction, about evading contract, or the court order to compel such participant to conclude the contract (if any) and other documents confirming that the above persons evaded the contract.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

6. If terminating a contract due to a considerable violation of this contract by a supplier (executor, contractor), within three working days after terminating the contract, the customer shall forward to the federal executive body responsible for control over procurement information specified in Clauses 1 - 4 Part 3 of this Article as well as a copy of the court order about terminating the contract.

(as revised by No.53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

7. The federal executive body responsible for control over procurement includes the information specified in Part 3 of this Article in the Register of Unfair Suppliers within three working days after the day of receiving such information.

(as revised by No.53-FZ Federal Law of 20.04.2007)

8. Receiving information about a procurement participant evading a contract and in the absence of documents confirming that the procurement participant evaded the contract, within ten working days the federal executive body responsible for control over procurement verifies the fact of the procurement participant evading the contract. If the fact of the procurement participant evading the contract is confirmed, the federal executive body responsible for control over procurement includes the information specified in Part 3 of this Article in the Register of Unfair Suppliers within three working days after the day when this fact was confirmed.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

9. Information included in the Register of Unfair Suppliers must be accessible on the official web-site of the Russian Federation free-of-charge.

10. Information specified in Part 3 of this Article shall be excluded from the Register of Unfair Suppliers after two years from the day of including it in the Register of Unfair Suppliers.

11. The procedures for keeping the Register of Unfair Suppliers, requirements to technological, software, linguistic, legal and organisation means of maintaining the Register of Unfair Suppliers shall be established by the Government of the Russian Federation.

12. Including information about a procurement participant who evaded the contract, a supplier (executor,

contractor), with whom the contract was terminated due to considerable violations of the contract, in the Register of Unfair Suppliers or the content of such information in the Register of Unfair Suppliers, as well as failure to take actions specified in Part 10 of this Article can be challenged by an interested person in a judicial procedure.

(as revised by No.83-FZ Federal Law of 08.05.2010)

Article 19.1. Initial (Maximum) Contract Price (Lot Price)

(introduced by No.79-FZ Federal Law of 21.04.2011)

1. To set the initial (maximum) contract price (lot price), the sources of information about prices of goods, works, services that are the subject of procurement can be government statistical data, the official web-site, the Register of Contracts, information about manufacturers' prices, publicly available market research findings, market surveys carried out upon initiatives of a customer, an authorized body, particular, under a contract or a civil law contract, and other sources of information. A customer, an authorized body can complete their own calculations of the initial (maximum) contract price (lot price).

2. Tender documentation, auction documentation (including documentation about an open auction in the electronic form), a notice about a quotation request shall give justification of the initial (maximum) contract price (lot price), containing information or calculations obtained by a customer, an authorized body, and sources of information about prices for goods, works, services used by a customer, including relevant Internet sites or other indications.

3. Placing tender documentation, auction documentation (including documentation about an open auction in the electronic form), a notice about a quotation request, that give justification of the initial (maximum) contract price (lot price) and other information specified by Part 2 of this Article, on the official web-site is recognized bona fide execution of this Article.

4. The Government of the Russian Federation can establish the procedures for setting the initial (maximum) contract prices (lot price) for particular types of goods, works, services for the purposes of including such prices in tender documentation, auction documentation (including documentation about an open auction in the electronic form), a notice about a quotation request, particularly, set a closed list of sources of information about the prices of goods, works, services.

Chapter 2. PROCURMENT IN THE FORM OF TENDERS

Article 20. Tender for the Right to Conclude a Contract

(as revised by No.83-FZ Federal Law of 08.05.2010)

1. For the purposes of this Federal Law, tender means competitive bidding, the winner of which recognized a person who offered the best contract execution conditions and whose tender bid is assigned the first number.

(as revised by No.83-FZ Federal Law of 08.05.2010)

2. Tenders can be open or closed. A customer, an authorised body can procure by organising a closed tender exclusively for procurement of goods, works, services, information about which constitutes state secrets, provided that such information is included in a tender documentation or in a draft government contract, and in case of procurement of the services of insurance, transportation and protection of valuables from the State Fund of Precious Metals and Precious Stones of the Russian Federation, the services of insurance, transportation and protection of museum artifacts and museum collections, rare and valuable publications, manuscripts, archive document (including their copies), that have historic, artistic or other cultural value and transferred by customers for temporary possession and use or for temporary possession to physical and legal persons, in particular, due to organizations of exhibitions in the Russian Federation and (or) foreign countries.

(as revised No.218-FZ Federal Law of 24.07.2007 and No.79-FZ Federal Law of 21.04.2011)

3. It is not allowed to charge procurement participants for taking part in tenders except the fee for providing tender documentation in the cases specified by this Federal Law.

4. A customer, an authorised body can set the requirement to deposit monetary funds as a tender bid security (further on also referred to as the requirement for tender bid security). The size of the tender bid security cannot exceed 5% of the initial (maximum) contract price (lot price) or if procurement is organised under Article 15 of this Federal Law – 2% of the initial (maximum) contract price (lot price). If the customer, the authorised body establishes the requirement for tender bid security, this requirement is equally applicable to all procurement participants and is specified in the tender documentation.

(as revised by No.53-FZ Federal Law of 20.04.200, No.218-FZ Federal Law of 24.07.2007 and No.290-FZ Federal Law of 03.11.2010)

5. To prepare a tender, if a customer, an authorised body does not have a possibility to compile detailed specification of goods, determine characteristics of works (complex research and development or technological works) or services, for the purposes of most full satisfaction of the customer' needs, a customer, an authorised body can place on the official web-site information about their interest in organising a tender specifying the period for filing offers about technical, technological and quality characteristics of goods, works, services. The submitted offers can be taken into consideration to determine the tender subject. After the tender subject is determined, a customer, an authorised body makes the decision to organise a tender. Therewith, a customer, an authorised body cannot give any advantages to the persons who submitted those offers.

(as revised by No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

6. Organizing a tender, a customer, an authorized body, a specialized organisation, or a Tender Commission are not allowed to have any negotiations with procurement participants. If this provision is violated, a tender can be recognised invalid upon a claim of an interested person in accordance with the procedures provided for by the law of the Russian Federation.

Article 21. Notice about an Open Tender

1. Notice about an Open Tender is placed by a customer, an authorised body, a specialised organisation on the official web-site no later than thirty days before the bids opening and opening the access to the tender bids

filed in the form of electronic documents.

(Part 1 as revised by No.218-FZ Federal Law of 24.07.2007)

2. Ceased to be in force from 1st January 2011. - No.218-FZ Federal Law of 24.07.2007.

3. A customer, an authorised body, a specialised organisation also can publish a notice about an open tender in any mass media, including electronic mass media provided that such publication and placement cannot take place instead of placing a notice as required by Part 1 of this Article.

(as revised by No.218-FZ Federal Law of 24.07.2007)

4. A notice about an open tender must include the following information:

1) The method of competitive bidding;

2) The name, location, mailing address and electronic mail address, the contact telephone number of the customer, the authorised body, the specialised organisation;

3) Ceased to be in force. - No.53-FZ Federal Law of 20.04.2007;

4) The contract subject specifying the quantity of goods, volume of works, services, except when for a tender organised for the right to enter into a contract for technical maintenance and (or) machinery and equipment repair, communications services, legal services it is impossible to determine the necessary quantity of the spare parts to the machinery and equipment and the volume of works, services;

(as revised by No.53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

5) The place of delivery of goods, carrying out works, rendering services;

(as revised by No.53-FZ Federal Law of 20.04.2007)

6) Ceased to be in force. - No.53-FZ Federal Law of 20.04.2007;

7) The initial (maximum) contract price (lot price);

(Clause 7 as revised by No.53-FZ Federal Law of 20.04.2007)

8) The period, location and procedures for providing the tender documentation, the official web-site where the tender documentation is placed, the size, procedures and period for making the payment charges by the customer, the authorised body for providing the tender documentation if such payment is fixed;

9) - 10) Ceased to be in force. - No.53-FZ Federal Law of 20.04.2007;

11) The location, date and time of bids opening procedure and opening the access to the bids filed in the electronic form; the location and date of bids consideration and announcing the tender results;

12) Advantages granted to the penal enforcement institutions and enterprises and (or) organisations of disabled persons that supply goods, carry out works, render services, if such advantages are established by a customer, an authorised body. A customer, an authorised body can grant advantages to the above categories of persons up to 15% of the offered contract price according to the procedures and the List of goods, works, services established by the Government of the Russian Federation;

(as revised by No. 53-FZ Federal Law of 20.04.2007)

13) - 14) Ceased to be in force. - No.53-FZ Federal Law of 20.04.2007.

4.1. A customer, an authorised body can decide to introduce changes to the notice about an open tender no later than five days before the deadline for filing the tender bids. It is not allowed to change the subject of a tender. Within one day after the above decision is made, a customer, an authorised body, a specialised organisation shall place such changes on the official web-site, according to the procedures established for placing a notice about an open tender. Therewith, the deadline for filing the tender bids must be extended so the period between placing changes, introduced to the notice about the open tender, on the official web-site and the deadline for filing the bids is no less than twenty days.

(Part 4.1 is introduced by No. 53-FZ Federal Law of 20.04.2007, as revised by No.218-FZ Federal Law of 24.07.2007 3)

5. A customer, an authorised body, that placed information about an open tender on the official web-site, can refuse to organise it no later than fifteen days before the deadline for filing the bids. A notice about a refusal to organise an open tender shall be placed by a customer, an authorised body, a specialised organisation within two days after the decision about refusal to organise an open tender was made in accordance with the procedures established for placing a notice about an open tender on the official web-site. Within two working days after making this decision, a customer, an authorised body shall open (if the mailing address (for a legal entity) or information about the place of residence (for a physical persons) is not put on an envelope) the tender bids, opens the bids filed in the form of electronic documents and forward the relevant notices to all procurement participants who filed the tender bids. If there was a tender bid security requirement, a customer, an authorised body shall return the money deposited as a bid security to the procurement participants within five working days after the decision to refuse organising an open tender was made.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.218-FZ Federal Law of 24.07.2007)

Article 22. Content of Tender Documentation

1. Tender documentation is drafted by a customer, an authorised body, a specialised organisation and approved by a customer, an authorised body.

2. Tender documentation must contain requirements specified by a customer, an authorised body for the quality, technical characteristics of goods, works, services, safety requirements, requirements to the functional characteristics (consumer qualities) of the goods, requirements to the size, packaging, shipment of the goods,

requirements to the outcome of works and other parameters related to verification whether the goods, works, services conform to the customer's needs. Unless otherwise provided for by tender documentation, the supplied goods should be new goods (the goods that have not been in use, repaired, including reconstruction, replacement of spare parts, reconstruction of consumer qualities).

(as revised by No.79-FZ Federal Law of 21.04.2011)

2.1. Tender documentation cannot contain (particularly, in the form of quality requirements, requirements to the technical characteristics of goods, works, services, requirements to the functional characteristics (consumer qualities) of the goods) requirements to the goods producer, a procurement participant (particularly, requirements to the qualification of procurement participants, including work experience of a procurement participant), as well as requirement to its business reputation, requirements about participant's availability of production capacity, technological equipment, labour, financial and other resources necessary to produce the goods, supply of which is the subject of a contract, carrying out works, rendering services that are the subject of a contract, except when possibility to set such requirements is provided for by this Federal Law.

(Part 2.1 is introduced by No. 53-FZ Federal Law of 20.04.2007, as revised by No.93-FZ Federal Law of 08.05.2009)

3. Tender documentation should not contain indications to brand marks, service marks, commercial names, patents, useful models, industrial samples, location of the goods origin or the name of a producer, as well as requirements to the goods, information, works, services, if such requirements lead to restricting the number of procurement participants. Tender documentation can contain indications to brand marks if in course carrying out works or rendering services it is expected to use goods that are not the subject of the contract. If tender documentation indicates brand marks for the goods originating from a foreign state or a group of foreign states, the tender documentation should also indicate a trademark in relation to the goods of Russian origin (if there is information about the goods of Russian origin that are equivalent to the goods originating from a foreign state or a group of foreign states). If tender documentation indicates a trademark, it should be accompanied by the words "or equivalent", except a case of incompatibility of the goods on which other trademarks are placed and the need to ensure interoperability of such goods with the goods used by a customer and procurement of supply of spare parts and expendable materials to machinery and equipment used by the customer in accordance with the technical documentation for the machinery and equipment. Equivalency of goods is determined in accordance with the requirements and indicators under Part 2 of this Article.

(as revised by No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008, No.93-FZ Federal Law of 08.05.2009 and No.79-FZ Federal Law of 21.04.2011)

4. Tender documentation must contain:

1) Under Parts 2 - 4 Article 25 of this Federal Law, requirements to the content, form, execution and composition of tender bids, including the bids filed as electronic documents signed in accordance with the normative legal acts of the Russian Federation (further on referred to as an electronic document) and the instruction how to fill it;

(as revised by No.218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

2) The requirements to description by procurement participants of the goods, that are the contract subject, their functional characteristics (consumer qualities), as well as quantity and quality characteristics, the requirements to the description by procurement participants of the works, services that are the contract subject, their quantity and quality characteristics;

3) The requirements to the period and (or) volume of the quality warrantee of goods, works, services, goods servicing, expenses for goods operation (if necessary); The requirements to the period and (or) volume of the warrantee for the quality of goods, works, services, goods servicing, expenses for goods operation, mandatory installation and adjustment, training of persons who use and service the goods. If necessary these requirements are established by a customer, an authorized body, except for procurement of machinery and equipment. For procurement of machinery and equipment a customer, an authorized body sets requirements in the tender documentation to the warranty period and (or) the scope of the warranty for the quality of goods, warranty servicing of the goods, the costs of goods servicing within the warranty period, as well as installation and adjustment of the goods if it is specified in the technical documentation for the goods. For procurement of new machinery and equipment, a customer, an authorized body set requirements in the tender documentation to the manufacturer's warranty for the goods and to the warranty period; the warranty must be provided with the goods. Additionally, in procurement of new machinery and equipment a customer, an authorized body sets requirements in the tender documentation for supplier's warranty for the goods and the warranty period; the warranty must be provided with the goods and the warranty period must be no less that the manufacturer's warranty for the goods.

(Clause 3 as revised by No.79-FZ Federal Law of 21.04.2011)

4) The location, conditions and deadline (periods) for supplies of goods, carrying out works, rendering services;

4.1) The initial (maximum) contract price (lot price) as well as the initial (maximum) price per unit of goods, works, services if for procurement of technical means for rehabilitation of disabled persons, educational services, services for health-resort treatment and health improvement for the customers' needs the tender documentation provides for a customer's right to conclude a contract with several procurement participants. If organising a tender for the right to conclude a contract for technical maintenance and (or) repair of machinery and equipment, communications services, legal services it is impossible to determine the necessary number of spare parts to machinery and equipment, the volume of works, services, a customer, an authorised body can specify the initial (maximum) contract price (lot price) in the tender documentation as well as the initial (maximum) price of spare parts (each spare part) to machinery and equipment and the initial (maximum) price per unit of services and (or) works for technical maintenance and (or) repair of machinery and equipment, including the price of works for replacing the above spare parts;

(as revised by No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008, and No.83-FZ Federal Law of 08.05.2010)

4.2) The form, period and procedures for payment for goods, works, services;

(Clause 4.2 is introduced by No. 53-FZ Federal Law of 20.04.2007)

4.3) The source of procurement financing;

(Clause 4.3 is introduced by No. 53-FZ Federal Law of 20.04.2007)

4.4) justification of the initial (maximum) contract price (lot price) under Article 19.1 of this Federal Law;

(Clause 4.4 is introduced by No.79-FZ Federal Law of 21.04.2011).

5) The procedures for determining contract price (lot price) (accounting or not accounting for the costs of transportation, insurance, customs duties, taxes and other mandatory payments);

(as revised by No. 53-FZ Federal Law of 20.04.2007 and No.218-FZ Federal Law of 24.07.2007)

5.1) The list of spare parts to the machinery and equipment indicating the initial (maximum) price of each spare part to machinery and equipment – if organising a tender for the right to conclude a contract for technical maintenance and (or) repair of machinery and equipment it is impossible to determine the necessary number of spare parts to machinery and equipment, the volume of works, services;

(Clause 5.1 is introduced by No.218-FZ Federal Law of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

6) Information about the currency used in contract pricing and settlement with suppliers (executors, contractors);

7) The procedures for applying the official exchange rate of a foreign currency to the Ruble of the Russian Federation, established by the Central Bank of the Russian Federation and used for payment for the concluded contract;

(as revised by No.83-FZ Federal Law of 08.05.2010)

8) Information about a customer's possibility to change the contract quantity of goods, volume of works, services in accordance with Part 6 Article 9 of this Federal Law;

(Clause 8 as revised by No. 53-FZ Federal Law of 20.04.2007)

8.1) Information about a customer's possibility to conclude a contract for supply of technical means for rehabilitation of disabled persons, educational services, services for health-resort treatment and health improvement for the customers' needs with several procurement participants;

(Clause 8.1 is introduced by No.218-FZ Federal Law of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

8.2) Information about a customer's possibility to increase the quantity of goods when the contract is

concluded under Part 6.5 Article 9 of this Federal Law;

(Clause 8.2 is introduced by No.218-FZ Federal Law of 24.07.2007)

8.3) Information about a customer's possibility to conclude a contract with several procurement participants when procuring two and more research and development works in relation to the same subject and under the same contract conditions, specified in the tender documentation, comprising the same lot (further on referred to as – exploratory research and development), specifying the number of such contracts. In this case the initial (maximum) contract price of a single contract is given as the initial (maximum) contract price. The initial (maximum) contract price of all contracts for exploratory research and development works is the same and the initial (maximum) lot price is the sum of the initial (maximum) prices of all contracts with regard to this lot;

(Clause 8.3 is introduced by No.308-FZ Federal Law of 30.12.2008)

9) The procedures, location and date of the beginning and the deadline for filling the tender bids. The day of the beginning of filing the tender bids is the day following the day when the tender notice was placed on the official web-site. The deadline for filling the tender bids is set in accordance with Part 2 Article 26 of this Federal Law;

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.218-FZ Federal Law of 24.07.2007)

10) The requirements to the procurement participants established under Article 11 of this Federal Law;

11) The procedures and the deadline for withdrawing the tender bids, the procedures for making changes to the bids. The deadline for withdrawing the tender bids is set in accordance with Part 9 Article 25 of this Federal Law;

12) The methods, procedures, date of the beginning and the deadline for providing explanation of the provisions of the tender documentation to the procurement participants are established in accordance with Part 1 Article 24 of this Federal Law;

13) The location, procedures, date and time of bids opening and opening access to the tender bids filed in the form of electronic documents. The date and time of bids opening and opening access to the tender bids filed in the form of electronic documents are established in accordance with Part 1 Article 26 of this Federal Law;

(as revised by No.308-FZ Federal Law of 30.12.2008)

14) The criteria for tender bids evaluation established under Part 4 Article 28 of this Federal Law;

(as revised by No.308-FZ Federal Law of 30.12.2008)

15) The procedures for bids evaluation and comparison;

15.1) The size of bid security, the deadline and procedures for depositing the above monetary funds as the bid security, particulars of the account for depositing the above monetary funds if a customer, an authorised body

sets the requirement for bid security;

(Clause 15.1 is introduced by No.53-FZ Federal Law of 20.04.2007)

15.2) The size of a contract security, the deadline and the procedures for providing a contract security if a customer, an authorised body establishes the requirement for contract security. The size of a contract security cannot be over 30% of the Initial (maximum) contract price (lot price), specified in a notice about an open tender. If the initial (maximum) contract price (lot price) or the initial (maximum) contract price specified in Clause 8.2 of this Part exceeds 50 million Rubles, a customer, an authorised body must establish the contract security requirement at 10% - 30% of the initial (maximum) contract price (lot price) but no less than the advance payment (if the contract provides for the advance payment), or if the advance payment exceeds 30% of the initial (maximum) contract price (lot price) – not exceeding the advance payment by 20% but no less than the advance payment. If a customer, an authorised body establishes the contract security requirement for procurement of two and more exploratory research and development works, this requirement is set towards each contract for carrying out such works and the size of contract security is set on the basis of the initial (maximum) lot price pro rata the number of such contracts in view of the provisions of this Clause. The customer, the authorised body can determine contract obligations for which security must be provided; and for supply of new machinery and equipment, the initial (maximum) contract price (lot price) for which is 50 million Rubles and more, supply of machinery equipment must determine such obligations (including obligations for providing the manufacturer's and supplier's warranties with the new machinery and equipment) and an obligation to provide with the goods a supplier's warranty for the goods in the size from 2% to 10% of the initial (maximum) contract price (lot price);

(Clause 15.2 is introduced by No.53-FZ Federal Law of 20.04.2007, and revised by No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008, No.164-FZ Federal Law of 17.07.2009, No.83-FZ Federal Law of 08.05.2010 and No.79-FZ Federal Law of 21.04.2011)

16) The period after the day when the Tender Bids Evaluation and Comparison Protocol is placed on the official web-site, within which the tender winner must sign the draft contract. This period should be no less than ten days.

(as revised by No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

5. Tender documentation must be accompanied by a draft (or if a tender has several lots – a draft contract for each lot), which is an integral part of the tender documentation.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

6. Information contained in a tender documentation must match information specified in a notice about an open tender.

Article 23. The Procedures for Providing Tender Documentation

1. Organising an open tender, a customer, an authorised body, a specialised organisation must ensure that the tender documentation is placed on the official web-site within the period specified in Part 1 Article 12 of this Federal Law, simultaneously with placing a notice about an open tender. The tender documentation must be

available on the official web-site free-of-charge.

2. After an open tender notice is placed on the official web-site, a customer, an authorised body that received a written application from any interested person within two working days upon receiving such an application must provide tender documentation to this person according to the procedures specified in the notice about the open tender. The tender documentation shall be provided in a written form after the procurement participant makes payment for providing the tender documentation if such payment is set by a customer, an authorised body and it is indicated in a notice about an open tender, except when tender documentation is provided in the form of an electronic document. The fee must not exceed expenses of a customer, an authorised body for making a copy of tender documentation and delivering it to a bidder by mail. Tender documentation shall be provided in the form of an electronic document free-of-charge.

(as revised by No.53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007 and No. 240-FZ Federal Law of 27.07.2010)

3. It is not allowed to provide tender documentation before placing a notice about an open tender on the official web-site.

(as revised by No.218-FZ Federal Law of 24.07.2007)

4. Tender documentation placed on the official web-site should match tender documentation presented according to the procedures specified in Part 2 of this Article.

5. If provisions of Parts 1 - 4 of this Article are violated, an open tender can be recognised invalid under the law of the Russian Federation.

Article 24. Explaining the Provisions of Tender Documentation and Introducing Amendments to Tender Documentation

1. Any procurement participant can send a written enquiry to a customer, an authorised body asking to explain provisions of a tender documentation. Within two working days upon receiving such an enquiry, the customer, the authorised body must send an explanation in a written or an electronic form about the provisions of the tender documentation if the enquiry was received by a customer, an authorised body no later than five days before the deadline for filing the tender bids.

(as revised by No. 240-FZ Federal Law of 27.07.2010)

2. Within one day after forwarding explanations of the provisions of the tender documentation upon an enquiry of a procurement participant, a customer, an authorised body, a specialised organisation must place such explanations on the official web-site specifying the subject of the enquiry but without mentioning the procurement participant who filed the enquiry. Explanations of the provisions of tender documentation should not change the essence of the tender documentation.

3. Upon their own initiative or following an enquiry made by a procurement participant, a customer, an authorised body can decide to introduce changes to the tender documentation no later than five days before the deadline for filing the tender bids. It is not allowed to change the subject of a tender. Within one day after a

decision to introduce changes to a tender documentation was made, a customer, an authorised body, a specialised organisation must place such changes in accordance with the procedures established for placing notices about open tenders and within two working days send them by registered mail or in the form of electronic document to all procurement participants, who were given the tender documentation. Therewith, the deadline for filing the tender bids must be extended so that the period between the day when the changes to the tender documentation were placed on the official web-site and the deadline for filing tender bids is not less than twenty days.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.218-FZ Federal Law of 24.07.2007)

Article 25. The Procedures for Filing Tender Bids

1. To take part in a tender, procurement participants must file tender bids before the deadline and according to the form specified in the tender documentation.

(as revised by No.53-FZ Federal Law of 20.04.2007)

2. A procurement participant files a tender bid in a written form in a sealed envelope or in a form of an electronic document. On the envelopes, procurement participants should specify the open tender (lot) for which the bid is filed. Procurement participants cannot put their company name, mailing address (for legal persons) or the surname, name, patronymic or information about the place of residence (for physical persons) on the envelope.

(as revised by No.53-FZ Federal Law of 20.04.2007)

3. Tender bids should contain:

1) Information and documents about the procurement participant who files the bid:

a) The company name (name), information about organizational and legal form, location, mailing address (for legal entities), surname, name, patronymic, passport details, information about the place of residence (for physical persons), the contact telephone number;

b) An extract from the Single State Register of Legal Persons, obtained no earlier than six months before the notice about an open tender was placed on the official web-site, or a notary certified copy of such an extract (for legal entities); an extract from the Single State Register of Individual Entrepreneurs, obtained no earlier than six months before the notice about an open tender was placed on the official web-site, or a notary certified copy of such an extract (for individual entrepreneurs), copies of identity documents (for other physical persons); duly certified translation into Russian of the documents about state registration of a legal person or a physical person as an individual entrepreneur in accordance with the law of the relevant state (for foreign persons), obtained no earlier than six months before the notice about an open tender was placed on the official web-site, or a notary certified copy of such an extract (for legal entities);

(as revised by No.207-FZ Federal Law of 31.12.2005 and No.218-FZ Federal Law of 24.07.2007)

c) A document confirming the scope of reference of a person for exercising actions on behalf of a procurement

participant – a legal entity (a copy of a decision to appoint or elect, or an order to appoint a physical person to a position, according to which this physical person is entitled to act on behalf of the procurement participant without a power of attorney (further on for the purposes of this Chapter – a Chief Executive). If another person is acting on behalf of a procurement participant, a tender bid must also include a power of attorney for exercising actions on behalf of the procurement participant, authenticated with the seal of the procurement participant (for legal entities) or by a person authorised by this Chief Executive, or a notary certified copy of the power of attorney. If a power of attorney is signed by the person authorised by the chief executive of a procurement participant, the tender bid must also contain a document confirming the scope of reference of this person;

(as revised by No.218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

d) Documents confirming qualification of a tender participant for a tender for goods or services if the tender documentation specifies qualification of tender participants as a criterion for bids evaluation;

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.218-FZ Federal Law of 24.07.2007)

e) Copies of the founding documents of a procurement participant (for legal entities);

(Sub-Clause “e” is introduced by No.308-FZ Federal Law of 30.12.2008)

f) A decision on approving or completing a large transaction or a copy of this decision if the requirement for such a decision in order to complete a large transaction is provided for by the law of the Russian Federation, the founding documents of a legal entity and if for a procurement participant the works or services are the subject of the contract, or depositing monetary funds as a tender security, contract security is a large transaction;

(Sub-Clause “f” is introduced by No.308-FZ Federal Law of 30.12.2008)

2) An offer about functional characteristics (consumer qualities) and quality characteristics of the goods, quality of works, services and other offers about conditions of contract execution, including an offer about the contract price, price per unit of goods, services if for procurement of technical means for rehabilitation of disabled persons, educational services, services for health-resort treatment and health improvement services for the customers' needs the tender documentation provides for the customer's right to enter into a contract with several procurement participants; about the prices of spare parts (each spare part) for machinery and equipment, the price per unit of services and (or) works if organising a tender for the right to conclude a contract for technical maintenance and (or) repair of machinery, equipment, providing communications services, legal services a customer, an authorised body specified in the tender documentation the initial (maximum) contract price (lot price) as well as the initial (maximum) contract price of spare parts (each spare part) to machinery, equipment, and the initial (maximum) price per unit of services and (or) works. In the cases specified in tender documentation, also copies of documents confirming that goods, works, services comply with the requirements established in accordance with the law of the Russian Federation, if requirements about such goods, works, services are established in accordance with the law of the Russian Federation. Therewith, it is not allowed to require such documents if under the law of the Russian Federation such documents are to be handed over with the goods;

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

3) Documents or copies of documents confirming that a procurement participant meets the established requirements and conditions for taking part in a tender:

a) Documents confirming depositing monetary funds as a tender bid security if a tender documentation indicates the requirement for bid security (a payment order confirming transfer of monetary funds as a tender bid security, or a copy of the order);

(as revised by No.218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

b) Copies of documents confirming that a procurement participant meets the requirement established by Clause 1 Part 1 Article 11 of this Federal Law if the law of the Russian Federation establishes requirements to the persons supplying goods, carrying out works and rendering services that are the subject of a tender and these requirements are provided for by the tender documentation;

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.93-FZ Federal Law of 08.05.2009)

c) Documents confirming that a procurement participant meets the requirement established under Clause 1 Part 2 Article 11 of this Federal Law if this requirement is specified by a customer, an authorised body;

d) Copies of documents confirming that a procurement participant meets the requirement established under Part 2.2 or Part 3 Article 11 of this Federal Law if these requirements are established by the Government of the Russian Federation.

(Sub-Clause "d" as revised by No.79-FZ Federal Law of 21.04.2011)

3.1. A tender bid can contain sketches, pictures, drawings, photographs, other images of goods, a sample of goods, which are being procured.

(Part 3.1 is introduced by No. 218-FZ Federal Law of 24.07.2007)

3.2. A tender bid must declare conformity of a procurement participant with the requirements specified in Clauses 2 - 4 Part 1 Article 11 of this Federal Law.

(Part 3.2 is introduced by No.308-FZ Federal Law of 30.12.2008)

3.3. All sheets in a tender bid, all sheets in a volume of a tender bid must be numbered and bound. A tender bid, a volume of a tender bid must contain description of included documents, must be affixed with the seal of a participant procurement (for legal entities) and signed by the participant procurement or a person authorised by the participant procurement. Observing these requirements by a participant procurement means that all documents and data included in the tender bid and the volume of a tender bid are filed on behalf of this procurement participant, and the authenticity and reliability of the documents and data included in the tender

bid and the volume of a tender bid are confirmed. It is not allowed to set any other requirements for execution of a tender bid, except the requirements for execution of a tender bed specified in this Part. Improper execution of the requirements that all sheets in a tender bid, all sheets in a volume of a tender bid must be numbered and bound by a procurement participant does not constitute the grounds for not allowing to take part in a tender.

(Part 3.3 is introduced by No.308-FZ Federal Law of 30.12.2008)

4. It is not allowed to set requirements regarding documents and information to a procurement participant other than provided for by Sub-Clauses "a" - "c", "d" and "f" Clause 1, Clauses 2 and 3 Part 3 of this Article. It is not allowed to request a procurement participant to provide original documents.

(as revised by No. 218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

5. Receiving a tender bid filed in an electronic form, a customer, an authorised body must confirm in writing or in a form of an electronic document within 21 working days after the bid was received that the bid was received.

6. A procurement participant can only file a single tender bid regarding each tender subject (lot). A procurement participant that can affect the work of a specialised organisation cannot file a tender bid.

6.1. If a tender documentation provided for the rights of a customer to enter into procurement contracts for two and more exploratory research and development works with several procurement participants, a procurement participant can file a tender (lot) bid only with regard of a single exploratory research and development work.

(Part 6.1 is introduced by No.308-FZ Federal Law of 30.12.2008, as revised by 83-FZ Federal Law of 08.05.2010)

7. Tender bids are stopped being accepted on the day of bids opening and opening access to the bids filed in the form of electronic documents under the norms of Part 2 Article 26 of this Federal Law.

8. Procurement participants that filed tender bids, a customer, an authorised body, a specialised organisation must ensure confidentiality of information contained in such bids prior to bids opening and opening the tender bids filed in the form of electronic documents. Persons that keep the envelopes with tender bids and tender bids filed in the form of electronic documents, cannot allow damaging such envelopes and bids until the moment they are opened in accordance with Article 26 of this Federal Law.

9. A procurement participant that filed a bid can change or withdraw the bid any time before the Tender Commission opens the bids and opens access to the bids filed in the form of electronic documents. If a bid security requirement is set, a customer, an authorised body must return the monetary funds deposited as the tender bid security to the procurement participant that withdrew the tender bid, within five working days after a customer, an authorised body received a notice about withdrawal of the tender bid.

(as revised by No.53-FZ Federal Law of 20.04.2007)

10. Each envelope with a tender bid, each bid filed in the form of an electronic document, within the period specified in the tender documentation shall be registered by a customer, an authorised body, a specialised organisation. It is not allowed to refuse to accept and register an envelope with a tender bid, on which there is no information about a procurement participant who filed this bid, and require to provide such information, particularly in the form of documents confirming the scope of reference of the person who filed the tender bid, for exercising such actions on behalf of the procurement participant. Upon a request of a procurement participant, who filed a tender bid, a customer, an authorised body, a specialised organisation shall give a receipt about accepting the bid specifying the date and time of receiving it.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No. 218-FZ Federal Law of 24.07.2007)

11. If only one tender bid is filed or no tender bids are filed by the deadline for filing the bids, the tender is recognised void. If a tender documentation specifies two and more lots, the tender is recognised void only with regard to those lots for which only one tender bid is filed or no tender bids are filed.

(as revised by No.53-FZ Federal Law of 20.04.2007)

11.1. If a tender documentation provided for the rights of a customer to conclude contracts for two and more exploratory research and development works with several procurement participants and after the deadline for filing the tender bids the number of filed bids does not exceed the number of exploratory research and development works specified in the tender documentation, the tender is recognised void and the contracts for these works are concluded with all participants procurement that filed the bids, according to the procedures established by Part 12 of this Article, provided that these bids meet the requirements and conditions specified in the tender documentation.

(Part 11.1 is introduced by No.308-FZ Federal Law of 30.12.2008, as revised by 83-FZ Federal Law of 08.05.2010)

12. If only one bid is filed after the deadline for filing tender bids, the bid is opened or access to the bid filed in the form of an electronic document is opened and the bid shall be considered according to the procedures specified in Articles 27 - 28 of this Federal Law. If the bid meets the requirements and conditions specified in the tender documentation, within three working days of considering the bid a customer must forward to the procurement participant, who filed the only bid, a draft contract that is drawn by including the contract execution conditions offered by the procurement participant in the bid into the draft contract enclosed to the tender documentation. The contract shall be concluded with the procurement participant that filed the bid in view of the norms of Part 4 Article 29 of this Federal Law under the conditions and at the contract price that are specified in the tender bid and the tender documentation, but the contract price cannot exceed the initial (maximum) contact price (lot price) specified in the notice about the open tender. The procurement participant that filed the bid cannot refuse to enter into the contract. The monetary funds deposited as the bid security shall be returned to the procurement participant within five working days upon concluding the contract. If the procurement participant failed to present the signed contract to the customer within the period specified in the tender documentation as well as contract execution security, if the customer, an authorised body set the requirements for contract security, the procurement participant is recognised as evading the contract. If procurement participant evades the contract, the monetary funds deposited as the bid security shall not be returned.

(as revised by No.53-FZ Federal Law of 20.04.2007 and 83-FZ Federal Law of 08.05.2010)

Article 26. The Procedures for Bids Opening and Opening Access to the Tender Bids Filed in the Form of Electronic Documents

1. A Tender Commission shall open the bids and open access to the bids filed in the form of electronic documents publicly, on the day, time and at the location specified in the notice about an open tender. Tender bids opening and opening access to the tender bids filed in the form of electronic documents shall take place on the same day.

2. On the day of bids opening and opening access to the tender bids filed in the form of electronic documents, directly before opening the bids and opening access to the bids filed in the form of electronic documents or if a tender has several lots – before opening the bids filed for each lot and opening access to the bids filed in the form of electronic documents for this lot, but not before the time specified in the notice about an open tender and the tender documentation, the Tender Commission must announce to the procurement participants attending the bids opening and opening access to the tender bids filed in the form of electronic documents that there is a possibility to file the bids, change or withdraw the bids before bids opening and opening access to the tender bids filed in the form of electronic documents.

(as revised by No.53-FZ Federal Law of 20.04.2007)

3. The Tender Commission opens the bids and opens access to the bids filed in the form of electronic documents, received by a customer, an authorised body, a specialised organisation before bids opening and opening access to the bids filed in the form of electronic documents. If the fact is established that a procurement participant has filed two and more bids for the same lot and the bids that were filed earlier have not been withdrawn by the participant, all bids filed by the procurement participant for this lot shall not be considered and must be returned to the participant.

(as revised by No.53-FZ Federal Law of 20.04.2007)

3.1. If a tender documentation provides for the rights of a customer to conclude contracts for two and more exploratory research and development works with several procurement participants, a bid filed simultaneously for two and more such works shall not be considered and shall be returned to the procurement participant that filed the bids.

(Part 3.1 is introduced by No.308-FZ Federal Law of 30.12.2008, as revised by 83-FZ Federal Law of 08.05.2010)

4. Procurement participants that filed the bids or their representatives can be present at the bids opening and opening access to the tender bids filed in the form of electronic documents.

5. The name (for a legal entity), the surname, name, patronymic (for a physical person) and the mailing address of each procurement participant, whose bid is being opened or the access to whose tender bids filed in the form of electronic documents is being opened, information and data specified in the tender documentation, contract execution conditions that are specified in the bid and constitute the criteria for bids

evaluation, shall be announced at opening the bids and opening access to the bids filed in the form of electronic documents and entered in the Protocol for Bids Opening and Opening Access to the Bids Filed in the Form of Electronic Documents. If by the deadline for filing the bids, only one bid is filed or no bids were filed, it should be entered in the Protocol that the tender is recognised void.

(as revised by No. 218-FZ Federal Law of 24.07.2007 and 83-FZ Federal Law of 08.05.2010)

6. Opening the bids and opening access to the tender bids filed in the form of electronic documents, information about procurement participants that filed the bids, availability of documents and information specified in the tender documentation can be right away placed on the official web-site.

7. Ceased being in effect. - No.53-FZ Federal Law of 20.04.2007.

8. A Protocol for Bids Opening and Opening Access to the Bids Filed in the Form of Electronic Documents is maintained by a Tender Commission and must be signed by all present members of the Tender Commission and a customer, an authorised body immediately after opening the bids and opening access to the bids filed in the form of electronic documents. A customer, an authorised body, a specialised organisation shall place the Protocol on the official web-site within the day following the day when the Protocol was signed. If two or more exploratory research and development works are procured, a customer, an authorised body, a specialised organisation shall place the Protocol for Bids Opening and Opening Access to the Bids Filed in the Form of Electronic Documents on the official web-site within there working days following the day when the Protocol was signed.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.308-FZ Federal Law of 30.12.2008)

9. A customer, an authorised body, a specialised organisation must make an audio-recording of opening the bids and opening access to the bids filed in the form of electronic documents. Any procurement participant present at opening the bids and opening access to the bids filed in the form of electronic documents can make an audio- or video-recording of the bids opening and opening access to the bids.

10. Bids and bids filed in the form of electronic documents, that are received after the deadline for accepting the bids and the bids filed in the form of electronic documents, shall be opened (if there is no mailing address on the envelope (for legal entities) or information about the place of residence (for physical persons) of a procurement participant), an access to the bids filed in the form of electronic documents shall be opened, and on the same day such bids and such bids filed in the form of electronic documents shall be returned to procurement participants. If a requirement was set for bid security, a customer, an authorised body must return the monetary funds deposited as a bid security to the procurement participants within five working days after signing the Bids Evaluation and Comparison Protocol.

(as revised by No.53-FZ Federal Law of 20.04.2007)

Article 27. The Procedures for Bids Consideration

1. A Tender Commission shall consider whether tender bids comply with the requirements specified in the tender documentation, set under Article 11 of this Federal Law. The period for bids consideration cannot exceed 20 days after the day of opening the bids and opening access to the bids filed in the form of electronic

documents.

(as revised by No.53-FZ Federal Law of 20.04.2007)

2. Based on the results of bids consideration, a Tender Commission shall make a decision on allowing a procurement participant to take part in a tender, and on recognising the procurement participant, that filed a bid, as a tender bidder, or on refusing to allow the procurement participant to take part in the tender in accordance with the procedures and on the grounds that are specified in Article 12 of this Federal Law, and draws the Bids Consideration Protocol, which is kept by the tender Commission and has to be signed by all members of the Tender Commission present at the meeting and by a customer, an authorised body on the last day of bids consideration. The Protocol shall contain information about the procurement participants who filed tender bids, the decision on allowing a procurement participant to take part in a tender and be recognised as a tender bidder, or on refusing to allow a procurement participant to take part in a tender with justification of this decision and indicating the provisions of this Federal Law that the procurement participant does not conform to, the provisions of the tender documentation, to which the bid of this procurement participant does not confirm to, information about a decision of each member of the Tender Commission about allowing the tender participant to take part in the tender or refusing to allow participation in the tender. On the last day of considering tender bids, a customer, an authorised body, a specialised organisation shall place the Protocol on the official web-site. No later than the day following the day when the Protocol was signed, the Tender Commission shall send notices about its decisions to the procurement participants that filed the bids and are recognised as tender bidders and procurement participants that filed the bids and are not allowed to take part in the tender.

(as revised by No.218-FZ Federal Law of 24.07.2007)

3. If a bid security requirement was set, within five working days after the day when the Protocol, specified in Part 2 of this Article, was signed, a customer, an authorised body must return the monetary funds deposited as a bid security to a procurement participant that filed the bid but was not allowed to take part in the tender.

(as revised by No.53-FZ Federal Law of 20.04.2007)

4. If based on the results of bids consideration a decision is made that all procurements participants, who filed bids, are not allowed to take part in a tender, or only one procurement participant, who filed a bid, is allowed to take part in a tender, the tender shall be recognised void. If the tender documentation specified two or more lots, the tender is recognised void only for the lot, for which it was decided that that all procurements participants, who filed bids for this lot, are not allowed to take part in this lot, or only one procurement participant, who filed a bid for this lot, is allowed to take part in the lot and is recognised a tender bidder for this lot. If a bid security requirement was set, a customer, an authorised body must return the monetary funds deposited as a bid security to procurement participants that filed the bids within five working days after the day tender was recognised void, except the procurement participant who is recognised a tender bidder. The monetary funds deposited as a bid security shall be returned to this procurement participant within five working days after the day when the contract was concluded with this procurement participant.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

5. If a tender is recognised void and only one procurement participant, who filed a bid is recognised a tender bidder, within five working days after the day when the Protocol, specified in Part 2 of this Article, was signed, a customer must forward to this tender bidder a draft contract, which is drawn by including the contract execution conditions offered by this procurement participant in the bid to the draft contract enclosed to the tender documentation. Therewith, the contract shall be concluded in view of the provisions of Part 4 Article 29 of this Federal Law under the conditions and at the contract price, that are specified in the bid and tender documentation, but the contract price cannot exceed the initial (maximum) contract price (lot price) specified in the notice about the open tender. This bidder cannot refuse to conclude the contract. The monetary funds deposited as bid security shall be returned to this bidder within five working days after the contract is concluded. The contract can be concluded no earlier than ten days after the Protocol specified in Part 2 of this Article, was placed on the official web-site or in case of a closed tender – after the day the Protocol was signed. If the bidder fails to present to the customer a signed contract within the period specified in the tender documentation, and contract security if the customer, an authorised body set a requirement for contract security, the bidder is recognised as evading the contract. If the bidder evaded entering into the contract, the monetary funds deposited as the bid security shall not be returned.

(as revised by No.53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

Article 28. Tender Bids Evaluation and Comparison

1. A Tender Commission evaluates and compares the tender bids filed by procurement participants who are recognised a tender bidders. The period for evaluation and comparison of the bids cannot exceed ten days after the Protocol specified in Part 2 Article 27 of this Federal Law is signed. If a tender is for the right to conclude a contract, the initial (maximum) price of which exceeds 50 million Rubles, or for the right to conclude a contract for research and development, desing and experimental, technological works, this period cannot exceed 30 days after the Protocol was signed.

(as revised by No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

2. Bids evaluation and comparison are made by a Tender Commission to identify better conditions of contract execution based on the criteria and in accordance with the procedures established by the tender documentation. The total value of these criteria must be 100%.

(as revised by No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

3. If a notice about an open tender states advantages for organisations and enterprises of the penal enforcement system and (or) organisations of disabled persons, evaluating and comparing the bids the Tender Commission must account these advantages to the benefit of such procurement participants.

(as revised by No.53-FZ Federal Law of 20.04.2007)

4. To determine the better contract executing conditions offered in the tender bids, a Tender Commission must evaluate and compare the bids for the contract price (the price per unit of goods, services if procurement is for supply of technical means for rehabilitating disabled persons, educational services, services for health-resort treatment and health improvement for the customers' needs, if the tender documentation provides for the

customer's right to conclude the contract with several procurement participants; the prices of spare parts to machinery, equipment and per unit of works, services if a tender is for the rights to conclude a contract for technical maintenance and (or) machinery, equipment repair and the tender documentation specifies the initial (maximum) price of the spare parts to machinery, equipment; price per unit of services if the documentation for a tender for the right to conclude a contract for rendering communications services, legal services specifies the initial (maximum) price per unit of services) and other criteria specified in the tender documentation. Apart from the contract price, criteria for bids evaluation can be:

(as revised by No.53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

1) Functional characteristics (consumer qualities) of quality characteristics of the goods;

(as revised by No.218-FZ Federal Law of 24.07.2007)

1.1) The quality of works, services and (or) qualification of a bidder for procurement of works, services;

(Clause 1.1 is introduced by No.218-FZ Federal Law of 24.07.2007, as revised by No.257-FZ Federal Law of 08.11.2007)

2) Expenses for operating the goods;

3) Expenses for technical maintenance of the goods;

4) Periods for delivery of goods, completion of works, provision of services;

5) The period of the quality warranty for goods, works, services;

6) The scope of the quality warranty for goods, works, services;

7) - 8) Ceased to be in effect. - No.53-FZ Federal Law of 20.04.2007.

4.1. Evaluating and comparing the bids in accordance with the criterion specified in Clause 1.1 Part 4 of this Article, a Tender Commission can evaluate business reputation of a bidder, bidder's experience of carrying out works, rendering services, availability of prediction capacity, technological equipment, labour, financial resources and other indicators necessary for carrying out works, rendering services, that are the contract subject, including qualification of members of staff of the bidder if this is specified by the procedures for bids evaluation and comparison in the tender documentation.

(Part 4.1 is introduced by No.308-FZ Federal Law of 30.12.2008)

5. Ceased being in effect. - No.218-FZ Federal Law of 24.07.2007.

6. It is not allowed to use other bids evaluation criteria except specified in Part 4 of this Article. The value of the criteria specified in Clauses 1 and 1.1 Part 4 of this Article cannot be more than 20%, and if a tender is for

research and development, design and experimental, technological works, as well as for drafting documents regulating education, upbringing, quality control in education under the law of the Russian Federation on education, emergency rescue works, restoration of cultural heritage (historical and cultural monuments) of the peoples of the Russian Federation, reconstruction and repair works without which restoration is impossible, provided that reconstruction and repair works are included in the same contract subject (the same lot) with restoration of such objects), museum artifacts and collections, included in the Museum Fund of the Russian Federation, documents from the Archive Fund of the Russian Federation, especially valuable and rare documents included in the library funds, for rendering medical services, educational services (education, upbringing), legal services, expert examination services, services for maintaining and supporting the official web-site, services of a specialised organisation to exercise the order placing functions – over 45%.

(as revised by No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008 and by No.79-FZ Federal Law of 21.04.2011)

7. The procedures for bids evaluation are established by the Government of the Russian Federation. Establishing the bids evaluation procedures, the Government of the Russian Federation provides for the types of criteria from the list in Part 4 of this Article, their content, value depending on the types of goods, works, services.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.218-FZ Federal Law of 24.07.2007)

8. Based on the results of bids evaluation and comparison, a Tender Commission assigns an ordering number to each bid in relation to other bids according to diminishing profitability of the contract conditions. The bid that has the best contract condition is assigned the first number. If several bids have the same contract conditions, a lower number is assigned to the bid that was received earlier than other bids that have the same conditions.

(as revised by No.53-FZ Federal Law of 20.04.2007)

8.1. If a tender documentation provides for the right of a customer to conclude a contract with several procurement participants for exploratory research and development works, the Tender Commission assigns the first number to several bids that have the best contract conditions. The number of the bids that are assigned the first number must be equal to the number of contracts for exploratory research and development works specified in the tender documentation.

(Part 8.1 is introduced by No.308-FZ Federal Law of 30.12.2008, as revised by No.83-FZ Federal Law of 08.05.2010)

9. The winner of a tender is recognised the bidder that proposed the best contract conditions and whose bid is assigned the first number.

10. A Tender Commission keeps the Bids Evaluation and Comparison Protocol, which should contain information about the location, date and time of bids evaluation and comparison, the bidders whose bids were considered, the procedures for bids evaluation and comparison, the decision, made on the basis of bids evaluation and comparison, about assigning the ordering numbers to the bids, information about the decision of each Commission member on assigning value to the bids under each specified bids evaluation criteria, and

names (for legal entities), surnames, names, patronymics (for physical persons) and mailing addresses of the bidders, whose bids were assigned the first and the second numbers. The Protocol must be signed by all present members of the Tender Commission and a customer, an authorised body within the day following the day of completing bids evaluation and comparison. The Protocol shall be drawn in two copies, one of which shall be kept by a customer, an authorised body. Within three working days after signing the Protocol a customer, an authorised body shall forward to the tender winner a copy of the Protocol and a draft contract that is drawn by including the contract execution conditions offered by the winner in the tender bid into the draft contract enclosed to the tender documentation.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.218-FZ Federal Law of 24.07.2007)

11. A customer, an authorised body, a specialised organisation shall place the Bids Evaluation and Comparison Protocol on the official web-site within the day following the day after the Protocol was signed.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.218-FZ Federal Law of 24.07.2007)

12. If the bid security requirement was set, within five working days after the Bids Evaluation and Comparison Protocol was signed, a customer, an authorised body must return the monetary funds deposited as the bid security to the bidders that took part in the tender but did not win, except the bidder, whose bid was assigned the second number and to whom the monetary funds deposited as the bid security shall be returned according to the procedures specified in Part 5 Article 29 of this Federal Law.

(as revised by No.53-FZ Federal Law of 20.04.2007)

13. After the Bids Evaluation and Comparison Protocol were placed, any bidder can send a written enquiry, particularly in the form of an electronic document, to a customer, an authorised body, asking to explain the tender results. Within two working days after receiving an enquiry, a customer, an authorised body must provide written explanations, or in the form of an electronic document, to the bidder.

(as revised by No.53-FZ Federal Law of 20.04.2007)

14. Any bidder can challenge the tender result in accordance with the procedures provided for by Chapter 8 of this Federal Law.

15. The Protocols drawn in course of a tender, tender bids, tender documentation, changes to the tender documentation, and explanations of the tender documentation, as well as the audio-recording of the bids opening and opening access to the bids filed in the form of electronic documents shall be kept by a customer, an authorised body no less than three years.

Статья 29. Concluding the Contract Based on the Tender Results

(as revised by No.83-FZ Federal Law of 08.05.2010)

1. If the tender winner or the bidder whose bid has been assigned the second number, within the period

specified by the tender documentation failed to present the signed contract to the customer that was forwarded to the winner under Part 10 Article 28 of this Federal Law or Part 2 of this Article, as well as the contract security if a customer, an authorised body set the contract security requirements, the tender winner or the bidder whose bid has been assigned the second number are recognised as evading the contract.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

1.1. A contract can be concluded no earlier than ten days after the Bids Evaluation and Comparison Protocol was placed on the official web-site, and in a closed tender – after the day when a the Bids Evaluation and Comparison Protocol was signed.

(Part 1.1 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

2. If it is recognised that the tender winner evaded the contract, the customer can file a lawsuit to force the tender winner to conclude the contract as well as to compensate damages caused by evading the contract, or can conclude the contract with the bidder whose bid has been assigned the second number. The customer must conclude the contract with the bidder whose bid has been assigned the second number when refusing to conclude the contract with the winner in the cases specified in Part 3 Article 9 of this Federal Law. Therewith, it is mandatory that the bidder whose bid has been assigned the second number concludes the contract. If the tender winner or the bidder whose bid has been assigned the second number evades the contract, the monetary funds deposited by them as the bid security shall not be returned. If the bidder whose bid has been assigned the second number evades the contract, a customer can file a lawsuit to force this bidder to conclude the contract as well as to compensate damages caused by evading the contract, or make a decision to recognise the tender void. If a customer refuses to conclude the contract with the tender winner and the bidder whose bid has been assigned the second number, the tender shall be recognised void.

(as revised by No.53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

3. A contract shall be concluded under the conditions specified in the bid of the bidder, with whom the contract is to be concluded, and the tender documentation. Concluding the contract, the contract price cannot exceed the initial (maximum) contract price (lot price), specified in the notice about the open tender. If the contract is to be concluded with a physical person, except individual entrepreneurs and other persons involved in private practice, the contract payment is decreased by the tax payments related to the contract payment.

(as revised by No.53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

3.1. If in procurement of technical means for rehabilitation of disabled persons, educational services, services for resort-health treatment and health improvement for the customers' needs, the tender winner is unable to exercise the contract in full and the tender documentation provides for the customer's right to conclude the contract with several procurement participants, the customer can conclude the contract with the bidders, whose bids are assigned the next ordering numbers in the order of increasing, under the conditions specified in Part 3 of this Article, in the volume offered by those bids. These bidders cannot refuse to conclude the

contract. Therewith, the contract price cannot exceed the sum pro rata the contract price depending on the quantity of goods, volume of works, services for which the contract is concluded. The overall price of the contracts concluded upon the outcome of procurement of technical means of rehabilitation of disabled people, educational services, services for resort-health treatment and health improvement for the customers' needs, cannot exceed the initial (maximum) contract price (lot price) specified in the tender documentation.

(Part 3.1 is introduced by No.218-FZ Federal Law of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

4. If a customer, an authorised body set the contract security requirement, the contract shall be concluded only after the bidder, with whom the contract is to be concluded, provides an irrevocable bank guarantee issued by a bank or another credit organisation, a guarantee agreement or transfer of monetary funds to the customer, particularly in the form of a deposit, in the size of the contract security, specified in the tender documentation. The bidder independently chooses the method of contract security out of the methods specified in this Part. If the winner or the bidder with whom the contract is to be signed is a budget-funded organisation, and a customer, an authorised body set the contract security requirement, it is not necessary to provide the contract security.

(Part 4 as revised by No.240-FZ Federal Law of 27.07.2010)

4.1. If the contract security is a guarantee agreement, the guarantor is a legal entity, state registration of which is made in accordance with established procedures in the Russian Federation and that meets the following requirements:

- 1) Guarantor's capital and reserves specified in the relevant section of accounting reports must be no less than 300 million Rubles and exceed the size of the surety by no less than ten times;
- 2) The guarantor's net profit according to the relevant section of accounting reports must exceed the surety by no less than three times and the guarantor's net profit must be no less than 100 million Rubles;
- 3) The fixed assets value (in the part of buildings) of the guarantor specified in the relevant section of accounting reports must be no less than 300 million Rubles and exceed the size of the surety by no less than ten times or the fixed assets value (in the part of buildings) must be over than one billion Rubles.

(Part 4.1 is introduced by No.240-FZ Federal Law of 27.07.2010)

4.2. Conformity of the guarantor to the requirements of Part 4.1 of this Article is determined on the basis of accounting reporting for the last two report years or, if the guarantee agreement was concluded before the deadline for filing annual statements established by the law of the Russian Federation on accountancy, at the choice of the guarantor on the basis of accounting reporting for the two report years preceding the last report year. Therewith, conformity of the guarantor to the requirements of Part 4.1 of this Article is determined on the basis of accounting reporting for each report year.

(Part 4.2 is introduced by No.240-FZ Federal Law of 27.07.2010)

4.3. If the contract security is a guarantee agreement, the contract can only be concluded after the bidder, with whom the contract is to be concluded, at the same time with the guarantee agreement presents relevant copies of accounting reporting of the guarantor, filed to the tax authority in accordance with the established procedures, as well as documents with regard to the guarantor specified in Sub-Clauses "c" and "f" Clause 1 Part 3 Article 25 of this Federal Law and confirming its scope of reference. All sheets of the presented documents must be bound, affixed with the guarantor's seal and signed by a person authorised by the guarantor. Compliance with these requirements confirms authenticity and reliability of the documents and data presented by the guarantor.

(Part 4.3 is introduced by No.240-FZ Federal Law of 27.07.2010)

5. If a bid security requirement was set, the monetary funds deposited as the bid security shall be returned to the winner within five working days after the contract was concluded. The monetary funds deposited as the bid security shall be returned to the bidder whose bid was assigned the second number within five working days after the day of signing the contract with the winner or this bidder.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

Article 30. Specific Features of Closed Tenders

1. Closed tenders are organised upon an approval of the federal executive body authorised to control procurement. Closed tenders are approved upon in accordance with the procedures established by the federal executive body regulating state procurement. The period for such approval cannot be more than ten working days after a petition about approving a closed tender is received.

2. The provisions of this Federal Law shall be applicable to closed tenders in view of the provisions of this Article.

3. For a close tender, a notice about a close tender is not necessary. A tender documentation and changes to the tender documentation are not subject to publication in mass media and placing on the Internet. No later than 30 days before bids opening, a customer, an authorised body shall send written invitations to take part in the closed tender to the persons who meet the requirements specified in this Federal Law and are able to supply goods, carry out works, render services that are the contract subject, as well as have access to the information that constitutes state secrets if a closed tender is organized for procurement of goods, works, services, information about which constitutes state secrets. The invitations must contain information specified in Part 4 Article 21 of this Federal Law.

(as revised by No.308-FZ Federal Law of 30.12.2008 and No.79-FZ Federal Law of 21.04.2011)

3.1. Bids opening for a closed tender cannot take place earlier than the date set in the tender documentation provided all persons who were sent written invitations to take part in the closed tender agreed with this in writing.

(Part 3.1 is introduced by No.53-FZ Federal Law of 20.04.2007)

3.2. No later than 30 days before opening the bids, a customer, an authorised body shall forward all invitations

specified in Part 3 of this Article to the federal executive body responsible for control over procurement.

(Part 3.2 is introduced by No.218-FZ Federal Law of 24.07.2007)

4. In a closed tender is it not allowed to file bids in the form of electronic documents and present tender documentation, changes introduced to it, send enquiries for explanations of the provisions of tender documentation as well as provide explanations in the form of electronic documents. Explanations of the provisions of tender documentation must be disclosed by a customer, an authorised body to all persons who were given the tender documentation, specifying the subject of the enquiry but without indicating the bidder that sent the enquiry.

4.1. A Bids Opening Protocol, a Bids Consideration Protocol for a Close Tender shall be drawn in duplicate. No later than the day following the day after a relevant Protocol was signed, a customer, an authorised body shall send a counterpart of the Protocol to the federal executive body responsible for procurement enforcement and shall also forward copies of the Protocol to procurement participants that filed the bids.

(Part 4.1 is introduced by No.218-FZ Federal Law of 24.07.2007)

4.2. The Bids Evaluation and Comparison Protocol for a closed tender shall be drawn in triplicate. No later than the day following the day after the Protocol was signed, a customer, an authorised body shall forward a counterpart of the Protocol to the federal executive body responsible for procurement enforcement as well as copies of the Protocol to the bidders.

(Part 4.2 is introduced by No.218-FZ Federal Law of 24.07.2007)

5. The Protocols drawn in course of a closed tender as well as information obtained in course of the closed tender shall not be published in mass media and placed on the Internet.

6. Audio- and video-recording is not allowed in course of a closed tender.

Article 31. Consequences of Recognizing a Tender Void

1. If a tender is recognised void and a contract is not concluded with the single tender bidder or a procurement participant who filed the only bid (if there are such participants), a customer, an authorised body can declare a new tender or can forward the documents about the organised tender and recognizing it void to the federal executive body responsible for procurement enforcement (for procurement of goods, works and services for the federal needs, the needs of a federal budget-funded organisation), an executive body of a constituent territory of the Russian Federation (for procurement of goods, works, services for the needs of a constituent territory of the Russian Federation or the needs of a municipality, the needs of a budget-funded organisation of a constituent territory of the Russian Federation, the needs of a municipal budget-funded organisation). Upon approval of the above body, a customer can make a decision to place an order with a single supplier (executor, contractor). The contract should be concluded with a single supplier (executor, contractor) under the conditions specified in the tender documentation, the contract price should not exceed the initial (maximum) contract price (lot price) specified in a notice about an open tender or an invitation to take part in a closed tender. If a tender is recognised void under Part 2 Article 29 of this Federal Law and the contract is to be concluded with a single supplier (executor, contractor), this contract must be concluded under the conditions specified in the

tender bid to which the first number is assigned, and the tender documentation and the contract price must not exceed the contract price specified in this bid. The procedures for mutual approval upon possibility to conclude a contract with a single supplier (executor, contractor) are established by the federal executive body responsible for procurement enforcement. The period of such mutual approval cannot be longer than ten days from the day when the petition about mutual approval of a possibility to conclude a contract with a single supplier (executor, contractor) was received.

(as revised by No.53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

2. If a new tender is announced, a customer, an authorised body has the right to change the contract conditions.

Chapter 2.1. SPECIFICS OF PROCUREMENT BY AN OPEN TENDER FOR THE RIGHT TO CONCLUDE A CONTRACT TO CREATE WORKS OF LITERATURE OR ART, PERFORMANCE, FINANCING RELEASE OR SHOWING OF A NATIONAL FILM

(as revised by No.83-FZ Federal Law of 08.05.2010)

(introduced by No.218-FZ Federal Law of 24.07.2007)

Article 31.1. Specifics of Procurement by an Open Tender for the Right to Conclude a Contract to Create Works of Literature or Art, Performance, Financing Release or Showing of a National Film

(as revised by No.83-FZ Federal Law of 08.05.2010)

1. Procurement of works of literature or art, performance, financing a release or showing of a national film is organised through an open tender (for the purposes of this Chapter further on referred to as an open tender).

2. According to this Chapter, procurement of the following works of literature and art is organised through an open tender:

- 1) Literature works except computer programs;
- 2) Drama and musical drama works, scenario works;
- 3) Choreographic works and pantomimes;
- 4) Music works with or without text;
- 5) Audio-visual works;
- 6) Works of painting, sculpture, graphics, design, graphic stories, comics, and other works of fine art;

- 7) Works of decorative and applied arts, and scenographic art;
 - 8) Architecture projects, urban development projects, works of garden art;
 - 9) Photographic works and works made by methods similar to photography;
 - 10) Secondary works;
 - 11) Compound works (except data bases), that are a result of creative work by selection or composition of materials.
3. For the purposes of this Federal Law an architectural design, an urban development project, garden art is exterior and interior of a facility, its spatial, layout and functional organisation, fixed in the form of schemes or make-ups or described in a different manner, except project documentation.
4. In an open tender the provisions of this Federal Law about organising an open tender are applied in view of the provisions of this Chapter.
5. The provisions of this Chapter are not applicable to procurement of works for developing computer programs and databases.

Article 31.2. Notice about an Open Tender

1. Notices about organising an open tender are placed on the official web-site by a customer, an authorised body, a specialised organisation no less than 20 days before bids opening or opening access to the bids filed in the form of electronic documents for procurement of financing of release or showing of a national film and no less than 60 days before opening bids and opening access to the bids for procurement of works of literature or art, performance.
2. A notice about an open tender must contain the following information:
- 1) The form of competitive bidding;
 - 2) The name, location, mailing address and e-mail address, the contract telephone number of a customer, an authorised body, a specialised organisation;
 - 3) The contract subject;
- (as revised by No.83-FZ Federal Law of 08.05.2010)
- 4) The initial (maximum) contract price (lot price);
 - 5) The periods for creating the works of literature or art, the period and location for creating performance;
 - 6) The period, location and procedures for providing tender documentation, the official web-site where tender documentation is placed;

7) The location, procedures, the date of beginning and the deadline for filing the bids. The deadline for filing the bids is set in accordance with Part 5 Article 31.4 of this Federal Law.

3. A customer, an authorised body can send invitations to take part in an open tender to the persons that are able to create works of literature and art, performance that are the contract subject. Therewith, the persons that are sent these invitations take part in an open tender on the conditions equal to the conditions for other procurement participants.

Article 31.3. The Content of a Tender Documentation for an Open Tender

1. Tender documentation shall contain the requirements established by a customer, an authorised body to the works of literature or art, performance or a national film, creating which or financing their release or showing is the subject of the contract.

(as revised by No.83-FZ Federal Law of 08.05.2010)

2. Tender documentation, along with information specified in Clauses 4.1 - 4.4, 6, 7, 11, 12, 15 and 16 Part 4 Article 22 of this Federal Law, must include:

(as revised by No.79-FZ Federal Law of 21.04.2011)

1) Requirements to the content, form, composition of tender bids, including the bids filed in the form of electronic documents and the instructions how to fill them in;

2) The periods for creating the works of literature or art, the period and location for creating performance;

3) The conditions for financing release or showing of a national film;

4) The requirements for description by procurement participants of the works of literature or art, performance or a movie project if the contract subject is creating the works of literature or art, performance, financing release or showing of a national film, and (or) requirements to the drafts (sketches, make-ups, drawings, images, etc.) of the above works (further on for the purposes of this Chapter referred to as draft work), demonstration of a part of the works, presenting a movie project;

(as revised by No.83-FZ Federal Law of 08.05.2010)

5) The criteria for bid evaluation established under Part 3 Article 31.6 of this Federal Law;

6) The procedures, location, the date for beginning and the deadline for filling the bids under Part 5 Article 31.4 of this Federal Law, as well as the procedures, location and the period for presenting draft works of literature or art, demonstrating part of performance, the form of such works, the procedures, location, the period for presenting a movie project, if the requirement for presenting such draft works of literature and art, movie projects or a requirement to demonstrate part of performance is set under Part 4 of this Article. Drafts works of literature and art, movie projects shall be presented by procurement participants simultaneously with filing their bids. The period for demonstrating a part of performance can be set as any period after the deadline for filing

the bids and the deadline for considering the bids. Tender documentation can specify the requirement for repeated demonstration of a part of performance within any period after the day of beginning and the deadline for bids evaluation and comparison;

7) The procedures and the period for withdrawing the bids, the procedures for introducing changes to the bids. The period for withdrawing the bids and the period for introducing changes to the bids are set under Part 6 Article 31.4 of this Federal Law;

8) The location, procedures, date and time of bids opening and opening access to the bids filed in the form of electronic documents.

3. A customer, an authorised body can provide in the tender documentation for a possibility for a customer to conclude contracts for creating works of literature or art with several procurement participants, if procuring two and more works of literature or art.

(as revised by No.83-FZ Federal Law of 08.05.2010)

4. Tender documentation should have enclosed a draft contract (if a tender has several lots – a draft contract for each lot), which is an integral part of tender documentation.

(as revised by No.83-FZ Federal Law of 08.05.2010)

Article 31.4. Specifics of Filing Bids for Open Tenders

1. Bids must comply with the requirements set in a tender documentation.

2. Along with the documents specified in Clause 1, Sub-Clauses "a" and "b" Clause 3 Part 3 Article 25 of this Federal Law, a bid must contain description of the work of literature or art, performance, national film, creating which of financing of their release or showing is the contract subject, if the requirement for description of this work, performance, film is specified in the tender documentation.

(as revised by No.83-FZ Federal Law of 08.05.2010)

3. It is not allowed to require procurement participants to file other documents except documents specified in Part 2 of this Article.

4. if several citizens plan to create works of literature or art, performance, that are the contract subject, by joint creative efforts, these citizens should file a single bid and are considered a single bidder.

5. Bids are stopped being accepted no earlier than a day before opening the bids or opening access to the bids filed in the form of electronic documents.

6. A procurement participant that filed a bid can change the bid any time before the deadline for filing the bids or withdraw the bid before the Tender Commission opens the bids and opens access to the bids filed in the

form of electronic documents.

7. If by the deadline for filing the bid only one bid is filed, the bid is opened or access to the bid filed in the form of an electronic document is opened and the bid as well as the presented draft work of literature or art, movie project, demonstration of a part of performance, if the requirement for presenting such drafts, movie project, demonstration of a part of performance is specified in the tender documentation, are considered in accordance with the procedures established by Articles 31.5 and 31.6 of this Federal Law. If the above bid and draft work of literature or art, movie project, demonstration of a part of performance meet the requirements and conditions specified in the tender documentation, within three working days after the day of considering the bid a customer can forward to the procurement participant that filed the single bid a draft contract that is drawn by including the contract conditions offered by this bidder in the tender bid to the draft contract enclosed to the tender documentation. The contract shall be concluded with the procurement participant that filed the single bid under the conditions and at the contract price that are specified in the bid and the tender documentation, but the contract price (lot price) cannot exceed the initial (maximum) contract price (lot price) specified in the notice about an open tender. The procurement participant that filed the bid cannot refuse to conclude the contract.

(as revised by No.83-FZ Federal Law of 08.05.2010)

Article 31.5. Specifics of Opening the Bids and Opening Access to the Bids Filed in the Form of Electronic Documents and Specifics of Considering Such Bids and Presented Draft Works of Literature or Art, Movie Projects, Demonstrations of a Part of Performance

1. A Tender Commission opens the bids and opens access to the bids filed in the form of electronic documents, received by a customer, an authorised body within the period set by the tender documentation.
2. A Tender Commission considers the bids and presented draft works of literature or art, movie projects, demonstrations of a part of performance, if the requirement to present such draft works of literature or art, movie projects, demonstrations of a part of performance is set by the tender documentation (further on for the purposes of this Chapter referred to as bids consideration) and establishes whether the bids and procurement participants meet the requirements set by the tender documentation.
3. If a tender is recognised void and only one procurement participant that filed a bid is recognised as a bidder, within three working days after signing the Bids Consideration Protocol, a customer can forward to this bidder a draft contract that is drawn by including the contract conditions offered by this bidder in the tender bid to the draft contract enclosed to the tender documentation. The contract shall be concluded under the conditions and at the contract price that are specified in the bid and the tender documentation, but the contract price (lot price) cannot exceed the initial (maximum) contract price (lot price) specified in the notice about the open tender. The procurement participant that filed the bid cannot refuse to conclude the contract.

(as revised by No.83-FZ Federal Law of 08.05.2010)

Article 31.6. Specifics of Evaluation and Comparison of the Bids Presented Draft Works of Literature or Art, Movie Projects, Demonstrations of a Part of Performance

1. A Tender Commission evaluates and compares the bids filed by procurement participants recognised as tender bidders, as well as draft works of literature or art, movie projects, demonstrations of a part of performance presented by these bidders if the requirement for presenting such draft works of literature or art,

movie projects, demonstrations of a part of performance is set by the tender documentation (further on for the purposes of this Chapter referred to as bids evaluation and comparison). The period for bids evaluation and comparison cannot exceed 60 days after the day of signing the Bids Consideration Protocol.

2. A Tender Commission evaluates and compares the bids to identify better contract conditions according to the criteria specified in the tender documentation.

(as revised by No.83-FZ Federal Law of 08.05.20103)

3. A customer, an authorised body can set the following criteria for bids evaluation:

1) Artistic and cultural value of the works of literature or art, performance, the national film, creating which or financing the release or showing of which is the contract subject;

(as revised by No.83-FZ Federal Law of 08.05.2010)

2) Qualitative characteristics of works of literature or art, the quality of performance;

3) The period for creating works of literature or art, the quality of performance;

4) Bidder qualification, experience of working in a particular field of literature or art;

5) Contract price.

4. It is not allowed to use other bids evaluation criteria except specified in the tender documentation. The total value of the criteria specified in Clauses 1, 2 and 4 Part 3 of this Article cannot exceed 45%.

5. Based on the bids evaluation and comparison results, the Tender Commission assigns an ordering number to each bid in relation to other bids according to diminishing profitability of the contract conditions. The bid that has the best contract conditions is assigned the first number. If tender documentation provides for the customer's right to conclude contracts for creating works of literature or art with several procurement participants, a Tender Commission can assign the first number to several bids. The number of the bids that are assigned the first number cannot exceed the number of the works of literature or art being procured.

(as revised by No.83-FZ Federal Law of 08.05.2010)

Article 31.7. Consequences of Recognising Tender Void

If an open tender is recognised void and the contract is not concluded with the single tender participant or a procurement participant who filed a single bid (if there are such participants), a customer, an authorised body can announce a new tender. A customer, an authorised body has the right to change contract conditions.

(as revised by No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

Chapter 3. PRPOCUREMENT THROUGH AUCTIONS

Article 32. Auction for the Right to Conclude a Contract

(as revised by No.83-FZ Federal Law of 08.05.2010)

1. For the purposes of this Federal Law an auction for the right to conclude a contract means competitive bidding, the winner of which is recognised a person that offered the lowest contract price except in the cases specified in Parts 6.1 and 6.2 Article 37 of this Federal Law.

(as revised by No.218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

2. An auction can be open or closed. A customer, an authorised body can procure by organising an open auction in accordance with the procedures established by this Chapter, or by organising an open auction in an electronic form in accordance with this Federal Law. A customer, an authorised body can procure by organising a closed auction solely for procurement of goods, works, services, information about which constitutes state secrets, provided that such information is included in the auction documentation or a draft contract, and for procurement of the services for insurance, transportation and protection of the valuables from the State Fund of Precious Metals and Precious Stones of the Russian Federation, procurement of the services for insurance, transportation and protection of museum artifacts and museum collections, rare and valuable publications, manuscripts, archive documents (including copies), that have historic, artistic or other cultural value and transferred by the customers to physical and legal persons for temporary possession and use or for temporary use, particularly, for organization of exhibitions in the Russian Federation and (or) in other countries.

(as revised by No.218-FZ Federal Law of 24.07.2007, No.93-FZ Federal Law of 08.05.2009, No.83-FZ Federal Law of 08.05.2010 and No.79-FZ Federal Law of 21.04.2011)

3. Ceased being in effect from 1st July 2010. - No.93-FZ Federal Law of 08.05.2009.

4. It is not allowed to charge procurement participants for taking part in auctions, except the fee for providing auction documentation in the cases specified in this Federal Law.

5. A customer, an authorised body can set a requirement to deposit monetary funds as the auction bid security, security for an auction bid filed in an electronic form (further on also referred to as a requirement for the auction bid security). The size of the auction bid security, security for an auction bid filed in an electronic form cannot exceed 65% of the initial (maximum) contract price (lot price) or if procurement is organised under Article 15 of this Federal Law – 2% of the initial (maximum) contract price. If a customer, an authorised body set a requirement for the auction bid security, this requirement is equally applicable to all participants of a particular procurement and is specified in the auction documentation.

(as revised by No.53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007 (revised on 08.05.2009), No.308-FZ Federal Law of 30.12.2008, No.93-FZ Federal Law of 08.05.2009 and No. 290-FZ Federal Law of 03.11.2010)

6. In course of organising an auction, a customer, an authorised body, a specialised organisation or an Auction Commission are not allowed to hold any negotiations with procurement participants. If this provision is

breached, an auction can be recognised void upon a claim of an interested person under the procedures established by the law of the Russian Federation.

Article 33. A Notice about an Open Auction

1. A customer, an authorised body, a specialised organisation places a notice about an open auction on the official web-site no less than 20 days before the deadline for filing the auction bids. In the cases specified in Part 3 Article 40 of this Federal Law, a customer, an authorised body, a specialised organisation places a notice about an open auction on the official web-site no less than seven working days before the deadline for filing the auction bids.

(Part 1 as revised by No.218-FZ Federal Law of 24.07.2007 (revised on 30.12.2008))

2. Ceased being in effect from 1st January. - No.218-FZ Federal Law of 24.07.2007.

3. Apart from information specified in Clauses 1, 2, 4, 5 and 12 Part 4 Article 21 of this Federal Law a notice about an open auction also must contain the following information:

(as revised by No.53-FZ Federal Law of 20.04.2007)

1) The period, location, and procedures for providing auction documentation, the official web-site, where the auction documentation is placed, the size, procedures and the period for depositing the fee charged by a customer, an authorised body for providing the auction documentation if such fee is fixed;

2) The initial (maximum) contract price (lot price);

(Clause 2 as revised by No.53-FZ Federal Law of 20.04.2007)

3) - 4) Ceased being in effect. - No.53-FZ Federal Law of 20.04.2007;

5) The auction location, date and time;

(as revised by No.53-FZ Federal Law of 20.04.2007)

6) - 7) Ceased being in effect. - No.53-FZ Federal Law of 20.04.2007.

3.1. A customer, an authorised body can decide to make changes to the notice about an open auction no later than five days before the deadline for filing the auction bids. It is not allowed to change the subject of an auction. Within one day after the above decision is made a customer, an authorised body, a specialised organisation must place these changes on the official web-site in accordance with the procedures established for placing notices about open auctions on the official web-site. Therewith, the deadline for filing auction bids must be extended so the period between placing changes, introduced to the notice about an open auction, on the official web-site and the deadline for filing the auction bids is no less than 15 days. It is not allowed to make changes to the notice about an open auction in the cases specified in Part 3 Article 40 of this Federal Law.

(Part 3.1 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.218-FZ Federal Law of

24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

4. A customer, an authorised body that placed a notice about an open auction on the official web-site can refuse to organise it no later than ten days before the deadline for filing the auction bids. A customer, an authorised body, a specialised organisation places a notice about refusing to organise an open auction within two days after the decision about refusing to organise the auction was made under the procedures established for placing a notice about an open auction on the official web-site. Within two working days after making the above decision a customer, an authorised body must notify all procurement participants who filed the auction bids. If a requirement for the auction bid security is set, a customer, an authorised body shall return the monetary funds deposited as the security for such bids to the procurement participants within five working days after the decision about refusal to organise an open auction was made. A customer, an authorised body cannot refuse to organise an open auction in the case specified in Part 3 Article 40 of this Federal Law.

(as revised by No.53-FZ Federal Law of 20.04.2007, No.218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

Article 34. Auction Documentation

1. A customer, an authorised body, a specialised organisation drafts an auction documentation and a customer, an authorised body approves the auction documentation.

2. Auction documentation must contain requirements specified by a customer, an authorised body to the quality, technical characteristics of goods, works, services, safety requirements, requirements to the functional characteristics (consumer qualities) of the goods, the size, packaging, shipment of the goods, the requirements to the results of works and other indicators related to determination of compliance of the goods, works and services to the customer's needs. If an auction is organised for the right to conclude a contract for supply of print media materials, blazonry, official symbols, insignia and badges, awards, uniform, certificates, souvenir products, the auction documentation can contain a requirement that the goods must comply with a 3D sample or make-up of the goods or an image of the goods, which are being procured. Unless otherwise directed by the auction documentation, the supplied goods must be new.

(as revised by No.218-FZ Federal Law of 24.07.2007 and No.79-FZ Federal Law of 21.04.2011)

2.1. Auction documentation cannot contain (particularly, in the form of a quality requirement, requirements to the quality, technical characteristics of goods, works, services, requirements to the functional characteristics (consumer qualities) of the goods, requirements to the goods producer, a procurement participant (particularly, requirements to the qualification of procurement participants, including work experience of a procurement participant), as well as requirements to its business reputation, requirements about participant's availability of production capacity, technological equipment, labour, financial and other resources necessary to produce the goods, supply of which is the subject of a contract, carrying out works, rendering services that are the subject of a contract, except when possibility to set such requirements to a procurement participant is provided for by this Federal Law.

(Part 2.1 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.93-FZ Federal Law of 08.05.2009)

3. Auction documentation can contain indications to trade marks. If auction documentation contains indications to trade marks with regard to the goods originating in a foreign state or a group of foreign states, the auction documentation also must contain an indication with regard to the goods of Russian origin (provided there is information about the goods of Russian origin that are equivalent of the goods originating in a foreign state or a group of foreign states). If auction documentation indicates trademark, it should be accompanied by the words "or equivalent", except cases of incompatibility of the goods, on which other trademarks are placed, and the need to ensure interoperability of such goods with the goods used by a customer, as well as procurement of spare parts and expendable materials to machinery and equipment used by a customer, in accordance with the technical documentation for the machinery and equipment. Equivalency of goods is determined in accordance with the requirements and indicators under Part 2 of this Article.

(Part 3 as revised by No.308-FZ Federal Law of 30.12.2008 and No.79-FZ Federal Law of 21.04.2011)

3.1. Auction documentation cannot contain indications to service marks, commercial names, patents, useful models, industrial samples, appellations of origin or the name of a producer, as well as requirements to the goods, information, works, services, if such requirements lead to restricting the number of procurement participants.

(Part 3.1 is introduced by No.218-FZ Federal Law of 24.07.2007 as revised by No.308-FZ Federal Law of 30.12.2008)

3.2. If an auction is organised for the right to conclude a contract for supply of print publications, the auction documentation can contain indications to the name of the print publication, the author (if any) and the words "or equivalent" shall not be used.

(Part 3.2 is introduced by No.218-FZ Federal Law of 24.07.2007)

4. Apart from information specified in Clauses 2 - 4, 4.2 - 5, 6, 7 and 10 Part 4 Article 22 of this Federal Law, auction documentation should contain the following data:

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.308-FZ Federal Law of 30.12.2008)

1) Under Parts 2 - 3 Article 35 of this Federal Law, requirements to the content, composition, layout of auction bids, including the auction bids filed in the form of electronic documents and the instructions how to fill them;

(as revised by No.218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

1.1) A 3D image of the goods to be procured if the auction documentation set a requirement that the goods must conform to the 3D image of the goods to be procured;

(Clause 1.1 is introduced by No.218-FZ Federal Law of 24.07.2007)

1.2) A 3D image of the goods to be procured, and the location, date of the beginning and the deadline, the procedures and the time-schedule for examination of a sample or a make-up of the goods by procurement participants if the auction documentation set a requirement that the goods must conform to a sample or a

make-up of the goods to be procured and this sample or a make-up cannot be enclosed to the auction documentation;

(Clause 1.2 is introduced by No.218-FZ Federal Law of 24.07.2007)

2) The procedures, location and the date of the beginning and the deadline for filing the auction bids. The day of the beginning of filing the auction bids is the day following the day when an auction notice was placed on the official web-site. The deadline for filing the auction bids is set in accordance with Part 6 Article 35 of this Federal Law;

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.218-FZ Federal Law of 24.07.2007)

3) The procedures and the period for withdrawing the auction bids. The period for withdrawing the auction bids is set under Part 10 Article 35 of this Federal Law;

4) The methods, procedures, the date of the beginning and the deadline for providing explanations about provisions of auction documentation to procurement participants under Part 8 of this Article;

4.1) The initial (maximum) contract price (lot price); overall initial (maximum) price of spare parts for machinery, equipment (specifying the initial (maximum) price of each spare part) and the initial (maximum) price per unit of services and (or) works for technical maintenance and (or) repair of machinery, equipment, including replacement of the above spare parts if an auction is organised for the right to conclude a contract for technical maintenance and (or) repair of machinery, equipment and a customer, an authorised body cannot determine the necessary number of spare parts to machinery, equipment and the necessary volume of services and (or) works; the initial (maximum) price per unit of services if organising an auction for the right to conclude a contract for rendering communications services, legal services a customer, an authorised body cannot determine the necessary volume of such services;

(as revised by No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

4.2) The value of reduction of the initial contract price (the "auction step");

(Clause 4.2 is introduced by No.53-FZ Federal Law of 20.04.2007)

4.3) The location, day and time of the beginning of consideration of the auction bids;

(Clause 4.3 is introduced by No.53-FZ Federal Law of 20.04.2007)

4.4) The location, day and time of the auction;

(Clause 4.4 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.218-FZ Federal Law of 24.07.2007)

4.5) Ceased being in effect from 1st March 2009. - No.308-FZ Federal Law of 30.12.2008;

5) The list of spare parts to machinery, equipment if organising an auction for the right to conclude a contract for technical maintenance and (or) repair of machinery, equipment it is impossible to determine the necessary number of spare parts to machinery, equipment and the necessary volume of services and (or) works;

(as revised by No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

6) The period within which the auction winner must sign the draft contract. This period must be no less than ten days after the Auction Protocol was placed on the official web-site or in the cases specified in Part 3 Article 40 of this Federal Law – no less than seven days after the Auction Protocol was placed on the official web-site;

(as revised by No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

7) Possibility of a customer to change the number of the goods under the contract in accordance with Part 6 Article 9 of this Federal Law;

(Clause 7 is introduced by No.53-FZ Federal Law of 20.04.2007)

8) The size of the auction security, the period and the procedures for depositing monetary funds as the auction security, particulars of the account to transfer the above funds if a customer, an authorised body set the requirement for the auction security;

(Clause 8 is introduced by No.53-FZ Federal Law of 20.04.2007)

9) The size of the contract security, the period and procedures for providing it if a customer, an authorised body sets the requirement for the contract security. The size of the contract security cannot be more than 30% of the initial (maximum) contract price (lot price) specified in a notice about an open auction. If the initial (maximum) contract price (lot price) is more than 50 million Rubles, a customer, an authorised body must set the requirement for the size of the contract security from 10% to 30% of the initial (maximum) contract price (lot price), but no less than the advance payment (if the contract provides for advance payment), or if the advance payment is more than 30% of the initial (maximum) contract price, no more than 20% of the advance payment but no less than the advance payment. A customer, an authorised body can determine contract obligations that require security; and for supply of new machinery and equipment, the initial (maximum) contract price (lot price) of which is 50 million Rubles and more, supplies of medical equipment must determine such obligations (including obligations to provide manufacturer's and supplier's warranties with the new machinery and equipment) and an obligation to provide with the goods a surety for supplier's warranty from 2% to 10% of the initial (maximum) contract price (lot price).

(Clause 9 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.218-FZ Federal Law of 24.07.2007, No.164-FZ Federal Law, No.83-FZ Federal Law of 08.05.2010 and No.79-FZ Federal Law of 21.04.2011)

10) Possibility of a customer to increase the quantity of goods concluding a contract under Part 6.5 Article 9 of this Federal Law.

(Clause 10 is introduced by No.218-FZ Federal Law of 24.07.2007)

4.1. If auction documentation has a requirement that the goods should conform to a sample or a make-up of the goods to be procured, such sample of a make-up of the goods can be enclosed to the auction documentation.

(Part 4.1 is introduced by No.218-FZ Federal Law of 24.07.2007)

5. A draft contract must be enclosed to auction documentation (if an auction has several lots – a draft contract for each lot), which is an integral part of the auction documentation.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

5.1. If a customer, an authorised body makes a decision to examine a sample or a make-up of the goods to be procured, the customer, the authorised body or a specialised organisation, in accord with the dates, time, schedule specified in the auction documentation, organises examination of the sample or the make-up of the goods by procurement participants. This examination takes place free-of-charge. The examination is organised no less than every five days after the date when an auction notice was placed on the official web-site, but no later than two working days before the deadline for filing the auction bids.

(Part 5.1 is introduced by No.218-FZ Federal Law of 24.07.2007, as revised by No.308-FZ Federal Law of 30.12.2008)

6. Information included in the auction documentation must match the information specified in the notice about an open auction.

7. Auction documentation is provided according to the procedures established by Article 23 of this Federal Law.

8. Explanations of the provisions of the auction documentation and introducing changes to it are made under Article 24 of this Federal Law in view of specifics established by Part 9 of this Article.

(as revised by No.53-FZ Federal Law of 20.04.2007)

9. A customer, an authorised body, upon own initiative or upon an enquiry of a procurement participant, can make a decision to introduce changes to the auction documentation no later than five days before the deadline for filing auction bids. It is not allowed to change the auction subject. Within one day after making this decision, a customer, an authorised body, a specialised organisation shall place such changes on the official web-site in accordance with the procedures established for placing a notice about an open auction on the official web-site. Within two working days after the decision is made, such changes should be forwarded to all procurement participants, who were provided the auction documentation, by registered mail or in the form of electronic documents. The deadline for filing auction bids must be extended so the period between the day when the changes introduced to the auction documentation were placed on the official web-site and the deadline for filing auction bids is no less than 15 days. It is not allowed to make changes to the auction documentation in the cases specified in Part 3 Article 40 of this Federal Law.

(Part 9 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

Article 35. Procedures for Filing Auction Bids

1. To take part in an auction a procurement participant files an auction bid within the period and according to the form established in the auction documentation.

(as revised by No.53-FZ Federal Law of 20.04.2007)

2. An auction bid must contain:

1) Information and documents about a participant procurement that filed the bid:

a) The company name (name), information about organizational and legal form, location, mailing address (for legal entities), surname, name, patronymic, passport details, information about the place of residence (for physical persons), the contact telephone number;

b) An extract from the Single State Register of Legal Persons, obtained no earlier than six months before the notice about an open auction was placed on the official web-site, or a notary certified copy of such an extract (for legal entities); an extract from the Single State Register of Individual Entrepreneurs, obtained no earlier than six months before the notice about an open auction was placed on the official web-site, or a notary certified copy of such an extract (for individual entrepreneurs), copies of identity documents (for other physical persons); duly certified translation into Russian of the documents about state registration of a legal person or state registration of a physical person as an individual entrepreneur in accordance with the law of the relevant state (for foreign persons), obtained no earlier than six months before the notice about an open auction was placed on the official web-site, or a notary certified copy of such an extract (for legal entities);

(as revised by No. 207-FZ Federal Law of 31.12.2005, No.218-FZ Federal Law of 24.07.2007 and No.93-FZ Federal Law of 08.05.2009)

c) A document confirming the scope of reference of a person for exercising actions on behalf of a procurement participant – a legal entity (a copy of a decision to appoint or elect, or an order to appoint a physical person to a position, according to which this physical person is entitled to act on behalf of the procurement participant without a power of attorney (further on for the purposes of this Chapter referred to as a Chief Executive). If another person is acting on behalf of a procurement participant, an auction bid must also include a power of attorney for exercising actions on behalf of the procurement participant, authenticated with the seal of the procurement participant (for legal entities) or by a person authorised by this Chief Executive, or a notary certified copy of the power of attorney. If the power of attorney is signed by the person authorised by the Chief Executive of the procurement participant, the auction bid must also contain a document confirming the scope of reference of this person;

(as revised by No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008 and No.93-FZ Federal Law of 08.05.2009)

d) Copies of the founding documents of a procurement participant (for legal entities);

(Sub-Clause "d" is introduced by No.308-FZ Federal Law of 30.12.2008)

e) A decision on approving or completing a large transaction or a copy of this decision if the requirement for such a decision in order to complete a large transaction is provided for by the law of the Russian Federation, the founding documents of a legal entity and if for a procurement participant the works or services that are the subject of the contract, or depositing monetary funds as an auction security is a large transaction;

(Sub-Clause "e" is introduced by No.308-FZ Federal Law of 30.12.2008, as revised by No.93-FZ Federal Law of 08.05.2009)

f) Information about functional characteristics (consumer qualities) and quality characteristics of the goods, quality of works, services. In the cases specified by auction documentation, also copies of documents confirming that goods, works, services meet the requirements established under the law of the Russian Federation, if the requirements to such goods, works, services are established under the law of the Russian Federation. It is not allowed to request presentation of such documents if under the law of the Russian Federation such documents are to be handed over together with the goods;

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.218-FZ Federal Law of 24.07.2007)

3) Documents confirming that a procurement participant meets the established requirements and conditions for taking part in an auction or copies of such documents:

a) Documents confirming depositing monetary funds as the auction bid security if the auction documentation indicates the requirement for bid security (a payment order confirming transfer of monetary funds as the auction bid security, or a copy of the order);

(as revised by No.218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008 and No.93-FZ Federal Law of 08.05.2009)

b) Copies of documents confirming that a procurement participant meets the requirement established by Clause 1 Part 1 Article 11 of this Federal Law if the law of the Russian Federation establishes requirements to the persons supplying goods, carrying out works and rendering services that are the subject of an auction and these requirements are provided for by the auction documentation;

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.93-FZ Federal Law of 08.05.2009)

c) Documents confirming that a procurement participant meets the requirement established under Clause 1 Part 2 Article 11 of this Federal Law if this requirement is specified by a customer, an authorised body;

d) Copies of documents confirming that a procurement participant meets the requirement established under Part 3 Article 11 of this Federal Law if this requirement is established by the Government of the Russian Federation;

(Sub-Clause "d" as revised by No.79-FZ Federal Law of 21.04.2011)

e) A copy of permit for commissioning a capital construction facility, a copy of the acceptance act for a capital construction facility, except when a developer is a person that carries out construction, if a customer, an authorised body established the requirement under Part 2.1 Article 11 of this Federal Law.

(Sub-Clause "e" is introduced by No.218-FZ Federal Law of 24.07.2007)

2.1. An auction bid should declare that a procurement participant meets the requirements specified in Clauses 2 - 4 Part 1 Article 11 of this Federal Law.

(Part 2.1 is introduced by No.308-FZ Federal Law of 30.12.2008)

2.2. All sheets in an auction bid, all sheets in a volume of an auction bid must be numbered and bound. An auction bid, the volume of an auction bid must contain description of included documents, must be affixed with the seal of a participant procurement (for legal entities) and signed by the participant procurement or a person authorised by the participant procurement. Observing these requirements by the participant procurement means that all documents and data included in the auction bid and the volume of the auction bid are filed on behalf of the participant procurement, and the authenticity and reliability of documents and data included in the auction bid and the volume of the auction bid is confirmed. It is not allowed to set any other requirements, except the requirements for execution of an auction specified in this Part. Improper execution of the requirements by a procurement participant that all sheets in an auction bid, all sheets in a volume of an auction bid must be numbered and bound does not constitute the grounds for not allowing to take part in the auction.

(Part 2.2 is introduced by No.308-FZ Federal Law of 30.12.2008)

3. It is not allowed to set other requirements to a procurement participant except provided for in Part 2 of this Article. It is not allowed to request a procurement participant to provide the original documents.

(as revised by No. 218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

4. A procurement participant files an auction bid in writing or in the form of an electronic document. Receiving a tender bid filed in an electronic form, a customer, an authorised body must confirm in writing or in a form of an electronic document that the bid was received within one working day after the bid was received.

5. A procurement participant can only file a single bid regarding each auction subject (lot).

(as revised by No.53-FZ Federal Law of 20.04.2007)

6. Auction bids are stopped being accepted on the day of auction bids consideration directly before the beginning of consideration of the auction bids specified in a notice about an open auction.

7. Each auction bid received before the deadline specified in the auction documentation shall be registered by a customer, an authorised body, a specialised organisation. Upon a request of a procurement participant that filed an auction bid a customer, an authorised body, a specialised organisation shall give a receipt that the bid

was received specifying the date and time of receiving the bid.

(as revised by No. 218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.2008)

8. Ceased being in effect. - No.53-FZ Federal Law of 20.04.2007.

9. Auction bids received after the deadline for accepting the auction bids shall not be considered and shall be returned to the procurement participants, who filed these bids, on the same day. If an auction security requirement was set, a customer, an authorised body must return the monetary funds deposited as the auction security to the procurement participants within five working days after the day when the Auction Protocol was signed.

(as revised by No.53-FZ Federal Law of 20.04.2007)

10. A procurement participant that filed an auction bid can withdraw the bid any time before the day and time of the beginning of consideration of the auction bids. If the auction bid security requirement is set, a customer, an authorised body must return the monetary funds deposited as the auction bid security to this procurement participant that withdrew the tender bid, within five working days after the customer, the authorised body received a notice about withdrawal of the auction bid.

(as revised by No.53-FZ Federal Law of 20.04.2007)

11. If only one auction bid is filed or no auction bids are filed by the deadline for filing the bids, the auction is recognised void. If auction documentation specifies two and more lots, the auction is recognised void only with regard to those lots for which only one auction bid is filed or no auction bids are filed.

12. If only one auction bid is filed after the deadline for filing the auction bids, the bid shall be considered according to the procedures specified in Article 36 of this Federal Law. If the bid meets all requirements and conditions specified in the auction documentation, within three working days after considering the auction bid, a customer must forward to the procurement participant, who filed the only bid, a draft contract enclosed to the auction documentation. The contract shall be concluded in view of the norms of Part 4 Article 38 of this Federal Law under the conditions specified in the auction documentation and at the initial (maximum) contact price (lot price) specified in the notice about the open auction, or at the contract price agreed upon with the procurement participant that filed the bid and not exceeding the initial (maximum) contact price (lot price). The procurement participant that filed the bid cannot refuse to enter into the contract. The monetary funds deposited as the auction bid security shall be returned to the procurement participant within five working days upon concluding the contract. If the procurement participant failed to present the signed contract to the customer within the period specified in the auction documentation as well as contract security, if the customer, an authorised body set the requirements for contract security, the procurement participant is recognised as evading the contract. If procurement participant evades the contract, the monetary funds deposited as the auction bid security shall not be returned.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ Federal Law of 24.07.2007 and No.308-FZ Federal Law of 30.12.23)

Article 36. The Procedures for Consideration of Auction Bids

1. An Auction Commission shall consider whether the auction bids comply with the requirements specified in the auction documentation, and procurement participants meet the requirements set under Article 11 of this Federal Law.

2. The period for bids consideration cannot exceed ten days after the deadline for filing the auction bids.

(as revised by No.53-FZ Federal Law of 20.04.2007)

2.1. If the fact is established that the same procurement participant filed two and more auction bids for the same lot provided that the participant has not withdrawn the bids filed earlier, all auction bids filed by this procurement participant for the same lot shall not be considered and shall be returned to this participant.

(Part 2.1 is introduced by No.53-FZ Federal Law of 20.04.2007)

3. Based on the results of auction bids consideration, an Auction Commission shall make a decision on allowing a procurement participant to take part in the auction, and on recognising the procurement participant, that filed an auction bid, as an auction participant, or on refusing to allow the procurement participant to take part in the auction in accordance with the procedures and on the grounds that are specified in Article 12 of this Federal Law, and draws the Bids Consideration Protocol which is kept by the Auction Commission and has to be signed by all members of the Auction Commission present at the meeting and by a customer, an authorised body on the day when bids consideration was completed. The Protocol shall contain information about the procurement participants who filed the auction bids, the decision on allowing a procurement participant to take part in the auction and recognising as an auction bidder, or on refusing to allow a procurement participant to take part in the auction with justification of this decision and indicating the provisions of this Federal Law that the procurement participant does not conform to, the provisions of the auction documentation, to which the bid of this procurement participant does not confirm to, information about a decision of each member of the Auction Commission about allowing the procurement participant to take part in the auction or refusing to allow participation in the auction. On the last day of considering the auction bids, a customer, an authorised body, a specialised organisation shall place the Protocol on the official web-site. No later than the day following the day when the Protocol was signed, the Auction Commission shall send notices about its decisions to the procurement participants that filed the bids and are recognised as the auction bidders and procurement participants that filed the bids and are not allowed to take part in the tender if by the deadline for filing auction bid only one auction bid was filed or no single bid was filed, information should be entered in the Protocol that the auction is recognised void.

4. If a bid security requirement was set, within five working days after the day when the Protocol, specified in Part 3 of this Article, was signed, a customer, an authorised body must return the monetary funds deposited as a bid security to a procurement participant that filed the bid but was not allowed to take part in an auction.

(as revised by No.53-FZ Federal Law of 20.04.2007)

5. If based on the results of bids consideration a decision is made that all procurements participants, who filed bids, are not allowed to take part in an auction, or only one procurement participant, who filed a bid, is allowed to take part in an auction, the auction shall be recognised void. If the auction documentation specified two or

more lots, the auction is recognised void only for the lot, for which it was decided that that all procurements participants, who filed bids for this lot, are not allowed to take part in this lot, or only one procurement participant, who filed a bid for this lot, is allowed to take part in the lot and is recognised an auction participant for this lot. If a bid security requirement was set, a customer, an authorised body must return the monetary funds deposited as the bid security to the procurement participants that filed the bids but were not allowed to take part in the auction according to the Procedures specified in Part 4 of this Article, except the procurement participant who is recognised the auction bidder. The monetary funds deposited as the bid security shall be returned to this procurement participant within five working days after the day when the contract was concluded with this procurement participant.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

6. If an auction is recognised void and only one procurement participant, who filed a bid is recognised an auction bidder, within three working days after the day when the Bids Consideration Protocol was signed, a customer must forward to this auction bidder a draft contract, which is enclosed to the auction documentation. Therewith, the contract shall be concluded in view of the provisions of Part 4 Article 38 of this Federal Law under the conditions specified in the auction documentation, at the initial (maximum) contract price (lot price) specified in the notice about the auction and not exceeding the initial (maximum) contract price (lot price). This auction bidder cannot refuse to conclude the contract. The monetary funds deposited as the bid security shall be returned to this bidder within five working days after the contract is concluded. The contract can be concluded no earlier than ten days after the Bids Consideration Protocol was placed on the official web-site or in case of a closed auction – after the day the Bids Consideration Protocol was signed. If the bidder fails to present to the customer a signed contract and the contract security, if a customer, an authorised body set a requirement for contract security, within the period specified in the auction documentation this auction bidder is recognised as evading the contract. If the bidder evaded entering into the contract, the monetary funds deposited as the auction bid security shall not be returned.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

Article 37. Auction Procedures

1. Only procurement participants that are recognised as auction participants (bidders) can take part in an auction. A customer, an authorised body must provide possibility to the bidders to participate in the auction directly or through their representatives.

(as revised by No. 218-FZ Federal Law of 24.07.2007)

2. An auction is organised by a customer, an authorised body in the presence of members of an Auction Commission, auction bidders or their representatives.

(Part 2 as revised by No. 218-FZ Federal Law of 24.07.2007)

3. Ceased being in effect. - No. 218-FZ Federal Law of 24.07.2007.

4. An auction takes place by reducing the initial (maximum) contract price (lot price) specified in the notice

about the auction by the "auction step".

(as revised by No.53-FZ Federal Law of 20.04.2007)

4.1. If the auction documentation specified general initial (maximum) price of spare parts to machinery, equipment, and the initial (maximum) price per unit of services and (or) works) for technical maintenance and (or) repair of machinery, equipment, the initial (maximum) price per unit of services (for procurement of communications services, legal services), an auction takes place by reducing the initial (maximum) price of spare parts to machinery, equipment, and the initial (maximum) price per unit of services and (or) works) for technical maintenance and (or) repair of machinery, equipment, specified in the List in Clause 5 Part 4 Article 34 of this Federal Law, the initial (maximum) price per unit of services specified in the auction documentation for the "auction step". " The "auction step" is fixed at 5% the initial (maximum) price of spare parts to machinery, equipment, the initial (maximum) price per unit of services and shall be changed according to the procedures specified in Part 5 of this Article.

(Part 4.1 is introduced by No. 218-FZ Federal Law of 24.07.2007, as revised by No.308-FZ Federal Law of 30.12.2008)

5. The "auction step" is fixed at 5% the initial (maximum) contract price (lot price) specified in the notice about an auction. If after treble announcements of the last price offer no auction bidder expressed their intention to offer a lower contract price, an auctioneer must reduce the "auction step" by 0.5 % of the initial (maximum) contract price (lot price), but no lower than 0.5 % of the initial (maximum) contract price (lot price).

(as revised by No.53-FZ Federal Law of 20.04.2007 and No. 218-FZ Federal Law of 24.07.2007)

5.1. An auctioneer is elected from the members of an Auction Commission by majority open vote of the members of the Auction Commission.

(Part 5.1 is introduced by No. 218-FZ Federal Law of 24.07.2007)

5.2. An auction has the following procedures:

1) Directly before starting an auction, an Auction Commission registers the auction bidders who arrived to the auction or their representatives. If an auction has several lots, before each lot an Auction Commission registers the auction bidders who filed the bids for this lot and arrived to the auction or their representatives. At the registration, the auction bidders or their representatives are given numbered cards (further on referred to as the cards);

2) An auction begins with an auctioneer announcing the beginning of an auction (lot), the lot number (if the auction has several lots), the contract subject, the initial (maximum) contract price (lot price), for cases specified in Part 4.1 of this Article – the general initial (maximum) price of spare parts to machinery, equipment, the initial (maximum) price per unit of services (for the purposes of this Part further on referred to as the initial (maximum) contract price), the "auction step", the names of the bidders that failed to arrive to the auction, any organisations and enterprises of the penal enforcement system and (or) organisations of disabled persons if the auction documentation provides for advantages for such auction bidders; the auctioneer suggest

the auction bidders to state their contract price offers;

(as revised by No.308-FZ Federal Law of 30.12.2008)

3) After an auctioneer announces the initial (maximum) contract price (lot price) and the contract price reduced according to the "auction step" under the procedures established in Part 5 of this Article a bidder raises a card up if the bidder agrees to conclude the contract at the announced price;

4) An auctioneer announces the number of the card of the bidder that was the first to raise up the card after the auctioneer announced the initial (maximum) contract price (lot price) and the contract price reduced according to the "auction step" under the procedures established in Part 5 of this Article, and the "auction step" for which the price is being reduced;

5) An auction is considered ended if after treble announcement of the price contract by an auctioneer no bidder raised up the card. In this case the auctioneer announces the end of the auction (lot), the last and the one before last contract price offers, the card number and the name of the auction winner and the bidder who made the one before last contract price offer.

(Part 5.2 is introduced by No. 218-FZ Federal Law of 24.07.2007)

6. A person that offered the lowest contract price is recognised the auction winner except cases specified in Parts 6.1 and 6.2 of this Article.

(as revised by No. 218-FZ Federal Law of 24.07.2007)

6.1. If at the auction for the right to conclude a contract for rendering services for opening and keeping bank accounts, payments settlements on these accounts, the contract price was reduced to zero, the auction shall be for selling the right to conclude the contract. In this case the winner is the person who offered the highest price for the right to conclude the contract.

(Part 6.1 is introduced by No. 218-FZ Federal Law of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

6.2. If the action is organised under Part 4.1 of this Article, the winner is the person who offered the lowest overall price for spare parts to machinery, equipment specified in the list given in Clause 5 Part 4 Article 34 of his Federal Law, the lowest price per unit of services. Concluding a contract for technical maintenance and (or) repair of machinery, equipment the price of each spare part of the machinery, equipment, included in the list of spare parts in the auction documentation and the price per unit of services and (or) works for technical maintenance and (or) repair of machinery, equipment is determined by reducing the initial (maximum) price of each spare part and the initial (maximum) price per unit of services and (or) works for technical maintenance and (or) repair of machinery, equipment pro rata to reduction of the overall initial (maximum) price of spare parts for machinery, equipment and the initial (maximum) price per unit of services and (or) works for technical maintenance and (or) repair of machinery, equipment.

(Part 6.2 is introduced by No. 218-FZ Federal Law of 24.07.2007, as revised by No.308-FZ Federal Law of

30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

7. Organising an auction, it is mandatory that a customer, an authorised body makes an audio-recording of the action and keeps the Auction Protocol, which should contain information about the location, date and time of the auction, the auction bidders, the initial (maximum) contract price (lot price), the last and the one before last contract price offers, the name and location (for a legal entity), the surname, name, patronymic, the place of residence (for a physical person) of the auction winner and the bidder who made the one before last contract price offer. The Protocol must be signed by a customer, an authorised body, and all present members of the Auction Commission on the day the auction takes place. The Protocol must be drawn in duplicate, and a customer, an authorised body shall keep the counterparts of the Protocol. Within three working days after the Protocol was signed, a customer, an authorised body shall forward to the auction winner a copy of the Protocol and a draft contract, which is drawn by including the contract price offered by the auction winner in the draft contract enclosed to the auction documentation.

(as revised by No.53-FZ Federal Law of 20.04.2007)

8. Within the day following the day when an Auction Protocol was signed, a customer, an authorised body, a specialised organisation shall place the Protocol on the official web-site.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No. 218-FZ Federal Law of 24.07.2007)

9. Any auction bidder can make audio- and video-recording of the auction.

10. After the Auction Protocol was placed to the official web-site, any auction bidder can send a written enquiry, particularly in the form of an electronic document, to a customer, an authorised body asking to explain the auction results. Within two working days after receiving such an enquiry in writing or in the form of an electronic document a customer, an authorised body must provide relevant explanations to this auction bidder.

(as revised by No.53-FZ Federal Law of 20.04.2007)

11. If the requirement for the auction security was established, within five working days after the day when the Auction Protocol was signed, a customer, an authorised body must return the monetary funds deposited as the auction security to the auction bidders that took part in the auction but did not win it, except the bidder who made the one before last contract price offer. The monetary funds deposited as the auction security by the bidder who made the one before last contract price offer shall be returned to this bidder within five working days after the day when the contract with the auction winner was signed or the contract with this bidder was signed. If a procurement participant is in the same time the auction winner and the bidder who made the one before last contract price offer, and this bidder evaded the contract in the capacity as the auction winner, the monetary funds deposited by this bidder as the auction security shall not be returned.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

12. If one bidder took part in an auction, or no bidder was present at the auction, if due to absence of contract price offers with a lower contract price than the initial (maximum) contract price (lot price), the "auction step" is

reduced under Part 5 of this Article to the minimum size and after treble announcements of the offer of the initial (maximum) contract price (lot price) no contract price offer was made that would have a lower contract price, the auction shall be recognised void. If auction documentation specifies two and more lots, the decision about recognising the auction void shall be made with regard to each lot separately.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.308-FZ Federal Law of 30.12.2008)

13. If one bidder took part in an auction, within three working days after the Protocol, specified in Part 7 of this Article, was signed a customer must forward to the only bidder the draft contract enclosed to the auction documentation. Therewith, the contract shall be concluded in view of the provisions of Part 4 Article 38 of this Federal Law under the conditions specified in the auction documentation, at the initial (maximum) contract price (lot price), specified in the notice about an open auction or at the contract price, agreed upon with the above bidder, not exceeding the initial (maximum) contract price (lot price). The single bidder has no right to refuse concluding the contract. The monetary funds deposited as the auction security shall be returned to this auction bidder within five working days after the contract with this bidder was signed. If this bidder fails to present the signed contract and the contract security if a customer, an authorised body set the requirement for contract security, within the period specified in the auction documentation this auction bidder is recognised as evading the contract. If an auction bidder evades concluding the contract, the monetary funds deposited as the auction bid security shall not be returned.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

14. Any auction bidder can appeal the auction results according to the procedures specified in Chapter 8 of this Federal Law.

15. The Protocol drawn in course of an auction, auction bids, auction documentation, changes to the auction documentation and explanations about auction documentation, as well as the auction audio-recording shall be kept by a customer, an authorised body for no less than three years.

Article 38. Concluding a Contract Based on Auction Results

(as revised by No.83-FZ Federal Law of 08.05.2010)

1. If the auction winner or the bidder who made the one before last contract price offer, failed within the period specified by auction documentation to present a signed contract to a customer, handed over under Part 7 Article 37 of this Federal Law or Part 2 of this Federal Law, as well as the contract security if a customer, an authorised body set the contract security requirement, the auction winner, or the bidder who made the one before last contract price offer, is recognised as evading the contract. The auction winner or the bidder who made the one before last contract price offer shall also be recognised evading the contract if the auction was organised under Part 6.1 Article 37 of this Federal Law and the auction bidder or the above bidder failed to pay within the designated period the price of the right to conclude the contract.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

1.1. A contract can be concluded no earlier than ten days after the day when the Auction Protocol was placed on the official web-site, and when a closed auction was organised – after the day the Auction Protocol was signed.

(Part 1.1 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

2. If the auction winner is recognised as evading the contract, a customer can file a lawsuit to force the auction winner to conclude the contract as well as to compensate damages caused by evading the contract, or conclude the contract with the bidder who made the one before last contract price offer. A customer also can conclude the contract with the bidder who made the one before last contract price offer, refusing to sign the contract with the auction winner in the cases specified in Part 3 Article 9 of this Federal Law. Therewith, it is mandatory for the bidder who made the one before last contract price offer to conclude the contract. If the auction winner evades the contract or the auction bidder with whom the contract is being concluded evades the contract, the monetary funds deposited by them as the contract security shall not be returned. If the bidder who made the one before last contract price offer evades the contract, a customer can file a lawsuit to force this auction bidder to conclude a contract and to compensate damages caused by evading the contract or make a decision to recognise the auction void. If a customer refused under Part 3 Article 9 of this Federal Law to conclude the contract with the auction winner and with the bidder who made the one before last contract price offer, the auction shall be recognised void.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

3. The contract shall be concluded under the conditions specified in a notice about an open auction and the auction documentation at the price offered by the auction winner, or if the contract is being concluded with the bidder who made the one before last contract price offer, at the price offered by this bidder. If a notice about an open auction specifies advantages for institutions, enterprises of the penal enforcement system and (or) organisations of disabled persons and such an institution, enterprise or such an organisation is recognised the auction winner, the contract upon a request of the above auction bidders is concluded at the price offered by the above auction bidders, with due account of the advantages with regard to the contract price, but no higher than the initial (maximum) contract price (lot price), specified in a notice about an open auction. If the contract is concluded with a physical person, a customer, unless provided otherwise by the auction documentation, decreases the contract price offered by this person, by the size of tax payments related to the payments under such contract, except individual entrepreneurs and other persons involved in private practice.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

4. If a customer, an authorised body established the contract security requirement, the contract shall be concluded only after the bidder, with whom the contract shall be concluded, presents an irrevocable bank guarantee, given by a bank or another credit organisation, a guarantee agreement, or transfers monetary fund to a customer as a pledge, particularly in the form of a deposit, in the size of the contract security specified in the auction documentation. This auction bidder independently determines the methods of securing the contract out of the methods specified in this Part. If the bidder, with whom the contract is being concluded, is a budget-

funded organisation and a customer, an authorised body established the contract security requirement, it is not necessary to present the contract security.

(Part 4 as revised by No.240-FZ Federal Law of 27.07.2010)

4.1. If a contract security is a guarantee agreement, the guarantor must be a legal entity, the state registration of which is made in accordance with the established procedures in the Russian Federation and that meets the following requirements:

- 1) Guarantor's capital and reserves specified in the relevant section of accounting reports must be no less than 300 million Rubles and exceed the size of the surety by no less than ten times;
- 2) The guarantor's net profit according to the relevant section of accounting reports must exceed the surety by no less than three times and the guarantor's net profit must be more than 100 million Rubles;
- 3) The fixed assets value (in the part of buildings) of the guarantor specified in the relevant section of accounting reports must be no less than 300 million Rubles and exceed the size of the surety by no less than ten times or the fixed assets value (in the part of buildings) must be over than one billion Rubles.

(Part 4.1 is introduced by No.240-FZ Federal Law of 27.07.2010)

4.2. Conformity of the guarantor to the requirements of Part 4.1 of this Article is determined on the basis of accounting reporting for the last two report years or, if the guarantee agreement was concluded before the deadline for filing annual statements established by the law of the Russian Federation on accountancy, at the choice of the guarantor on the basis of accounting reporting for the two report years preceding the last report year. Therewith, conformity of the guarantor to the requirements of Part 4.1 of this Article is determined on the basis of accounting reporting for each report year.

(Part 4.2 is introduced by No.240-FZ Federal Law of 27.07.2010)

4.3. If the contract security is a guarantee agreement, the contract can only be concluded after the auction bidder, with whom the contract is to be concluded, at the same time with the guarantee agreement presents relevant copies of accounting reporting of the guarantor, filed to the tax authority in accordance with the established procedures, as well as documents with regard to the guarantor specified in Sub-Clauses "c" and "d" Clause 1 Part 2 Article 35 of this Federal Law and confirming its scope of reference. All sheets of the presented documents must be bound, affixed with the guarantor's seal and signed by a person authorised by the guarantor. Compliance with these requirements confirms the authenticity and reliability of the documents and data presented by the guarantor.

(Part 4.3 is introduced by No.240-FZ Federal Law of 27.07.2010)

5. If an auction bid security requirement was set, the monetary funds deposited as the bid security shall be returned to the winner within five working days after the contract was concluded with the winner. The monetary funds deposited as the bid security shall be returned to the bidder with whom the contract is being concluded if the winner evades the contract, within five working days after the day of signing the contract with the winner or

this bidder.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

Article 39. Specifics of a Closed Auction

1. A closed auction is organised upon approval by the federal executive body responsible for control over procurement. The approval of a closed auction shall take place under the procedures established by the federal executive body regulating procurement. The period for such approving must not be more than ten working days after the day when a petition for approving a closed auction was received.

2. To organise a closed auction, the provisions of this Federal Law about organising an open auction shall be applied in view of the provisions of this Article.

3. To organize a closed auction, a notice about the closed auction is not required. Auction documentation, changes to the auction documentation, as well as explanations of the auction documentation are not subject to publishing in mass media and placing on the Internet. No later than 20 days before the deadline for filing the auction bids, a customer, an authorised body shall send written invitations to take part in the closed auction to the persons that meet the requirements specified in this Federal Law, are able to supply goods, carry out works, render services that are the auction subject and have access to the information that constitute state secrets, in case of a closed auction for procurement of goods, works, services, information about which constitute state secrets. These invitations must contain information specified in Part 3 Article 33 of this Federal Law.

(as revised by No.308-FZ Federal Law of 30.12.2008 and No.79-FZ Federal Law of 21.04.2011)

3.1. No later than 20 days before the deadline for filing the auction bids, a customer, an authorised body shall send all invitations specified in Part 3 of this Article to the federal executive body responsible for control over procurement.

(Part 3.1 is introduced by No. 218-FZ Federal Law of 24.07.2007)

4. Organising a closed auction, it is not allowed to file auction bids in the form of electronic documents as well as present auction documentation, changes introduced to it, send enquiries to explain provisions of the auction documentation and provide such explanations in the form of electronic documents. A customer, an authorised body shall give written explanations about the provisions of the auction documentation to all procurement participants who were given the auction documentation, specifying the subject of an enquiry, but without indicating the procurement participant who filed the enquiry.

4.1. A Bids Consideration Protocol for a closed auction shall be drawn in duplicate. No later than the day following the day when this Protocol was signed, a customer, an authorised body shall forward a counterpart of the Protocol to the federal executive body responsible for control over procurement, and copies of the Protocol to the procurement participants who filed the auction bids.

(Part 4.1 is introduced by No. 218-FZ Federal Law of 24.07.2007)

4.2. An Auction Protocol for a closed auction shall be drawn in triplicate. No later than the day following the day when this Protocol was signed, a customer, an authorised body shall forward a counterpart of the Protocol to the federal executive body responsible for control over procurement.

(Part 4.2 is introduced by No. 218-FZ Federal Law of 24.07.2007)

5. The Protocols drawn in course of a closed auction and the information obtained in course of a closed auction shall not be published in mass media and placed on the Internet.

6. Audio- or video-recording of a closed auction is not allowed.

Article 40. Consequences of Recognising an Auction Void

1. If an auction is recognised void and a contract is not concluded with the single auction bidder or a procurement participant who filed the only auction bid (if there are such participants), a customer, an authorised body can declare a new auction or can forward the documents about organising an auction and recognizing it void to the federal executive body responsible for control over procurement (for procurement of goods, works and services for the federal needs, the needs of a federal budget-funded organisation), an executive body of a constituent territory of the Russian Federation (for procurement of goods, works, services for the needs of a constituent territory of the Russian Federation or the needs of a municipality, the needs of budget-funded organisation of a constituent territory of the Russian Federation, the needs of a municipal budget-funded organisation). Upon approval of the above body, a customer can make a decision to place an order with a single supplier (executor, contractor). The contract should be concluded with a single supplier (executor, contractor) under the conditions specified in the auction documentation, the contract price should not exceed the initial (maximum) contract price (lot price) specified in a notice about an open auction. If an auction is recognised void under Part 2 Article 38 of this Federal Law and the contract is to be concluded with a single supplier (executor, contractor), this contract must be concluded under the conditions specified in the auction documentation, and the contract price must not exceed the contract price offered in course of the auction. The procedures for approving a possibility to conclude a contract with a single supplier (executor, contractor) are established by the federal executive body responsible for procurement regulation. The period of such approval cannot be longer than ten working days from the day when the petition about approving a possibility to conclude a contract with a single supplier (executor, contractor) was received.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law and No.83-FZ Federal Law of 08.05.2010)

2. If a new auction is announced, a customer, an authorised body has the right to change the terms and conditions of the auction.

3. If an auction for supplying medications for the federal needs, the needs of a federal budget-funded organisation is recognised void due to absence of auction bids or on the basis of considering the auction bids a decision was made not to allow all procurement participants who filed the bids to take part in the auction, a customer, an authorised body has the right to make a decision to procure under Parts 1 and 2 of this Article or announce a new auction under the conditions specified in an notice and documentation about the auction that was recognised void, except pro rata decreasing the volume of medicines and pro rata decreasing the initial (maximum) contract price.

(Part 3 is introduced by No.308-FZ Federal Law, as revised by No.83-FZ Federal Law of 08.05.2010)

**Article 41. Ceased being in effect from 1st July 2010. – No.93-FZ Federal Law of 08.05.2009.Chapter 3.1.
PROCUREMENT BY ORGANISING AN OPEN AUCTION IN THE ELECTRONIC FORM**

(introduced by No.93-FZ Federal Law of 08.05.2009)

Article 41.1. Open Auction in the Electronic Form for the Right to Conclude a Contract

(as revised by No.83-FZ Federal Law of 08.05.2010)

1. For the purposes of this Federal Law an open auction in the electronic form for the right to conclude a contract is an open auction organised by an operator of an electronic site on an Internet web-site according to the procedures specified in this Chapter.

(as revised by No.83-FZ Federal Law of 08.05.2010)

2. For the purposes of this Federal Law an electronic site is an Internet web-site, where open auctions are organised in the electronic form. An electronic site operator is a legal entity regardless of its organizational legal form, the form of ownership, location and the place of origin of the capital or a physical person in the capacity of an individual entrepreneur, the state registration of which is made in accordance with the established procedures in the Russian Federation, who owns an electronic site, hardware / software necessary for its functioning and organises open electronic auctions under the law of the Russian Federation on state procurement.

3. An electronic site operator cannot charge a customer, an authorised body, a specialised organisation a fee for organising an open auction in the electronic form.

4. Procurement participants cannot be charged for accreditation to an electronic site and for participation in an open auction in the electronic form, except the fee paid by the person with whom the contract is being concluded in the cases specified in this Chapter.

(as revised by No.83-FZ Federal Law of 08.05.2010)

5. A customer, an authorised body must set a security requirement for participation in an open auction in the electronic form. The size of the security for participation in an open auction in the electronic form cannot be less than 0.5 % and cannot exceed 5% of the initial (maximum) contract price (lot price) or if procurement is organised under Article 15 of this Federal Law – cannot exceed 2% of the initial (maximum) contract price (lot price). The bid security requirement for an open auction is equally applicable to all participants of a particular procurement and is specified in the documentation about an open auction in the electronic form.

(as revised by No.290-FZ Federal Law of 03.11.2010)

6. Organising an open auction in the electronic form, any negotiations between a customer, an authorised body, a specialised organisation, an operator of an electronic site with procurement participants are not allowed if as a result of such negotiations advantageous conditions are being created for participation in an

open auction in the electronic form and (or) the conditions for disclosing confidential information. If this provision is violated, an open auction can be recognised void upon a claim of an interested person under the procedures established by the law of the Russian Federation.

(as revised by No.240-FZ Federal Law of 27.07.2010)

7. If an open auction in the electronic form is recognised void and the contract is not concluded with the procurement participant that filed the only bid for the open auction in the electronic form or that is recognised the only bidder at the open auction (if any such bidders exist), the procedures specified in Parts 1 and 2 Article 40 of this Federal Law shall be applied.

(as revised by No.83-FZ Federal Law of 08.05.2010)

Article 41.2. The Rules of a Document Flow for Open Auctions in the Electronic Form

1. All documents and data related to obtaining accreditation to an electronic site and organisation of open auctions in the electronic form shall be forwarded by a procurement participant, by a customer, an authorised body, a specialised organisation, an operator of an electronic site, a federal executive body responsible for control over procurement or are placed on the official web-site or an electronic site in the form of electronic documents.

2. Documents and data forwarded in the form of electronic documents by a procurement participant, forwarded by a customer, an authorised body, a federal executive body responsible for control over procurement or placed by them on the official web-site or an electronic site in the form of electronic documents must be signed by an electronic digital signature of a person that has the right to act on behalf of a procurement participant, a customer, an authorised body, a federal executive body responsible for control over procurement accordingly, unless otherwise provided for by this Chapter.

3. If the documents and data specified in this Chapter are forwarded by a specialised organisation or are placed by a specialised organisation on the official web-site or an electronic site, these documents and data must be signed by an electronic digital signature of a person that has the right to act on behalf of a customer, an authorised body, or a person that has the right to act on behalf of a specialised organisation.

4. Documents and data forwarded in the form of electronic documents by an operator of an electronic site to a procurement participant, a customer, an authorised body or placed by an operator of an electronic site on the electronic site, must be signed by an electronic digital signature of a person that has the right to act on behalf of an operator of an electronic site, or certified by an operator of an electronic site by means of software tools.

5. An electronic digital signature of persons specified in Parts 2 - 4 of this Article and certification of electronic documents by an operator of an electronic site by means of software tools means that documents and data filed in the form of electronic documents are forwarded on behalf of a procurement participant, a customer, an authorised body, a federal executive body responsible for control over procurement accordingly, and also means authenticity and reliability of these documents and data.

6. Information related to an open auction in the electronic form must be accessible on the official web-site and the electronic site free-of-charge since the moment this information was placed on the official web-site and the

electronic site.

7. Within one hour after a notice about a refusal to organise an open auction in the electronic form, changes introduced to the notice about an open auction, documentation about an open auction in the electronic form, explanations of the provisions of documentation about an open auction were placed on the official web-site, an operator of an electronic site must notify all procurement participants that filed the bids for an open auction in the electronic form about these notice, changes, explanations, and forward a notice about such explanations to the person that sent an enquiry about explanations of the provisions of documentation about an open auction.

8. When an operator of an electronic site forwards documents and information in the form of electronic documents, obtained on behalf of a procurement participant, to a customer, an authorised body, a specialised organisation before closing an open auction in the electronic form, an operator of an electronic site must ensure confidentiality of information about a procurement participant that filed these documents according to the procedures established by the conditions of operating electronic sites.

9. If this Chapter provides for forwarding documents and data by a customer, an authorised body, a specialised organisation to a procurement participant or by a procurement participant to a customer, an authorised body, a specialised organisation, this flow of documents is arranged through an electronic site.

10. Documents and data related to organisation of an open auction in the electronic form and obtained or forwarded by an operator of an electronic site in accordance with this Chapter, shall be kept by an operator of an electronic site in accord with the conditions of operating electronic sites.

Article 41.3. Accrediting Procurement Participants on an Electronic Site

1. To ensure access to an open auction in the electronic form, an operator of an electronic site shall accredit procurement participants.

2. To obtain accreditation, procurement participants shall provide the following documents and data to an operator of an electronic site:

- 1) A statement of a procurement participant about accreditation to an electronic site;
- 2) A copy of an extract from the Single State Register of Legal Persons (for legal persons); a copy of an extract from the Single State Register of Individual Entrepreneurs (for individual entrepreneurs) obtained no earlier than six months before filing a statement specified in Clause 1 of this Article, copies of identity documents (for other physical persons); duly certified translation into Russian of the documents about state registration of a legal person or a physical person as an individual entrepreneur in accordance with the law of the relevant state (for foreign persons);
- 3) Copies of the founding documents of a procurement participant (for legal persons), copies of identity documents (for other physical persons);
- 4) Copies of the documents confirming the scope of reference of a person for obtaining accreditation on behalf of a procurement participant – a legal entity (a copy of a decision to appoint or elect, or an order to appoint a person to a position, according to which this person is entitled to act on behalf of the procurement participant

without a power of attorney to obtain accreditation (further on for the purposes of this Chapter referred to as a Chief Executive). If another person is acting on behalf of a procurement participant, a power of attorney also must be presented for exercising actions on behalf of the procurement participant, authenticated with the seal of the procurement participant and signed by the Chief Executive or a person authorised by the Chief Executive. If the power of attorney is signed by the person authorised by the Chief Executive, a copy of a document confirming the scope of reference of this person must also be presented;

5) Copies of documents confirming the scope of reference of the Chief Executive. If another person is acting on behalf of a procurement participant, powers of attorney also must be presented issued to a physical person or physical persons acting on behalf of a procurement participant in open auctions in the electronic form (including registration at open auctions), authenticated with the seal of the procurement participant and signed by the Chief Executive or a person authorised by the Chief Executive. If the power of attorney is signed by the person authorised by the Chief Executive, a copy of a document confirming the scope of reference of this person must also be presented, authenticated with the seal of the procurement participant and signed by the Chief Executive of a procurement participant;

6) An application for opening an account by an operator of an electronic site for conducting operations for participation in open auctions in the electronic form, signed by the Chief Executive;

7) Taxpayer's Identification Number of a procurement participant;

8) The decision on approval or on completing upon the results of open auctions in the electronic form transactions on behalf of a procurement participant – legal person specifying the maximum sum of a transaction. If the requirement for such decisions to complete a large transaction is established by the law of the Russian Federation and (or) the founding documents of a legal person, this decision shall be made under the procedures established for making a decision on approval or completing a large transaction. Otherwise the decision shall be made by a person authorised to obtain accreditation on behalf of a procurement participant – a legal person;

9) The electronic mail address of a procurement participant so an operator of an electronic site can forward notifications and other information in accordance with this Chapter.

3. It is not allowed to request other documents and information apart from specified in Part 2 of this Article.

4. Within no more than five working days after receiving documents and information specified in Part 2 of this Article, an operator of an electronic site must accredit a procurement participant, ensure opening an account for this procurement participant to conduct operations for taking part in open auctions in the electronic form or refuse to accredit a procurement participant on the grounds specified in Part 6 of this Article, and shall send a notice about the decision made to the procurement participant.

5. When an operator of an electronic site makes a decision to accredit a procurement participant, a notice specified in Part 4 of this Article must also contain information about opening an account for the procurement participant to conduct operations for taking part in open auctions in the electronic form with account particulars. An operator of an electronic site must provide access for this procurement participant to any open auctions in the electronic form organised at the electronic site.

6. An operator of an electronic site must refuse accreditation if a procurement participant fails to present documents and information specified in Part 2 of this Article, or filed documents that do not meet the requirements established by the Law of the Russian Federation.

7. When an operator of an electronic site makes a decision to refuse accreditation of a procurement participant, a notice specified in Part 4 of this Article must also contain information about the grounds for making this decision, particular, specifying the absent documents and information or the documents and information that do not meet the requirements established by the Law of the Russian Federation. Upon eliminating the about grounds, a procurement participant can again present documents and information specified in Part 2 of this Article in order to obtain accreditation to the electronic site.

8. It is not allowed to refuse to accredit a procurement participant on other grounds apart from specified in Part 6 of this Article.

9. A procurement participant is accredited to an electronic site for three years after the moment an operator of the electronic site sent a notice to the procurement participant about making a decision to accredit the procurement participant to the electronic site.

10. If changes are made to documents and data specified in Part 2 of this Article, the above documents are replaced or expired (including replacement or expiry of an electronic digital signature) or a procurement participant issued new powers of attorney for conducting actions on behalf of the procurement participant for taking part in open auctions in the electronic form, the procurement participant must immediately send new documents and data, a notice about the expiry of the above documents, the expiry of an electronic digital signature to an operator of an electronic site.

11. The procurement participant that presented these documents and information bears responsibility for reliability of the information included in the documents and data presented under Parts 2 and 10 of this Article, including electronic digital signatures, for the actions exercised on the basis of the above documents and data, for timely notification of an operator of an electronic site about making changes to the documents and data presented under Part 2 of this Article, replacement or expiry of the above documents (including replacement or expiry of an electronic digital signature).

12. Within an hour after receiving the documents and data specified in Part 10 of this Article an operator of an electronic site must ensure placement of the new documents and data on the electronic site or changing the documents and data presented under Part 2 of this Article specifying the date and time when these documents and data were received. An operator of an electronic site does not verify reliability or check whether the information contained in the new documents and data, and changes to these documents and data comply with the requirements set by law of the Russian Federation.

(Part 12 as revised by No.240-FZ Federal Law of 27.07.2010)

13. A procurement participant that obtained accreditation to an electronic site can take part in all open auctions in the electronic form organised on this electronic site. A procurement participant that obtained accreditation to an electronic site cannot file a bid for an open auction in the electronic form three months before the

accreditation of this procurement participant expires. Three months before the accreditation of this procurement participant expires, an operator of an electronic site must send a notice to this procurement participant. A procurement participant that obtained accreditation to an electronic site can be accredited for a new period according to the procedures specified in this Article, no earlier than six months before the accreditation of this procurement participant expires.

(as revised by No.240-FZ Federal Law of 27.07.2010)

14. A procurement participant can manage monetary funds deposited to the account of this procurement participant for conducting operations for taking part in open auctions in the electronic form, with regard to which account movements have not been blocked under Part 11 Article 41.8 of this Federal Law.

Article 41.4. The Register of Procurement Participants Accredited to an Electronic Site

1. An operator of an electronic site keeps the Register of Procurement Participants Accredited to an Electronic Site.

2. The following documents and data about each procurement participant shall be included in Register of Procurement Participants Accredited to an Electronic Site:

- 1) The name of a procurement participant (for legal persons), the surname, name, patronymic of a procurement participant (for physical persons);
- 2) The date of sending a notice to a procurement participant about a decision made on accreditation of the procurement participant;
- 3) The Taxpayer's Identification Number of a procurement participant;
- 4) A copy of an extract from the Single State Register of Legal Persons (for legal persons); a copy of an extract from the Single State Register of Individual Entrepreneurs (for individual entrepreneurs) obtained no earlier than six months before filing an application about accreditation of a procurement participant, copies of identity documents (for other physical persons); duly certified translation into Russian of the documents about state registration of a legal person or a physical person as an individual entrepreneur in accordance with the law of the relevant state (for foreign persons);
- 5) Copies of the founding documents of a procurement participant (for legal persons), copies of identity documents (for other physical persons);
- 6) Copies of the documents confirming the scope of reference of a person for obtaining accreditation on behalf of a procurement participant – a legal person under Clause 4 Part 2 Article 41.3 of this Federal Law;
- 7) Copies of documents confirming the scope of reference of a person for exercising actions on behalf of a procurement participant – a legal person taking part in open auctions in the electronic form (including registration at open auctions in the electronic form) under Clause 5 Part 2 Article 41.3 of this Federal Law;
- 8) A decision on approval or on completing transactions upon the results of open auctions in the electronic

form on behalf of a procurement participant – a legal person, specifying the maximum sum of a single transaction under Clause 8 Part 2 Article 41.3 of this Federal Law;

9) The date of expiry of the accreditation of a procurement participant to an electronic site.

3. An operator of an electronic site enters to the Register of Procurement Participants Accredited to an Electronic Site the documents and data presented under Part 2 of this Article on the day when the decision to accredit the procurement participant to the electronic site was made.

4. If documents and data are received from a procurement participant under Part 10 Article 41.3 of this Federal Law, including a notice about expiry of documents, an electronic digital signature, an operator of an electronic site within an hour after receiving these documents and data must enter these documents and data in the Register of Procurement Participants Accredited to an Electronic Site, specifying the date and time of receiving them.

5. An operator of an electronic site places the Register of Procurement Participants Accredited to an Electronic Site on the electronic site except the documents specified in Clauses 4 and 5 Part 2 of this Article.

6. Within three days after the accreditation of a procurement participant expires, an operator of an electronic site excludes this participant from the Register of Procurement Participants Accredited to an Electronic Site and sends a notice to this procurement participant.

Article 41.5. A Notice about an Open Auction in the Electronic Form

1. A customer, an authorised body, a specialised organisation must place a notice about an open auction in the electronic form on the official web-site no later than 20 days before the deadline for filing the bids for the open auction in the electronic form, unless this Article specifies a different period.

2. If the initial (maximum) contract price (lot price) does not exceed three million Rubles, a customer, an authorised body, a specialised organisation can place a notice about an open auction in the electronic form on the official web-site no later than seven days before the deadline for filing the bids for the open auction in the electronic form.

3. A customer, an authorised body, a specialised organisation also can publish a notice about an open auction in the electronic form in any mass media or place in electronic mass media provided that such publication and placement cannot take place instead of the placement provided for in Parts 1 and 2 of this Article.

4. A notice about an open auction in the electronic form shall specify:

1) The form of competitive bidding (an open auction in the electronic form);

2) The Internet address of the electronic site;

3) The name, location, mailing address, e-mail address, the contact telephone number of a customer, an authorised body, a specialised organisation;

4) The contract subject, specifying the quantity of goods, volume of works, services, except when an open auction in the electronic form is organised for the right to enter into a contract for technical maintenance and (or) repair of machinery and equipment, communications services, legal services it is impossible to determine the necessary quantity of the spare parts to the machinery and equipment and the volume of works, services;

(as revised by No.83-FZ Federal Law of 08.05.2010)

5) The place of delivery of goods, carrying out works, rendering services;

6) The initial (maximum) contract price (lot price), general initial (maximum) price of spare parts, specifying the initial (maximum) price of each spare part to machinery and equipment and the initial (maximum) price per unit of services and (or) works for technical maintenance and (or) repair of machinery and equipment, including replacement of the above spare parts if organising an open auction in the electronic form for the right to conclude a contract for technical maintenance and (or) repair of machinery and equipment a customer, an authorised body can not determine the required number of spare parts to machinery and equipment and the necessary volume of services and (or) works; the initial (maximum) price per unit of services if organising an open auction in the electronic form for the right to conclude a contract for communications services, legal services, a customer, an authorised body can not determine the required scope of such services;

(as revised by No.83-FZ Federal Law of 08.05.2010)

7) The date and time for the deadline for filing the bids for an open auction in the electronic form;

8) The date for completing consideration of the bids for an open auction in the electronic form under Part 2 Article 41.9 of this Federal Law;

9) The date of an open auction in the electronic form under Part 3 Article 41.10 of this Federal Law. If the date of an open auction is a holiday, the date of an open auction shall be fixed for the next working day following this holiday.

5. A customer, an authorised body can make a decision to change the notice about an open auction in the electronic form no later than five days before the deadline for filing the bids for the open auction in the electronic form. It is not allowed to change the subject of an open auction in the electronic form. Within one day after making this decision, a customer, an authorised body, a specialised organisation shall place these changes on the official web-site. Therewith, the deadline for filing the bids for an open auction must be extended so the period from placing the changes to the open auction on the official web-site to the deadline for filing the bids for the open auction shall be no less than 15 days or, if the initial (maximum) contract price (lot price) does not exceed three million Rubles – no less than seven days.

6. A customer, an authorised body can refuse to organise an open auction in the electronic form no later than ten days before the deadline for filing the bids for the open auction in the electronic form, or, if the initial (maximum) contract price (lot price) does not exceed three million Rubles – no less than five days before the deadline for filing the bids for the open auction. Within one day after making a decision to refuse to organise an open auction, a customer, an authorised body, a specialised organisation shall place a notice about a refusal to organise an open auction on the official web-site. Within one working day after a notice about a refusal to

organise an open auction was placed on the official web-site, an operator of an electronic site stops blocking, under Part 11 Article 41.8 of this Federal Law, operations on the account of a procurement participant for conducting operations for securing participation in open auctions in the electronic form with regard to monetary funds in the size of the bid security for an open auction.

Article 41.6. The Content of Documentation of an Open Auction in the Electronic Form

1. Documentation of an open auction in the electronic form must meet the requirements of Parts 1 - 3.2, 4.1 - 6 Article 34 of this Federal Law.

2. Documentation of an open auction in the electronic form cannot contain requirements to the execution and the form of an application for an open auction in the electronic form.

3. Documentation of an open auction in the electronic form must contain the following information:

1) Requirements to the content and composition of the bid for an open auction in the electronic form under Parts 4 and 6 Article 41.8 of this Federal Law and the instructions how to fill it in;

2) The size of the bid security for an open auction in the electronic form under Part 5 Article 41.1 of this Federal Law;

3) The date and time for the deadline for filing the bids for an open auction in the electronic form;

4) The date for completing consideration of the bids for an open auction in the electronic form under Part 2 Article 41.9 of this Federal Law;

5) The date of an open auction in the electronic form under Part 3 Article 41.10 of this Federal Law;

6) The source of procurement financing;

6.1) justification of the initial (maximum) contract price (lot price) under Article 19.1 of this Federal Law;

(Clause 6.1 is introduced by No.79-FZ Federal Law of 21.04.2011)

7) The procedures for setting the contract price (lot price) (accounting for or without accounting for the costs of transportation, insurance, customs duties, taxes and other mandatory payments);

8) The initial (maximum) contract price (lot price), the general initial (maximum) price of spare parts to machinery and equipment and the initial (maximum) price per unit of services and (or) works for technical maintenance and (or) repair of machinery and equipment, including replacement of the above spare parts if organising an open auction in the electronic form for the right to conclude a contract for technical maintenance and (or) repair of machinery and equipment a customer, an authorised body can not determine the required number of spare parts to machinery and equipment and the necessary volume of services and (or) works; the initial (maximum) price per unit of services if organising an open auction in the electronic form for the right to conclude a contract for communications services, legal services, a customer, an authorised body can not determine the required scope of such services;

(as revised by No.83-FZ Federal Law of 08.05.2010)

9) Information about the currency used for setting the contract price and payment settlements with suppliers (executers, contractors);

10) The procedures for applying the official rate of exchange of a foreign currency to a Russian Ruble set by the Central Bank of the Russian Federation and used for payment for the concluded contract;

(as revised by No.83-FZ Federal Law of 08.05.2010)

11) The size of the contract security, the deadline and the procedures for providing the contract security if a customer, an authorised body establishes the requirement for the contract security. The size of the contract security cannot be over 30% of the initial (maximum) contract price (lot price), specified in the notice about an open auction in the electronic form but cannot be less than the advance payment (if the contract provides for the advance payment), or if the advance payment exceeds 30% of the initial (maximum) contract price (lot price) the contract security cannot be more than 20% of the advance payment and cannot be less than the advance payment. If the initial (maximum) contract price (lot price) exceeds 50 million Rubles, a customer, an authorised body must establish the contract security requirement at 10% - 30% of the initial (maximum) contract price (lot price) but no less than the advance payment (if the contract provides for the advance payment), or if the advance payment exceeds 30% of the initial (maximum) contract price (lot price) – not exceeding the advance payment by 20% but no less than the advance payment. A customer, an authorised body can determine the contract obligations that require security; which is 50 million Rubles and more, supplies of medical equipment must determine such obligations (including obligations to provide manufacturer's and supplier's warranties with the new machinery and equipment) and an obligation to provide with the goods a surety for supplier's warranty from 2% to 10% of the initial (maximum) contract price (lot price);

(as revised by No.164-FZ Federal Law of 17.07.2009, No.83-FZ Federal Law of 08.05.2010 and No.79-FZ of 21.04.2011)

12) Possibility of a customer to increase the quantity of the goods under contract in accordance with Part 6.5 Article 9 of this Federal Law.

4. Along with the data specified in Part 3 of this Article, documentation of an open auction in the electronic form must contain the following information about the procured goods, works, services and about the contract execution conditions:

1) Requirements to the quality, technical characteristics of the goods, works, services, safety requirements, requirements to the functional characteristics of the goods (consumer qualities), size, packaging, shipment of the goods, requirements to the outcome of works and other indicators related to determination whether the goods, works, services meet the customer's needs. The maximum and minimum values of such indicators, used to determine conformity to the customer's needs or equivalent of the goods offered for supply or use for carrying out works, rendering services, and the indicators the value of which cannot change;

- 2) A 3D image of the procured goods, if a documentation of an open auction in the electronic form has the requirement that the goods must match a 3D image of the procured goods;
- 3) A 3D image of the procured goods and the location, date of the beginning and the deadline, the procedures and time-schedule of examination of sample or a make-up of the goods by procurement participants, if a documentation of an open auction in the electronic form has the requirement that the goods must match a sample or a make-up of the procured goods and the sample or the make-up cannot be enclosed to the documentation of an open auction;
- 4) A list of spare parts to machinery and equipment with the initial (maximum) contract price of each spare part to machinery and equipment if organising an open auction in the electronic form for the right to conclude a contract for technical maintenance and (or) repair of machinery and equipment it is impossible to determine the required number of spare parts to machinery and equipment and the necessary volume of services, works;

(as revised by No.83-FZ Federal Law of 08.05.2010)

- 5) A list of documents confirming that the goods, works, services meet the requirements established under the law of the Russian Federation if the law of the Russian Federation establishes the requirements to such goods, works, services. It is not allowed to request these documents if under the law of the Russian Federation these documents must be handed over with the goods;
- 6) Requirements to the warranty period and (or) the scope of warranty for the quality of the goods, works, services, goods servicing, the expenses for goods operation, on mandatory assembly and adjustment of the goods, training of persons that use and service the goods. If necessary, these requirements shall be established by a customer, an authorized body, except for procurement for machinery and equipment. For procurement of machinery and equipment a customer, an authorized body shall establish in the documentation for an open auction on the electronic form the requirements to the warranty period and (or) the scope of warranty the quality of the goods, warranty servicing of the goods, the costs of servicing the goods within the warranty period, as well as assembly and adjustment of the goods if provided for by the technical documentation for the goods. For procurement of new machinery and equipment, a customer, an authorized body shall establish in the documentation for an open auction in the electronic form the requirements the manufacturer's warranty for the goods and warranty period, the warranty must be provided with the goods. Additionally, for procurement of new machinery and equipment a customer, an authorized body shall establish in the documentation for an open tender in the electronic form requirements for the supplier's warranty for the goods and the warranty period, the warranty must be provided with the goods and warranty period must be no shorter than the period of the manufacturer's warranty for the goods;

(Clause 6 as revised by No. 79-FZ Federal Law of 21.04.2011)

- 7) The location, conditions and deadlines (periods) for supplying goods, carrying out works, rendering services;
- 8) The form, period and procedures for payment for the goods, works, services;
- 9) Possibility of a customer to increase the quantity of the goods under contract in accordance with Part 6

Article 9 of this Federal Law.

5. Along with the data specified in Parts 3 and 4 of this Article, documentation of an open auction in the electronic form must contain the requirements to procurement participants established under Article 11 of this Federal Law.

Article 41.7. The Procedures for Presenting Documentation of an Open Auction in the Electronic Form, Explaining the Provisions of Documentation for an Open Auction in the Electronic Form and Introducing Amendments to It

1. Organising an open auction in the electronic form, a customer, an authorised body, a specialised organisation shall place documentation for an open auction in the electronic form on the official web-site within the period specified in Parts 1 and 2 Article 41.5 of this Federal Law, simultaneously with placing a notice about an open auction.

2. Documentation of an open auction in the electronic form must be accessible on the official web-site free-of-charge.

3. Any procurement participant accredited to an electronic site can send an enquiry to the address of the electronic site, where an open auction in the electronic form is planned, asking to explain the provisions of the documentation of an open auction in the electronic form. A procurement participant can send no more than three enquiries for explanations of the provisions of the documentation of a particular open auction in the electronic form. Within an hour after the enquiry was received, an operator of the electronic site shall send an enquiry to a customer, an authorised body.

(as revised by No.240-FZ Federal Law of 27.07.2010)

4. Within two days after receiving an enquiry specified in Part 3 of this Article from an operator of an electronic site, a customer, an authorised body, a specialised organisation shall place explanations of the provisions of the documentation of an open auction in the electronic form indicating the subject of the enquiry but without indicating the procurement participant who sent the enquiry, on the official web-site provided that the enquiry was received by a customer, an authorised body no later than five working days before the deadline for filing the bids for an open auction in the electronic form or, if the initial (maximum) contract price (lot price) does not exceed three million Rubles – no less than three days before the deadline for filing the bids for an open auction.

5. Explanation of the provisions of documentation of an open auction in the electronic form must not change its essence.

6. If the norms of Parts 1 - 5 of this Article are violated, an open auction in the electronic form can be recognised void according to the procedures established by the law of the Russian Federation.

7. Upon its own initiative, or due to an enquiry about explanation of the provisions of the documentation of an open auction in the electronic form, a customer, an authorised body can decide to make changes to the documentation of an open auction no later than five days before the deadline for filing the bids for an open auction in the electronic form. It is not allowed to change the subject of an open auction in the electronic form.

Within one day after making this decision, a customer, an authorised body, a specialised organisation shall place the changes to the documentation of an open auction on the official web-site. Therewith, the deadline for filing the bids for an open auction must be extended so the period between placing such changes and the deadline for filing the bids for an open auction is no less than fifteen days, or, if the initial (maximum) contract price (lot price) does not exceed three million Rubles – no less than seven days.

Article 41.8. The Procedures for Filing Bids for an Open Auction in the Electronic Form

1. To take part in an open auction in the electronic form, a procurement participant that obtained accreditation to an electronic site files a bid for an open auction in the electronic form.

2. Taking part in an open auction in the electronic form is possible if a procurement participant has on its account, opened to conduct operations for taking part in open auctions, monetary funds with regard to which operations on the account are not blocked under Part 11 of this Article, the size of which is no less than the bid security for an open auction in the electronic form specified in the documentation for an open auction in the electronic form.

3. A bid for an open auction in the electronic form has two parts.

4. The first part of a bid for an open auction in the electronic form must contain information specified in one of the following Sub-Clauses:

1) For procurement of goods:

a) A consent of a procurement participant to supply goods if the procurement participant offers to supply goods, the trademark for which is indicated in the documentation for an open auction in the electronic form, or indication for the trademark (its verbal marks) of the goods offered for supply and specific indicators of these goods that correspond to the values of equivalence specified in the documentation for an open auction in the electronic form, if the procurement participant offers to supply goods that are equivalent to the goods specified in the documentation for an open auction in the electronic form, provided that the documentation for an open auction in the electronic form indicates the trademark, as well as the requirements to indicate the trademark in the bid for an open auction in the electronic form;

(as revised by No.79-FZ Federal Law of 21.04.2011)

b) Specific indicators corresponding to the values established by the documentation for an open auction in the electronic form, and indications for the trademark (its verbal marks) (if any) of the goods offered for supply, provided the documentation for an open auction in the electronic form does not indicate a trademark;

(as revised by No.79-FZ Federal Law of 21.04.2011)

2) Consent of a procurement participant to carry out works, render services under the conditions specified in the documentation for an open auction in the electronic form in case of procurement of works, services;

3) For procurement of works, services, for which the goods are used:

a) A consent specified in Clause 2 of this Part, particularly meaning a consent for using the goods, the trademark of which is indicated in the documentation for an open auction in the electronic form, or a consent specified in Clause 2 of this Part, indication to the trademark (its verbal marks) of the offered goods and specific indicators of these goods corresponding to the values of equivalence specified in the documentation for an open auction in the electronic form, if the procurement participant offers to supply goods that are equivalent to the goods specified in the documentation for an open auction in the electronic form, provided that the documentation for an open auction in the electronic form indicates the trademark of the goods to be used and the requirements to indicate the trademark in the bids for an open auction in the electronic form;

(as revised by No.79-FZ Federal Law of 21.04.2011)

b) A consent specified in Clause 2 of this Part, and specific indicators corresponding to the values specified in the documentation for an open auction in the electronic form, and the trademark (its verbal marks) (if any) of the goods offered for use provided that documentation for an open auction in the electronic form does not indicate a trademark of the goods to be used.

(as revised by No.79-FZ Federal Law of 21.04.2011)

5. The first part of a bid for an open auction in the electronic form specified in Part 4 of this Article can contain a sketch, picture, drawing, photograph, and another image of the procured goods.

6. The second part of a bid for an open auction in the electronic form must contain the following information and documents:

1) The company name, information about the organizational and legal form, location, mailing address (for a legal entity), surname, name, patronymic, passport details, the place of residence (for a physical person), contract telephone number, the taxpayer's identification number;

2) Copies of documents confirming that a procurement participant meets the requirements of Clause 1 Part 1 Article 11 of this Federal Law if the law of the Russian Federation establishes requirements to the persons involved in supplying goods, carrying out works, rendering services, that are the subject of an open auction in the electronic form, and such requirements are specified in the documentation for an open auction in the electronic form;

3) Copies of documents confirming that a procurement participant meets the requirement of Clause 1 Part 2 Article 11 of this Federal Law, if this requirement is set by a customer, an authorised body;

4) A copy of a permit for commissioning a capital construction facility, a copy of the act of acceptance of a capital construction facility (except if a developer is the person carrying out the construction) provided that a customer, an authorised body set the requirement specified in Part 2.1 Article 11 of this Federal Law;

5) Copies of documents confirming that goods, works, services meet the requirements established under the law of the Russian Federation, if the law of the Russian Federation establishes requirements to such goods, works, services and if providing such documents is required according to the documentation for an open auction in the electronic form;

6) A decision on approval or on completing a large transaction or a copy of such a decision if the law of the Russian Federation and (or) the founding documents of a legal entity establish the requirement for such decision to complete a large transaction and if for a procurement participant supplying goods, carrying out works, rendering services that are the contract subject or depositing monetary funds as the security of the bid for an open auction in the electronic form, the contract security is a large transaction. It is not necessary to present this decision if the initial (maximum) contract price does not exceed the maximum sum of the transaction specified in the decision on approval or completing transactions provided for accreditation of a procurement participant to an electronic site.

7) Copies of the documents confirming that a procurement participant meet the requirements established under Part 2.2 Article 11 of this Federal Law if such requirements are established by the Government of the Russian Federation.

(Clause 7 is introduced by No.79-FZ Federal Law of 21.04.2011)

7. It is not allowed to request a procurement participant to present documents and information other than specified in Parts 4 and 6 of this Article.

8. A procurement participant can file a bid for an open auction in the electronic form at any time after the moment a notice about an open auction in the electronic form was placed on the official web-site until the date and time of the deadline for filing the bids for an open auction specified in the documentation of an open auction in the electronic form.

9. A procurement participant shall send a bid for an open auction in the electronic form to an operator of an electronic site in the form of two electronic documents, containing parts of the bid specified in Parts 4 and 6 of this Article. These electronic documents shall be filed simultaneously.

10. Receiving a bid specified in Part 9 of this Article is an instruction to block the operations on the account of this procurement participant, that is opened to carry out operations to take part in open auctions in the electronic form, with regard to the monetary funds in the size of the security for the bid for an open auction.

11. Within an hour after receiving a bid for an open auction in the electronic form, an operator of an electronic site must block operations on the account of a procurement participant, who filed the bid, for conducting operations for security of a bid for an open auction with regard to the monetary funds in the size of security for the bid for an open auction in the electronic form; assign a number to it and confirm in the form of an electronic document sent to the procurement participant, who filed the bid for an open auction in the electronic form, that the bid is received specifying the number assigned to the bid.

12. A procurement participant can file only one bid for an open auction in the electronic form for each auction subject (lot).

13. Within an hour after receiving a bid for an open auction in the electronic form, an operator of an electronic site shall return the bid to the procurement participant who filed the bid if:

- 1) A bid for an open auction was filed in breach of the norms of Part 2 Article 41.2 of this Federal Law;
- 2) There are no monetary funds in the size of the security for a bid for an open auction, which are not blocked under this Federal Law, on the account opened by the procurement participant, who filed a bid for an open auction, for conducting operations to take part in open auctions in the electronic form;
- 3) The same procurement participant filed two or more bids for an open auction for the same lot provided that the procurement participant has not withdrawn the bids filed earlier. In this case all bids for an open auction filed for this lot shall be returned to this procurement participant;
- 4) A bid for an open auction was received after the day and time of the deadline for filing the bids;
- 5) A bid for an open auction was received from a procurement participant with violations of Part 13 Article 41.3 of this Federal Law.

14. Simultaneously with returning a bid for an open auction in the electronic form under Part 13 of this Article, an operator of an electronic site must notify a procurement participant, that filed the bid for an open auction, in the form of an electronic document about the reasons for returning the bid, specifying the provisions of this Federal Law that were breached.

15. An operator of an electronic site cannot return bids filed for an open auction in the electronic form on the grounds not specified in Part 13 of this Article.

16. Within one working day after the day when a bid for an open auction in the electronic form was returned, an operator of an electronic site shall stop blocking, that took place upon receiving the bid under Part 11 of this Article, of operations with monetary funds on the account of a procurement participant opened to carry operations to take part in open auctions in the electronic form.

17. No later than the day following the day of the deadline for filing bids for an open auction in the electronic form, an operator of an electronic site shall forward to a customer, an authorised body the first part of a bid for an open auction specified in Part 4 of this Article.

18. A procurement participant, that filed a bid for an open auction in the electronic form, can withdraw the bid for an open auction no later than the deadline for filing bids by sending a notice to an operator of an electronic site. Within one working day after the day when the notice about withdrawing the bid was received, the operator of the electronic site shall stop blocking, that took place upon receiving the bid under Part 11 of this Article, of operations with monetary funds in the size of security for the bid for the open auction on the account of a procurement participant opened to carry operations to take part in open auctions in the electronic form.

19. An operator of an electronic site must ensure confidentiality of the data about procurement participants who filed bids for an open auction in the electronic form, and confidentiality of the data included in the part of bids under Part 6 of this Article before the Protocol of an open auction in the electronic form is placed on an electronic site.

20. Filing a bid for an open auction in the electronic form by a procurement participant is a permission of this

procurement participant to debit monetary funds from the participant's account, opened to carry operations to provide security for taking part in open auctions in the electronic form, as a payment for taking part in the open auction in the electronic form in the cases specified in this Chapter.

21. If by the deadline for filing bids for an open auction in the electronic form only one bid is filed or no bids are filed, the open auction in the electronic form is recognised void.

22. If by the deadline for filing bids for an open auction in the electronic form only one bid is filed, an operator of an electronic site within the period specified in Part 17 of this Article shall forward both parts of the bid to a customer, an authorised body. In this case the norms of Part 8 Article 41.2 of this Federal Law shall not be applied. The bid shall be considered according the procedures specified in Articles 41.9 and 41.11 of this Federal Law. If the bid meets the requirements set in the documentation an open auction in the electronic form, within four days after the day of making a decision that the bid meets the requirements set in the documentation an open auction a customer shall forward a draft contract, enclosed to the documentation about the open auction, to the operator of an electronic site, without the customer's signature. The contract with the procurement participant who filed the only bid for the open auction shall be concluded under Parts 3 - 8, 11, 12, 17 - 19 Article 41.12 of this Federal Law. Therewith, the contract shall be concluded under the conditions specified in the documentation about the open auction, at the initial (maximum) contract price specified in the notice about the open auction in the electronic form, or at the contract price that is agreed with the procurement participant who filed the bid and that does not exceed the initial (maximum) contract price. The contract can be concluded no earlier than ten days after the Protocol of an open auction in the electronic form was placed on the official web-site that the auction was recognised void. The procurement participant that filed the bid cannot refuse to conclude the contract.

(as revised by No.83-FZ Federal Law of 08.05.2010)

Article 41.9. The Procedures for Considering the First Parts of the Bids Filed for an Open Auction in the Electronic Form

1. The Auction Commission verifies whether the first parts of the bids for an open auction in the electronic form, containing data specified by Part 4 Article 41.8 of this Federal Law, meet the requirements set by the documentation for an open auction in the electronic form for procured goods, works, services.
2. The period for considering the first parts of the bids for an open auction in the electronic form cannot exceed seven days after the day of the deadline for filing the bids for an open auction.
3. Based on the results of considering the first parts of the bids for an open auction in the electronic form, containing data specified by Part 4 Article 41.8 of this Federal Law, the Auction Commission makes a decision for a procurement participant to take part in an open auction in the electronic form and to recognise the procurement participant that filed a bid as a bidder at the open auction, or to refuse to allow such a participant to take part in the open auction on the grounds and according to the procedures specified in this Article.
4. A procurement participant is not allowed to take part in an open auction in the electronic form if:
 - 1) Failed to present data specified in Part 4 Article 41.8 of this Federal Law, or presented incorrect data;

2) Data specified in Part 4 Article 41.8 of this Federal Law do not meet the requirements set in the documentation for an open auction in the electronic form.

(as revised by No.290-FZ Federal Law of 03.11.2010)

5. It is not allowed to refuse participation in an open auction in the electronic form on the grounds not specified in Part 4 of this Article.

6. Based on the results of considering the first parts of the bids for an open auction in the electronic form, containing data specified by Part 4 Article 41.8 of this Federal Law, the Auction Commission draws a Bids Consideration Protocol, that is kept by the Auction Commission and signed by all members of the Commission present at the meeting and a customer, an authorised body on the day when consideration of the bids filed for an open auction is completed. The Protocol must include information about the ordering numbers of the bids for an open auction in the electronic form, the decision to allow a procurement participant, that filed a bid for an open auction in the electronic form, with a particular ordering number to take part in the open auction in the electronic form and to recognise this procurement participant as a bidder at the open auction, or to refuse to allow a procurement participant to take part in the open auction with justification of this decision and specifying the provisions of the documentation of open auction in the electronic form, which the bid for the open auction in the electronic form filed by this procurement participant does not comply with, provisions of a bid for an open auction that do not meet the requirements of the documentation for an open auction, information about members of the Auction Commission that made the decision, information about the decision of each member of Auction Commission on allowing a procurement participant to take part in the open auction or to refuse participation in the open auction. On the day when consideration of the bids for an open auction is concluded, a customer, an authorised body, a specialised organisation shall forward the Protocol to an operator of an electronic site.

7. If by the deadline for filing bids for an open auction in the electronic form only one bid for the open auction is filed or no bids are filed for the open auction, and also if based on the results of considering the first parts of the bids for the open auction a decision was made to refuse participation of all procurement participants, that filed bids for the open auction, in the open auction or to recognise only one procurement participant, that filed a bid for the open auction, as a bidder at the open auction, it shall be entered in the Protocol specified in Part 6 of this Article that the open auction is recognised void. A customer, an authorised body, a specialised organisation shall place the Protocol on an electronic site.

8. Within one hour after an operator of an electronic site received the Protocol specified in Part 6 of this Article or after the moment the Protocol was placed on an electronic site under Part 7 of this Article an operator of an electronic site must send to the procurement participants, that filed the bids for the open auction in the electronic form, a notice about the decisions regarding the bid filed by these procurement participants for the open auction.

9. Within one working day after the day when an operator of an electronic site receiving the Protocol or placing on an electronic i site the Protocol, specified in Parts 6 and 8 of this Article accordingly, an operator of an electronic site shall stop blocking, that took place upon receiving the bid under Part 11 Article 41.8 of this Federal Law, of operations with monetary funds in the size of security for the bid for the open auction on the account of opened to carry operations to take part in open auctions in the electronic form by a procurement

participant that was not allowed to take part in the open auction in the electronic form.

10. If based on the results of considering the first parts of the bids for an open auction in the electronic form, a decision was made that all procurement participants, who filed bids for the open auction, were not allowed to take part in an open auction in the electronic form, or only one procurement participant, who filed a bid for the open auction, shall be recognised an open auction bidder, the open auction shall be recognised void.

11. If an open auction in the electronic form is recognised void and only one procurement participant that filed a bid for the open auction in the electronic form is recognised as a bidder for the open auction, an operator of an electronic site shall forward the second part of the bid for the open auction, containing information and documents specified in Part 6 Article 41.8 of this Federal Law, to a customer, an authorised body within one hour after the moment the Protocol specified in Part 8 of this Article was placed on the electronic site. In this case the norms of Part 8 Article 41.2 of this Federal Law shall not be applied. The bid shall be considered according to the procedures specified in Articles 41.9 and 41.11 of this Federal Law. Within three days after the second part of a bid for the open auction in the electronic form was received, the Auction Commission shall verify, under the procedures established in Article 41.11 of this Federal Law, whether a bidder of the open auction meets the requirements specified in the documentation of the open auction in the electronic form. If a decision is made that an open auction bidder meets the above requirements, within four days after the day of making this decision a customer, an authorised body, a specialised organisation shall forward a draft contract, enclosed to the documentation about the open auction, to the operator of an electronic site, without the customer's signature. The contract with the procurement participant who is recognised the only open auction bidder shall be concluded under Parts 3 - 8, 11, 12, 17 - 19 Article 41.12 of this Federal Law. Therewith, the contract shall be concluded under the conditions specified in the documentation about the open auction, at the initial (maximum) contract price specified in the notice about the open auction in the electronic form, or at the contract price that is agreed with this procurement participant and that does not exceed the initial (maximum) contract price. The procurement participant that is recognised the only open auction bidder cannot refuse to conclude the contract.

(as revised by No.83-FZ Federal Law of 08.05.2010)

Article 41.10. The Procedures for Organising an Open Auction in the Electronic Form

1. Only procurement participants recognised as open auction bidders can take part in an open auction in the electronic form.

2. An open auction in the electronic form is organised on an electronic site on the day specified in the notice about the open auction in the electronic form. An operator of an electronic site shall set the time for the start of an open auction.

3. The day of an open auction in the electronic form is the working day two days after the completion of considering the first parts of the bids for the open auction in the electronic form.

4. An open auction in the electronic form is organised by reduction, except in cases specified in Part 18 of this Article, of the initial (maximum) contract price set in the notice about an open auction in the electronic form according to the procedures specified in this Article.

5. If documentation for an open auction in the electronic form specified the general initial (maximum) price of spare parts to machinery and equipment and the initial (maximum) price per unit of services and (or) works for technical maintenance and (or) repair of machinery and equipment (for procurement of technical maintenance and (or) repair of machinery and equipment), the initial (maximum) price per unit of services (for procurement of communications services, legal services), an open auction in the electronic form is organised by reduction of the initial (maximum) price of spare parts to machinery and equipment and the initial (maximum) price per unit of services and (or) works for technical maintenance and (or) repair of machinery and equipment, the initial (maximum) price per unit of services specified in documentation for an open auction, according to the procedures specified in this Article, except in cases specified in Part 18 of this Article.

6. The "auction step" is from 0.5% to 5% of the initial (maximum) contract price (lot price).

(as revised by No.240-FZ Federal Law of 27.07.2010)

7. At an open auction in the electronic form the bidders file their contract price bids reducing the current minimum contract price bid by a value within the "auction step".

8. At an open auction in the electronic form any bidder can also file a contract price bid regardless of the "auction step" provided it is in compliance with the norms of Part 9 of this Article.

9. At an open auction in the electronic form bidders file contract price bids observing the following requirements:

1) At an open auction a bidder cannot file a contract price bid equal to the bid or higher than the contract price bid filed earlier by this bidder, or a bid with the contract price equal to zero;

2) At an open auction a bidder cannot file a contract price bid below the current minimum contract price bid reduced within the "auction step";

(as revised by No.240-FZ Federal Law of 27.07.2010)

3) At an open auction a bidder cannot file a contract price bid below the current minimum contract price bid if this bid for the contract price was filed by the same bidder.

10. From the beginning of an open auction in the electronic form to the end of the period for filing contract price bids, it is mandatory that all contract prices bids and the time of filing them are shown at the electronics site, as well as the time remaining before the end of the period for filing contract price bids under Part 11 of this Article.

11. At an open auction in the electronic form, the time for accepting contract price bids from the bidders at an open auction is ten minutes from the beginning of the open auction to the end of the period for filing the contract price bids, and ten minutes after the last contract price bid is received. The time remaining before the end of the period for filing contract price bids is updated automatically, by means of software and technical tools supporting the open auction, after reduction of the initial (maximum) contract price or current bid filed at the auction for the minimum contract price. If within this time no bids with a lower contract price were received, the open auction is closed automatically, by means of software and technical tools supporting it.

(as revised by No.240-FZ Federal Law of 27.07.2010)

12. Within ten minutes before the end of an open auction in the electronic form under Part 11 of this Article, any bidder at an open auction can file a bid where the contract price is no lower than the last bid with the minimum contract price at the auction regardless of the "auction step" in view of the norms of Clauses 1 and 3 Part 9 of this Article.

(Part 12 as revised by No.240-FZ Federal Law of 27.07.2010)

13. Organising an open auction in the electronic form, an operator of an electronic site must ensure confidentiality of the data about the bidders at the open auction.

14. Organising an open auction in the electronic form, an operator of an electronic site must reject a bid for the contract price the moment it is received if the bid does not meet the requirements of this Article.

15. An operator of an electronic site cannot reject contract price bids on the grounds not specified in Part 14 of this Article.

16. If the a bid is filed for the contract price equal to the price of the bid filed by another bidder at an open auction in the electronic form, the best contract price bid is recognised the bid received earlier than other bids.

17. Organising an open auction in the electronic form under Part 5 of this Article, the bidder that filed the bid for the lowest contract price at the open auction in the electronic form is recognised a person that offered the lowest general price for spare parts to machinery and equipment and the initial (maximum) price per unit of services and (or) works for technical maintenance and (or) repair of machinery and equipment, the lowest price per unit of services, except the cases specified in Part 18 of this Article.

18. If at an open auction in the electronic form the contract price is reduced to zero, an open auction in the electronic form is organised for the right to conclude the contract. In this case an open auction in the electronic form is organised by increasing the contract price based on the provisions of this Federal Law on the procedures of an open auction in the electronic form with due account of the following specific features:

1) Under this Part an open auction in the electronic form takes place until the contract price reaches no more than 100 million Rubles;

2) If an open auction in the electronic form is organised according to this Part, a bidder at an open auction in the electronic form cannot file the bids with the contract price higher than the maximum sum of the transaction for this procurement participant specified in the Register of Procurement Participants Accredited to an Electronic Site, the decision on approval or completion of transactions upon the results of open auctions in the electronic form on behalf of the procurement participant;

3) If an open auction in the electronic form is organised for the right to conclude the contract before reaching the contract exceeding the relevant value of the initial (maximum) contract price, the contract security shall be provided in the size of the contract security specified in the documentation about an open auction in the

electronic form, based on the contract price reached at the open auction in the electronic form organised under this Part.

(Part 18 as revised by No.240-FZ Federal Law of 27.07.2010)

19. An operator of an electronic site places the Protocol of an open auction in the electronic form on the electronic site within 30 minutes after the open auction is closed. The Protocol includes the address of the electronic site, the date and time of the beginning and closing of the open auction, the initial (maximum) contract price, all minimum contract price bids filed by bidders at the open auction and ranged according to their decrease (in the case specified in Part 18 of this Article – according to their increase) specifying ordering numbers assigned to the bids at an open auction in the electronic form, filed by the bidders at the open auction that made these contract price bids, and specifying the time of receiving the bids.

20. Within an hour after the Protocol specified in Part 19 of this Article was placed on an electronic site, an operator of an electronic site must send to a customer, an authorised body the Protocol and the second parts of the bids for an open auction in the electronic form filed by the bidders of open auction in the electronic form, contract price bids that ranging under Part 19 of this Article were assigned the first ten numbers, or if fewer than ten bidders took part in an open auction in the electronic form, the second parts of the bids for an open auction, filed by such bidders, as well as the documents of these bidders specified in Clauses 1, 3 - 5, 7 and 8 Part 2 Article 41.4 of this Federal Law and as of the date and time of the deadline for filing the bids for an open auction in the electronic form included in the Register of Procurement Participants Accredited to an Electronic Site. Within the same period an operator of an electronic site also must notify the above open auction bidders.

(as revised by No.240-FZ Federal Law of 27.07.2010)

21. If within ten minutes after the beginning of an open auction in the electronic form no bidder at an open auction in the electronic form filed a contract price bid under Part 7 of this Article, the open auction shall be recognised void. Within 30 minutes after the end of the above time, an operator of an electronic site shall place the Protocol of recognising the auction void on an electronic site and shall send the Protocol to a customer, an authorised body, a specialised organisation. The Protocol should specify the address of the electronic site, the date and time of the beginning and closing of the open auction, the initial (maximum) contract price.

22. After the Protocol specified in Part 19 of this Article was placed on an electronic site, any bidder at an open auction in the electronic form can send an enquiry to an operator of an electronic site asking to explain the results of the open auction. An operator of an electronic site must provide the relevant explanations to this bidder within two days after receiving the enquiry.

23. An operator of an electronic site must ensure continuity of an open auction in the electronic form, reliable performance of the software and technical tools used to organise an open auction, equal access of the bidders to the open auction and exercising actions specified in this Article regardless of the time of closing the open auction.

24. Within one working days after the day the Open Auction Protocol was placed on an electronic site, an operator of an electronic site shall stop blocking, that took place under Part 11 Article 41.8 of this Federal Law, of operations with monetary funds in the size of security for a bid for the open auction on the account opened

to carry operations to take part in the open auction in the electronic form by a bidder that did not take part in the open auction in the electronic form.

Article 41.11. The Procedures for Considering the second Parts of the Bids Filed for an Open Auction in the Electronic Form

1. An Auction Commission considers and verifies whether the second parts of the bids filed for an open auction in the electronic form and the documents filed by an operator of an electronic site to a customer under Part 20 Article 41.10 of this Federal Law meet the requirements specified in the documentation for an open auction in the electronic form.

(as revised by No.240-FZ Federal Law of 27.07.2010)

2. Based on the result of considering the second parts of the bids filed for an open auction in the electronic form, an Auction Commission makes a decision whether an open auction bid meets or does not meet the requirements specified in the documentation for an open auction in the electronic form, in accordance with the procedures and on the grounds established in this Article. To make this decision, an Auction Commission also considered information about a procurement participant that filed the open auction bid included in the Register of Procurement Participants Accredited to an Electronic Site.

3. An Auction Commission considers the second parts of the bids for an open auction in the electronic form filed under Part 20 Article 41.10 of this Federal Law, before making a decision on conformity of five bids for an open auction to the requirements specified in the documentation for an open auction in the electronic form. If fewer than ten bidders took part in an open auction and fewer than five bids meet the above requirements, an Auction Commission considers the second parts of the bids for an open auction in the electronic form filed by all bidders that took part in the open auction. Considering the bids filed for an open auction starts with the bid filed by a bidder at an auction in the electronic form that filed the bid for the lowest contract price (in the case specified in Part 18 Article 41.10 of this Federal Law – the highest contract price) and takes place in view of ranging the open auction bids under Part 19 Article 41.10 of this Federal Law.

4. If under Part 3 of this Article five bids for an open auction in the electronic form that meet the requirements of the documentation for an open auction in the electronic form were not identified, out of the ten open auction bids sent earlier to a customer based on the results of ranging, within an hour after receiving a relevant notice from a customer, an authorised body, a specialised organisation, an operator of an electronic site must forward to a customer, an authorised body, a specialised organisation all second parts of the bids for open auction filed by the open auction bidders ranged in accordance with Part 19 Article 41.10 of this Federal Law, to identify five bids for an open auction that meet the requirements specified in the documentation for an open auction in the electronic form.

5. The overall period for considering the second parts of the bids for an open auction in the electronic form cannot exceed six days after the day of placing the Protocol of an open auction in the electronic form on an electronic site. In the case specified in Part 2 Article 41.5 of this Federal Law, the period for considering the second parts of the bids for an open auction in the electronic form cannot exceed four days after the day of placing the Protocol of an open auction in the electronic form on an electronic site.

6. It is recognised that a bid for an open auction in the electronic form does not meet the requirements

specified in the documentation for an open auction in the electronic form if:

1) Failure to present documents specified in Part 6 Article 41.8 of this Federal Law, in view of the documents earlier presented within the first parts of the bids for an open auction in the electronic form, absence of documents specified in Clauses 1, 3 - 5, 7 and 8 Part 2 Article 41.4 of this Federal Law, or their non-compliance to the requirements specified in the documentation for an open auction, as well as presence of unreliable information about a procurement participant in such documents. Absence of documents specified in Clauses 1, 3 - 5, 7 and 8 Part 2 Article 41.4 of this Federal Law, or their non-compliance to the requirements specified in the documentation for an open auction as well as presence of unreliable information about a procurement participant in such documents shall be determined as of the date and time of the deadline for filing the bid for an open auction. Therewith, a bid for an open auction cannot be recognised as not meeting the requirements specified in the documentation for an open auction, on the grounds of receiving the documents specified in Clause 4 Part 2 Article 41.4 of this Federal Law more that six months before the deadline for filing the bids for an open auction;

(Clause 1 as revised by No.240-FZ Federal Law of 27.07.2010)

2) A procurement participant does not meet the requirements established by Article 11 of this Federal Law.

7. It is not allowed to make a decision that a bid for an open auction in the electronic form does not meet the requirements, specified in the documentation for an open auction in the electronic form, on the grounds not specified in Part 6 of this Article.

8. If a decision is made that five bids for an open auction in the electronic form meet the requirements, specified in the documentation for an open auction in the electronic form, and if having considered the second parts of the bids for an open auction in the electronic form filed by all bidders at an open auction, a decision is made that more than one bid but fewer than five bids for an open auction meet the above requirements, the Auction Commission shall execute a Protocol summing up the results of an open auction in the electronic form, which is signed by all members of the Auction Commission present at the meeting, and a customer, an authorised body on the day of completing consideration of the bids for an open auction. The Protocol must include information about the ordering numbers of the five bids for an open auction ranged according to Part 19 Article 41.10 of this Federal Law and with regard to which the decision was made that they meet the requirements specified in the documentation for an open auction, and if having considered the second parts of the bids for an open auction in the electronic form filed by all bidders at an open auction, a decision is made that more than one bid but fewer than five bids for an open auction meet the above requirements - about the ordering number of these bids for an open auction ranged according to Part 19 Article 41.10 of this Federal Law and with regard to which the decision was made that they meet the above requirements, about procurement participants, the second part of the bids of whom were considered, a decision that the bids for an open auction meet or do not meet the requirements, specified in the documentation for an open auction, justifying the decision made and specifying the provisions of this Federal Law, which a procurement participant do not comply with, the provisions of the documentation for an open auction that a bid for an open auction filed by this procurement participant does not comply with, the provisions of a bid for an open auction that do not comply with the requirements specified in the documentation for an open auction, information about a decision of each member of the Auction Commission that a bid for an open auction meets or does not meet the requirements specified in the documentation for an open auction. Within a day following the day when the

Protocol was signed, a customer, an authorised body, a specialised organisation shall place the Protocol on an electronic site.

9. A bidder at an open auction in the electronic form that offered the lowest contract price and whose bid for an open auction in the electronic form meets the requirements specified in the documentation for an open auction in the electronic form is recognised the winner an open auction in the electronic form. In the case specified in Part 18 Article 41.10 of this Federal Law, the winner of an open auction in the electronic form is recognised a bidder at an open auction that filed a bid for the highest contract price and whose bid for an open auction meets the requirements specified in the documentation for an open auction.

10. Within an hour after placing the Protocol specified in Parts 8 and 11 of this Article on an electronic site, an operator of the electronic site shall forward a notice about the decision made to the bidders at an open auction in the electronic form, the second parts of the bids of whom for an open auction in the electronic form were considered and with regard to whose bids for an open auction a decision was made that they meet or do not meet the requirements specified in the documentation for an open auction in the electronic form.

11. If an Auction Commission made a decision that all second parts of the bids for an open auction failed to meet the requirements or only one second part of a bid for an open auction meets the requirements, information that the open auction is recognised void shall be entered in the Protocol for summing up the results of the open auction.

12. Within one working day after placing the Protocol specified in Parts 8 and 11 of this Article, an operator of an electronic site shall stop blocking, that took place under Part 11 Article 41.8 of this Federal Law, of operations with the monetary funds in the size of the security for a bid for the open auction of a procurement participant, that filed a bid for an open auction in the electronic form and it was recognised that the bid did not meet the requirements specified in the documentation about an open auction in the electronic form, on the account opened to carry operations to take part in the open auction in the electronic form by a bidder that did not take part in the open auction in the electronic form, except for the case specified in Part 14 of this Article.

13. Any bidder at an open auction in the electronic form, except the bidders at an open auction whose bids for an open auction in the electronic form were assigned the first three ordering numbers in accordance with the Protocol for summing up the results of the open auction, can withdraw a bid for an open auction by sending a notice about it to an operator of an electronic site, from the moment the Protocol was published. Within one working day from the day a notice about withdrawing a bid for an open auction was received, an operator of an electronic site shall stop blocking, that took place under Part 11 Article 41.8 of this Federal Law, of operations with monetary funds in the size of the security for a bid for the open auction on the account opened to carry operations to ensure participation of a procurement participant in open auctions in the electronic form.

14. If within one quarter decisions are made that on the same electronic site the second parts of three bids for an open auction in the electronic form, filed by the same procurement participant did not meet the requirements specified in the documentation for an open auction in the electronic form, on the grounds specified in Clause 1 Part 6 of this Article (except cases when the above procurement participant appealed these decision in accordance with this Federal Law and a decision was made on appeal that the Auction Commission had made unjustified decision that the bids for an open auction had not met the requirements specified in the documentation for an open auction), an operator of an electronic site, upon expiry of 30 days

after the decision was made that such bids did not meet the requirements specified in the documentation for an open auction, on the above grounds shall stop blocking, that took place under Part 11 Article 41.8 of this Federal Law, of operations with monetary funds in the size of the security for a bid for the open auction on the account opened to carry operations to ensure participation of a procurement participant in open auctions in the electronic form, and shall transfer these monetary funds to a customer.

15. If an open auction in the electronic form is recognised void and only one bid for an open auction in the electronic form filed by a bidder at an open auction that took part in the open auction is recognised as meeting the requirements specified in the documentation for an open auction in the electronic form, a customer, an authorised body, a specialised organisation shall send a draft contract enclosed to the documentation for an open auction without being signed by a customer to an operator of an electronic site within four working days after the Protocol specified in Part 11 of this Article was placed on an electronics site. The contract with the open auction bidder that filed this open auction bid shall be concluded under Parts 3 - 8, 11, 12 and 17 – 19 Article 41.12 of this Federal Law. Therewith, the contract shall be concluded under the conditions specified in the documentation for an open auction, at the minimum contract price, the bid for which was filed by the above bidder at an open auction. This procurement participant cannot refuse to conclude the contract.

(as revised by No.83-FZ Federal Law of 08.05.2010)

Article 41.12. Concluding a Contract upon the Results of an Open Auction in the Electronic Form

(as revised by No.83-FZ Federal Law of 08.05.2010)

1. The contract with the winner of an open auction in the electronic form shall be concluded upon the results of an open auction in the electronic form, and in the cases specified in this Article, with another bidder at an open auction in the electronic form, whose bid for an open auction in the electronic form was recognised as meeting the requirements specified in the documentation for an open auction in the electronic form under Article 41.11 of this Federal Law.

(as revised by No.83-FZ Federal Law of 08.05.2010)

2. Within five working days after the day the Protocol specified in Part 8 Article 41.11 of this Federal Law was placed on an electronic site, a customer, an authorised body shall send a draft contract without a customer's signature to an operator of an electronic site. The draft contract is executed by including the contract price offered by an open auction bidder, with whom the contract is being concluded, information about the goods (the trademark and (or) particular characteristics of the goods) specified in the bid of this bidder for an open auction in the electronic form into the draft contract enclosed to the documentation for an open auction in the electronic form.

(as revised by No.240-FZ Federal Law of 27.07.2010)

3. Within one hour after receiving a draft contract, an operator of an electronic site shall send the draft contract without an electronic digital signature of a person entitled to act on behalf of the customer, to the bidder at an open auction in the electronic form, with whom the contract is being concluded.

4. Within five working days after receiving a draft contract, the bidder at an open auction in the electronic form

shall send the draft contract signed with a digital electronic signature of a person that has the right to act on behalf of the open auction bidder, as well as a document, signed by a digital electronic signature of the above person, about the contract security if a customer, an authorised body set the requirements for the contract security or the Protocol of Disagreements specified in Part 4.1 of this Article.

(as revised by No.240-FZ Federal Law of 27.07.2010)

4.1. If there are any disagreements about a draft contract forwarded in accordance with the provisions of this Article, the bidder at an open auction in the electronic form, with whom the contract is being concluded, shall send the Protocol of Disagreements, signed with a digital electronic signature of a person that has the right to act on behalf of a procurement participant, to an operator of an electronic site. The bidder of an open auction in the electronic form, with whom the contract is being concluded, shall specify in the Protocol of Disagreements the provisions of the draft contract that do not conform to the notice about an open auction in the electronic form, the documents about an open auction in the electronic form and the bid for an open auction in the electronic form of this procurement participant, specifying the relevant provisions of these documents. Within an hour after receiving the Protocol of Disagreements, an operator of an electronic site shall send this Protocol of Disagreements to a customer, an authorised body.

(Part 4.1 is introduced by No.240-FZ Federal Law of 27.07.2010)

4.2. Within three days after receiving the Protocol of Disagreements of the bidder of an open auction in the electronic form, with whom the contract is being concluded, from an operator of an electronic site, a customer, an authorised body shall consider this Protocol of Disagreements and without a customer's signature shall forward the improved draft contract to the operator of an electronic site specifying in a separate documents the reasons for refusal to account fully or partially for the comments in the Protocol of Disagreements made by the bidder of an open auction in the electronic form, with whom the contract is being concluded.

(Part 4.2 is introduced by No.240-FZ Federal Law of 27.07.2010)

4.3. Within an hour after receiving the documents specified in Part 4.2 of this Article, an operator of an electronic site shall forward these documents without a digital electronic signature of a person that has the right to act on behalf of a customer to the bidder at an open auction in the electronic form, with whom the contract is being concluded.

(Part 4.3 is introduced by No.240-FZ Federal Law of 27.07.2010)

4.4. Within three days after receiving the documents specified in Part 4.2 of this Article, the bidder at an open auction in the electronic form, with whom the contract is being concluded, shall send to an operator of an electronic site a draft contract signed with a digital electronic signature of a person that has the right to act on behalf of this open auction bidder, as well as the document confirming the contract security signed with the digital electronic signature of this person if a customer, an authorised body set a contract security requirement, or the Protocol of Disagreements specified in Part 4.1 of this Article. Within an hour after receiving the Protocol of Disagreements an operator of an electronic site shall send this Protocol of Disagreements to a customer, an authorised body.

(Part 4.4 is introduced by No.240-FZ Federal Law of 27.07.2010)

4.5. If under Part 4.4 of this Article an operator of an electronic site sends a Protocol of Disagreements, a customer, an authorised body shall consider these disagreements in accordance with the procedures established in Part 4.2 of this Article, within three days after receiving the Protocol of Disagreements. It is allowed to send the draft contract, specifying in a separate documents the reasons for refusal to account fully or partially for the comments in the Protocol of Disagreements made by the bidder of an open auction in the electronic form, with whom the contract is being concluded, under the conditions that the bidder of an open auction in the electronic form, with whom the contract is being concluded, sent the Protocol of Disagreements, specified in Part 4.4 of this Article no later than 13 days after the day when the Protocol specified in Part 8 Article 41.11 of this Federal Law was placed on an electronic site.

(Part 4.5 is introduced by No.240-FZ Federal Law of 27.07.2010)

4.6. In cases specified in Parts 4.2 and 4.4 of this Article, within three days after the day of receiving the draft contract, a bidder at an open auction in the electronic form shall send a draft contract signed with a digital electronic signature of a person that has the right to act on behalf of this open auction bidder, to an operator of an electronic site as well as a document confirming the contract security, signed with a digital electronic signature of the above person, if a customer, an authorised body set the contract security requirement.

(Part 4.6 is introduced by No.240-FZ Federal Law of 27.07.2010)

5. Within an hour after receiving a draft contract signed with a digital electronic signature of a person that has the right to act on behalf of this open auction bidder, as well as a document confirming the contract security, signed with a digital electronic signature of the above person, but no earlier than ten days after the day when the Protocol specified in Part 8 Article 41.11 of this Federal Law was placed on an electronic site, an operator of an electronic site shall forward the signed draft contract and documents confirming the contract security to a customer.

(Part 5 as revised by No.240-FZ Federal Law of 27.07.2010)

6. Within three days after receiving the draft contract from an operator of an electronic site, and if a customer, an authorised body set a contract security requirement – a documents confirming the contract security, signed with a digital electronic signature of a person that has the right to act on behalf of this open auction bidder, a customer, an authorised body must send to the operator of the electronic site a contract signed with a digital electronic signature of a person that has the right to act on behalf of a customer, except the case specified in Part 6.1 of this Article.

(as revised by No.240-FZ Federal Law of 27.07.2010)

6.1. In the case provided for by a decision on forming an authorised body, a notice about sending the contract under Part 12 of this Article to an operator of an electronic site can be send by an authorised body by sending a copy of a contract signed by a customer with digital electronic signature of a person that has the right to act on behalf of the authorised body.

(Part 6.1 is introduced by No.240-FZ Federal Law of 27.07.2010)

7. Within an hour after receiving a contract signed with a digital electronic signature of a person that has the right to act on behalf of a customer, an authorised body, an operator of an electronic site must forward the signed contract to the bidder of an open auction, with whom the contract is being concluded.

(as revised by No.240-FZ Federal Law of 27.07.2010)

8. A contract shall be considered concluded since the moment when an operator of an electronic site forwarded the contract to a bidder of an open auction in the electronic form under Part 7 of this Article.

(as revised by No.83-FZ Federal Law of 08.05.2010)

9. A contract can be concluded no earlier than ten days after the Protocol for summing up the open auction in the electronic form was placed on the official web-site.

(as revised by No.83-FZ Federal Law of 08.05.2010)

10. A contract shall be concluded on the conditions specified in a notice about an open auction in the electronic form and documentation for an open auction in the electronic form, at the price the bid for which was filed by the winner of an open auction in the electronic form, or if a contract is concluded with another bidder at an open auction bidder in the electronic form - at the price offered by this bidder.

(as revised by No.83-FZ Federal Law of 08.05.2010)

11. A bidder at an open auction in the electronic form, with whom the contract is being concluded, shall be recognised as evaded the contract if within the period specified in parts 4, 4.4 and 4.6 of this Article this bidder with whom the contract is being concluded failed to send a draft contract signed with a digital electronic signature of a person that has the right to act on behalf of a procurement participant to an operator of an electronic site, or a Protocol of Disagreements in the cases specified in this Article, or failed to send a draft contract signed with a digital electronic signature of the above person upon expiry of 30 days after the day the Protocol specified in Part 8 Article 41.11 of this Federal Law was placed on an electronic site in the case specified in Part 4.4 of this Article as well as a document, signed with a digital electronic signature of the above person, about the contract security provided that a customer, an authorised body set the contract security requirement.

(as revised by No.83-FZ Federal Law of 08.05.2010 and No.240-FZ Federal Law of 27.07.2010)

12. If a bidder at an open auction in the electronic form evades the contract, within one working day after entering information about this open action bidder to the Register of Unfair Suppliers or under Article 19 of this Federal Law, an operator of an electronic site shall stop blocking, that took place under Part 11 Article 41.8 of this Federal Law, of operations with monetary funds, blocked to secure participation in this open auction, on the account opened to carry operations to secure participation of this bidder in this open auction in the electronic form, shall transfer these monetary funds to a customer, and shall debit the monetary funds from the account of this open auction bidder as the payment for taking part in the open auction in the size determined

upon the results of selecting operators of electronic sites.

(as revised by No.240-FZ Federal Law of 27.07.2010)

13. If the winner of an open auction in the electronic form is recognised as evading the contract, a customer has the right to file a lawsuit requesting to force the winner of the open auction to conclude the contract, and to compensate damages caused by evading the contract, or conclude the contract with the bidder of an open auction in the electronic form, that filed a bid for the same contract price as the winner of the open auction or whose bid has the best contract price conditions after the conditions offered by the winner of the open auction.

(as revised by No.83-FZ Federal Law of 08.05.2010)

14. If bidder at an open auction in the electronic form, with whom the contract is being concluded, when the winner of an open auction in the electronic form evaded the contract, is recognised as evading the contract, a customer has the right to file a lawsuit requesting to force this open auction bidder to conclude the contract and to compensate damages caused by evading the contract, or conclude the contract with the bidder of an open auction, that filed a bid for the same contract price as the above bidder at an open auction or whose bid has better contract price conditions, following the conditions offered by the above open auction bidder. If all open auction bidders that must conclude the contract, when the winner of the open auction or another bidder, with whom the contract is being concluded, evaded the contract, are recognised as evading the contract, a customer shall made a decision to recognise the open auction void. In this case a customer can conclude the contract with the single supplier (executor, contractor) under Part 1 Article 40 of this Federal Law. (Therewith, the contract must be concluded under the conditions specified in the documentation for an open auction in the electronic form, and the price of this contract shall not exceed the lowest contract price offered in course of the open auction.

(as revised by No.83-FZ Federal Law of 08.05.2010)

15. The bidders at an open auction in the electronic form that must conclude the contract, if the winner of the open auction in the electronic form, or another bidder, with whom the contract is being concluded, evaded the contract, shall be:

(as revised by No.83-FZ Federal Law of 08.05.2010)

- 1) Bidders whose bids for an open auction were assigned the first three ordering numbers according to the Protocol of summing up the open auction;
- 2) Other bidders at an open auction that did not withdraw their bids for an open auction under Part 13 Article 41.11 of this Federal Law by sending a draft contract to this bidder according to Part 3 of this Article.

(as revised by No.83-FZ Federal Law of 08.05.2010)

16. If all five bidders at an open auction in the electronic form evaded the contract, whose bids for an open auction were ranged in the Protocol of summing up the open auction, a customer, an authorised body shall repeat the actions specified in Article 41.11 of this Federal Law.

(as revised by No.83-FZ Federal Law of 08.05.2010)

17. Within one working day after the contract was concluded, an operator of an electronic site shall stop blocking, that took place under Part 11 Article 41.8 of this Federal Law, of operations with monetary funds, blocked to secure participation in this open auction, on the account opened to carry operations to secure participation of all bidders of the open auction in the electronic form in open auctions in the electronic form. Therewith, an operator of an electronic site shall debit the monetary funds from the account of open auction bidder, with whom the contract is concluded, that is opened to carry our operations to secure participation in open auctions in the electronic form, as the payment for taking part in the open auction in the size determined upon the results of selecting operators of electronic sites.

(as revised by No.83-FZ Federal Law of 08.05.2010)

18. If the contract is concluded with a physical person, except an individual entrepreneur and other persons involved in private practice, the contract payment, unless specified otherwise in the documentation for an open auction in the electronic form, shall be reduced by the size of the tax payments related to the contract payment.

(as revised by No.83-FZ Federal Law of 08.05.2010 $\Phi 3$)

19. If a customer, an authorised body set the contract security requirement, the contract shall be concluded only upon the bidder at an open auction in the electronic form, with whom the contract is concluded, presents an irrevocable bank guarantee, issued by a bank or another credit organisation, a guarantee agreement or transfers the monetary funds to a customer, particularly in the form of a deposit in the size of the contract security specified by the documentation for open auction in the electronic form. This bidder at an open auction in the electronic form shall independently determine the method of contract security out of the methods listed in this Part. If the bidder at an open auction in the electronic form, with whom the contract is concluded, is a budget-funded organisation and a customer, an authorised body set the contract security requirement, it is not necessary to present the contract security.

(Part 19 as revised by No.240-FZ Federal Law of 27.07.2010)

20. If a contract security is a guarantee agreement, the guarantor must be a legal entity, the state registration of which is made in accordance with the established procedures in the Russian Federation and that meets the following requirements:

- 1) Guarantor's capital and reserves specified in the relevant section of accounting reports must be no less than 300 million Rubles and exceed the size of the surety by no less than ten times;
- 2) The guarantor's net profit according to the relevant section of accounting reports must exceed the surety by no less than three times or the guarantor's net profit must be more than 100 million Rubles;
- 3) The fixed assets value (in the part of buildings) of the guarantor specified in the relevant section of accounting reports must be no less than 300 million Rubles and exceed the size of the surety by no less than

ten times or the fixed assets value (in the part of buildings) must be over than one billion Rubles.

(Part 20 is introduced by No.240-FZ Federal Law of 27.07.2010)

21. Conformity of the guarantor to the requirements of Part 20 of this Article is determined on the basis of accounting reporting for the last two report years or, if the guarantee agreement was concluded before the deadline for filing annual statements established by the law of the Russian Federation on accountancy, at the choice of the guarantor on the basis of accounting reporting for the two report years preceding the last report year. Therewith, conformity of the guarantor to the requirements of Part 20 of this Article is determined on the basis of accounting reporting for each report year.

(Part 21 is introduced by No.240-FZ Federal Law of 27.07.2010)

22. If the contract security is a guarantee agreement, the contract can only be concluded after the bidder an open auction in the electronic form, with whom the contract is to be concluded, at the same time with the guarantee agreement presents relevant copies of accounting reporting of the guarantor, filed to the tax authority in accordance with the established procedures, as well as documents with regard to the guarantor specified in Clauses 3 and 5 Part 2 Article 41.3 of this Federal Law and confirming its scope of reference.

(Part 22 is introduced by No.240-FZ Federal Law of 27.07.2010)

Chapter 4. PROCUREMENT BY QUOTATION REQUESTS Article 42. Quotation Request

1. Quotation request is a method of procurement when information about the customers' needs for goods, works, services is delivered to unlimited number of persons by placing a notice on the official web-site about a quotation request and the winner of the quotation request is the procurement participant who offered the lowest contract price.

(as revised by No.83-FZ Federal Law of 08.05.2010)

2. A customer, an authorised body can procure by quotation requests goods, works, services, production, execution, provision of which does not take place upon particular requests of a customer, an authorised body, and for which there is a functioning market, in view of the provisions of Part 3 of this Article if the contract price does not exceed 500,000 Rubles, except the cases specified in Parts 5 and 6 of this Article and Chapter 5 of this Federal Law.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

3. A customer, an authorised body cannot procure by quotation requests the same-name goods, works, services for the sum exceeding 500,000 Rubles within a quarter.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No. 218-FZ Federal Law of 24.07.2007)

4. If the provision of Part 3 of this Article is breached, the contract can be pronounced void by the court of law on the grounds of a claim by an interested person or the federal executive body, an executive body of a

constituent territory of the Russian Federation, a local self-government body responsible for control over procurement.

(as revised by No.83-FZ Federal Law of 08.05.2010)

5. A customer can procure by quotation requests goods, works, services, production, execution, provision of which does not take place upon particular requests of a customer, and for which there is a functioning market, to support its activities in a foreign state, where the customer is based, from foreign suppliers (executors, contractors) regardless of the contract price.

(as revised by No.83-FZ Federal Law of 08.05.2010)

6. A customer can procure supplies of food products, the means necessary to provide first aid or emergency medical care, medicines, fuel necessary for normal sustainment of citizens and absence of which will obstruct their normal sustainment, by quotation requests regardless of the contract price in the case specified in Part 8.2 Article 9 of this Federal Law and also if the federal executive body, an executive body of a constituent territory of the Russian Federation, a local self-government body responsible for control over procurement issued a determination to abolish the results of competitive bidding and the decision was made about possibility to procure such goods by a quotation request. This decision shall be made by the federal executive body, an executive body of a constituent territory of the Russian Federation, a local self-government body responsible for control over procurement, on the bases of a customer's statement, within no more than ten days after the day when the above determination was issued. A contract for supplying the above goods can be concluded for a period not exceeding the period necessary to carry out competitive bidding for the right to conclude a contract for supply of these goods. Concluding the contract, the quantity of supplied goods cannot exceed the quantity of goods necessary for normal sustainment of citizens within this period.

(Part 6 is introduced by No. 218-FZ Federal Law of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

7. It is not allowed to charge a procurement participant for taking part in a quotation request.

(Part 7 is introduced by No. 218-FZ Federal Law of 24.07.2007)

Article 43. Requirements to a Quotation Request

A quotation request must contain the following information:

- 1) The customer's name, mailing address and e-mail address (if any);
- 2) The source of procurement financing;
- 3) A form of quotation application, particularly filed in the form of an electronic document;
- 4) The name, characteristics and quantity of goods, the name, characteristics of works, services. Therewith, it should specify the requirements set by a customer, an authorised body to the quality, technical characteristics of good, works, services, safety requirements, requirements to the functional characteristics (consumer

qualities) of goods, requirements to the size, packaging, shipment of goods, requirements to the results of works and other indicators related to determination whether the goods, works, services conform to the customer's needs;

(as revised by No.53-FZ Federal Law of 20.04.2007)

4.1) Requirements to the warranty period and (or) the scope of warranty for the quality of goods, works, services, servicing the goods, the costs of operating the goods, mandatory assembling and adjustment of the goods, training the persons who use and service the goods. If necessary these requirements shall be established by a customer, an authorized body, except procurement of machinery and equipment. For procurement of machinery and equipment a customer, an authorized body shall establish requirements to the warranty period and (or) the scope of warranty for the quality of goods, warranty servicing of the goods, the costs of goods servicing within the warranty period, as well as assembling and adjustment of the goods if it is provided for by the technical documentation for the goods. For procurement of new machinery and equipment a customer, an authorized body shall establish requirements providing manufacturer's warranty for the goods and warranty period, the warranty must be provided with the goods. In addition, for procurement of new machinery and equipment a customer, an authorized body shall establish requirements for supplier's warranty for the goods and the warranty period, the warranty must be provided with the goods and the warranty period must be no shorter than the period of the manufacturer's warranty for the goods.

(Clause 4.1 is introduced by No.79-FZ Federal Law of 21.04.2011)

5) The place of delivery of goods, place of carrying out works, rendering services;

6) The period for delivery of goods, carrying out works, rendering services;

7) Information about the costs included (not included) in the price of goods, works services, particularly transportation, insurance, customs duties, taxes, charges and other mandatory payments;

8) The maximum contract price and justification of the maximum contract price under Article 19.1 of this Federal;

(as revised by No.79-FZ Federal Law of 21.04.2011)

9) The place of filing quotation bids, the period for filing, including the date and time of the deadline for filing quotation bids;

10) The period and conditions of payment for the goods, works, services;

11) The period for signing the contract by the winner of the quotation request from the day the Quotation Bids Consideration and Evaluation Protocol was signed;

(as revised by No.83-FZ Federal Law of 08.05.2010)

12) The requirement specified in Clause 2 Part 2 Article 11 of this Federal Law if a customer, an authorised

body has set this requirement.

(Clause 12 is introduced by No.308-FZ Federal Law of 30.12.2008)

Article 44. Requirements to Quotation Bids

(as revised by No. 218-FZ Federal Law of 24.07.2007)

A quotation bid must contain the following information:

- 1) The name, location (for legal persons), the surname, name, patronymic (for physical persons, bank details of a procurement participant;
- 2) The Taxpayer's Identification Number of a procurement participant;
- 3) The name and characteristics of the supplied goods in case of a quotation request for the prices of the procured goods. In this case, unless otherwise directed by a notice on the quotation request, the supplied goods should be new goods;

(as revised by No.79-FZ Federal Law of 21.04.2011)

- 4) A consent of a procurement participant to execute the contract conditions specified in the notice about a quotation request;
- 5) The price of goods, works, services, specifying included or not included costs (transportation, insurance, customs duties, taxes, charges and other mandatory payments).

Article 45. The Procedures of Quotation Request

1. A customer, an authorised body must place a notice about a quotation request and a draft contract to be concluded upon the result of the quotation request on the official web-site no later than seven working days before the deadline for filing quotation bids, and for procurement of goods, works, services for the sum not exceeding 250,000 Rubles as well as in the case specified in Part 6 Article 42 of this Federal Law – no less than four working days before the above deadline.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No. 218-FZ Federal Law of 24.07.2007)

2. A notice about a quotation request must contain information specified in Article 43 of this Federal Law and be accessible during the whole period for filing quotation bids free-of-charge. A notice about a quotation request can contain indication of trademarks. If a notice about a quotation request has an indication of trademarks of the goods originating in a foreign state or a group of foreign states, the notice should also contain an indication to the goods of Russian origin (if there is information about the goods of Russian origin equivalent to the goods originating in a foreign state or a group of foreign states). If a notice about a quotation request has an indication of trademarks, it should be accompanied by the words "or equivalent", except when the goods, on which other trademarks are placed are incompatible, and it is necessary to ensure interoperability of these goods with the goods used by the customer, and procurement of spare parts and expendable materials to machinery and equipment used by a customer, in accordance with the technical documentation for the above machinery and equipment. Goods equivalency is determined according to the

requirements and indicators established under Clause 4 Article 43 of this Federal Law. A notice about a quotation request cannot contain indications to service marks, company names, patents, useful models, industrial samples, appellations of origin or names of producers, as well as requirements to the goods, their producers, information, works, services, if these requirements lead to restriction of the number of procurement participants.

(as revised by No.79-FZ Federal Law of 21.04.2011 and No.79-FZ Federal Law of 21.04.2011)

3. Simultaneously with placing a quotation request a customer, an authorised body can send a quotation request to the persons involved in supplying goods, carrying out works, rendering services specified in the notice about a quotation request.

4. Ceased being in effect. - No.53-FZ Federal Law of 20.04.2007.

5. In the case specified in Part 5 Article 42 of this Federal Law, a customer also must send a quotation request to the persons that can supply goods, carry out works, render services specified in the quotation request, based on the need to obtain quotation bids from at least three such persons.

(as revised by No.53-FZ Federal Law of 20.04.2007)

6. A quotation request can be sent using any means of communications, particularly in the electronic form.

Article 46. The Procedures for Filing Quotation Bids

1. Any procurement participants, including procurement participants that were not sent a quotation request, can file only one quotation bid, to which it is not allowed to introduce changes.

2. A procurement participant filed a quotation bid to a customer, an authorised body in writing or in the form of an electronic document within the period specified in a notice about a quotation request. If a quotation bid is filed in the form of an electronic document, the same day a customer, an authorised body must send a confirmation, in writing or in the form of an electronic document, that the bid was received to the procurement participant that filed the bid.

3. A quotation bid filed within the period specified in a notice about a quotation request shall be registered by a customer, an authorised body. Upon a request of a procurement participant that filed the bid, a customer, an authorised body shall issue a receipt that the quotation bid was received specifying the date and time when it was received.

4. Negotiations between a customer, an authorised body or a Quotation Commission and a procurement participant with regard to the bid filed by this procurement participant are not allowed.

5. Quotation bids filed after the deadline for filing quotation bids, specified in a notice about a quotation request, shall not be considered and shall be returned to the procurement participants that filed these bids on the day when they were received. In procurement by a quotation request under Part 8.2 Article 9 of this Federal Law also should be returned a quotation bid filed by a procurement participant, against whom a claim is lodged to terminate a contract.

(as revised by No. 218-FZ Federal Law of 24.07.2007)

6. If only one quotation bid is filed by the deadline of filing quotation bids, a customer, an authorised body shall extend the period for filing quotation bids by four working days and within one working day after the deadline of filing quotation bids shall place a notice about extending the period for filing the bids on the official web-site. Therewith, a customer, an authorised body must send a quotation request to at least three participants that can supply the necessary goods, carry out works, or render services. A quotation bid filed within the period specified in a notice about extending the period for filing quotation bids shall be considered under the procedures specified for considering quotation bids filed within the period specified in the notice about a quotation request. If after the deadline for filing quotation bids, specified in a notice about extending the period for filing quotation bids, no additional quotation bid was filed, and the only quotation bid filed meets the requirements specified in the notice about a quotation request, and contains a contract price offer that does not exceed the maximum price specified in the notice about a quotation request, a customer must conclude the contract with the procurement participant that filed this quotation bid, under the conditions specified in the notice about a quotation request, and at a price offered by this procurement participant in the quotation bid. The procurement participant that filed this quotation bid cannot refuse to conclude the contract. If the procurement participant fails to present a signed contract to a customer within the period specified in the notice about a quotation request, this procurement participant shall be recognised as evading the contract.

(as revised by No.53-FZ Federal Law of 20.04.2007, No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

7. If no quotation bids was filed, a customer, an authorised body can repeat procurement by a quotation request. Therewith, a customer, an authorised body can change the contract conditions.

8. If in case of a repeated quotation request no quotation bids were filed, a customer, an authorised body can repeat procurement by quotation request or send the documents about the organised quotation requests and the absence of quotation bids to the federal executive body responsible for control over procurement (for procurement of goods, works, services for the federal needs, the needs of federal budget-funded organisations), an executive body of a constituent territory of the Russian Federation responsible for control over procurement (for procurement of goods, works, services for the needs of a constituent territory of the Russian Federation, the needs of federal budget-funded organisation of a constituent territory of the Russian Federation or for the needs of a municipality, the needs of a municipal или budget-funded organisation). Upon approval by the above body, a customer can make a decision to place a procurement order with a single supplier (executor, contractor). Therewith, a contract with a single supplier (executor, contractor) must be concluded under the conditions specified in a notice about a repeated quotation request, and the contract price shall not exceed the maximum contract price specified in a notice about a repeated quotation request. The procedures for approving a possibility to conclude the contract with a single supplier (executor, contractor) shall be established by the federal executive body regulating state procurement. Therewith, the period of such approval cannot exceed working ten days after the day the petition about approving possibility to conclude the contract with a single supplier (executor, contractor) was received accordingly by the federal executive body, an executive body of a constituent territory of the Russian Federation responsible for control over procurement.

(Part 8 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No. 218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

Article 47. Consideration and Evaluation of Quotation Bids

1. Within one working day following the deadline for filing quotation bids, a Quotation Commission shall consider whether quotation bids meet the requirements specified in a notice about a quotation request, and shall evaluate quotation bids.

(as revised by No. 218-FZ Federal Law of 24.07.2007)

2. The winner of a quotation request shall be recognised a procurement participant that filed a quotation request, which meets all requirements specified in a notice about a quotation request, and that specified the lowest price of goods, works, services. If several procurement participants filed the bids with the lowest price of goods, works, services, the winner of a quotation request shall be recognised the procurement participant, whose quotation bid was received earlier than quotation bids of other procurement participants.

3. A Quotation Commission shall not consider and shall reject quotation bids, if they do not meet the requirements specified in a notice about a quotation request, or the price of goods, works, services offered in quotation bids exceeds the maximum price specified in a notice about a quotation request. It is not allowed to reject quotation bids on any other grounds.

(as revised by No.53-FZ Federal Law of 20.04.2007)

4. The results of quotation bids consideration and evaluation shall be put in a Protocol, which shall contain information about a customer, the essential contract conditions, about all procurement participants who filed quotation bids, about rejected quotation bids with justification of the grounds for rejection, the bid for the lowest price of goods, works, services, information about the winner of the quotation request, about the procurement participant who offered the same price in the quotation bid as the winner of the quotation request, or about the procurement participant whose contract price offer has the best conditions of the contract price following the conditions offered by the winner of the quotation request. The Quotation Bids Consideration and Evaluation Protocol shall be signed by all members of the Quotation Commission present at the meeting and a customer, an authorised body, and shall be placed on the official web-site on the day when it was signed. The Quotation Bids Consideration and Evaluation Protocol shall be drawn in duplicate; a counterpart of the Protocol shall remain with a customer, an authorised body. Within two working days after the above Protocol was signed, a customer, an authorised body shall forward to the winner of the quotation request a counterpart of the Protocol and a draft contract, executed by including the contract conditions specified in a notice about a quotation request and the price offered by the winner of the quotation request in the quotation bid.

(as revised by No.53-FZ Federal Law of 20.04.2007)

5. After the Quotation Bids Consideration and Evaluation Protocol is placed on the official web-site any procurement participant that filed a quotation bid can sent a written enquiry, particularly in the form of an electronic document, to a customer, an authorised body asking to explain the results of quotation bids consideration and evaluation. Within two working days after such enquiry was received, a customer, an authorised body must provide relevant explanations to the above procurement participant in writing or in the

form of an electronic document.

(as revised by No.53-FZ Federal Law of 20.04.2007)

6. If within the period, specified in a notice about a quotation request, the winner of the quotation request failed to present a signed contract to a customer, the winner is recognised as evading the contract.

(as revised by No.83-FZ Federal Law of 08.05.2010)

7. If it is recognised that the winner of the quotation request evaded the contract, a customer can file a lawsuit to force the winner of the quotation request to conclude the contract as well as to compensate damages caused by evading the contract, or conclude the contract with the procurement participant who offered the same contract price as the winner of the quotation request, and in the absence of such procurement participant – with the procurement participant whose contract price offer has the best conditions of the contract price following the conditions offered by the winner of the quotation request, if the contract price does not exceed the maximum price specified in a notice about a quotation request. Therewith, it is mandatory for the above procurement participants to conclude the contract. If the above procurement participants evade the contract, a customer can file a lawsuit to force these procurement participants to conclude the contract, as well as to compensate damages caused by evading the contract, organise repeated procurement by a quotation request or conclude the contract under Part 8 Article 46 of this Federal Law.

(as revised by No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

7.1. The contract can be concluded no earlier than seven days after the day when the Quotation Bids Consideration and Evaluation Protocol was placed on the official web-site and no later than 20 days after this Protocol was signed.

(Part 7.1 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

8. The contract shall be concluded under the conditions specified in a notice about a quotation request, at the price offered in the quotation bid of the winner of the quotation request or in the quotation bid of the procurement participant, with whom the contract is to be concluded if the winner of the quotation request evades the contract.

(as revised by No.308-FZ Federal Law of 30.12.2008 and No.83-FZ Federal Law of 08.05.2010)

9. If the Quotation Commission rejected all quotation bids a customer, an authorised body can repeat procurement by quotation request. Therewith, a customer, an authorised body can change the contract conditions.

Chapter 5. PROCUREMENT BY QUOTATION REQUESTS IN ORDER TO PROVIDE HUMANITARIAN AID OR LIQUIDATE THE CONSEQUENCES OF NATURAL OR TECHNOGENIC EMERGENCIES

Article 48. The Objective of Preliminary Selection of Procurement Participants

1. To provide humanitarian aid or to liquidate the consequences of natural or technogenic emergencies, a

customer, an authorised body shall carry out preliminary selection of procurement participants, whose qualification meet the requirements and who within the shortest possible period, without an advance payment and (or) with determent of payment, can supply goods, carry out works, render services (further on also referred to as preliminary selection). Based on the results of a preliminary selection, a list shall be compiled of procurement participants including procurement participants that have passed the preliminary selection, in order to place an order for above goods, works, services for the customer's needs by quotation request.

(as revised by No.83-FZ Federal Law of 08.05.2010)

2. The list of suppliers specified in Part 1 of this Article shall be updated annually by means of preliminary selection. If before the day of preliminary selection a single supplier remains on the list of suppliers, the list of suppliers must be updated no later than 45 days after the day when the one before last supplier was excluded from this list.

3. The list of goods, works, services necessary to provide humanitarian aid or to liquidate the consequences of natural or technogenic emergencies shall be established by the Government of the Russian Federation. If a need for the goods, works, services has emerged that are not provided for by this list, procurement of such goods, works, services takes place in accordance with this Federal Law. If due to force-majeure a need for the goods, works, services has emerged that are not provided for by this list, and applying other methods of procurement is inexpedient due to a time factor, the order shall be placed with the single supplier (executor, constructor) under Clause 6 Part 2 Article 55 of this Federal Law.

4. Preliminary selection is organised in accordance with the procedures established by this Chapter.

Article 49. A Notice about a Preliminary Selection

1. No later than 30 days before the deadline for filing bids for a preliminary selection, a customer, an authorised body shall place a notice about a preliminary selection on the official web-site.

(as revised by No. 218-FZ Federal Law of 24.07.2007)

2. A customer, an authorised body also can publish a notice about a preliminary selection in any mass media, particularly in the electronic form, provided that this publication cannot take place instead of the placement required under Part 1 of this Article.

(as revised by No. 218-FZ Federal Law of 24.07.2007)

3. A notice about a preliminary selection must have the following information:

- 1) The name, location, mailing address, e-mail address and the contract telephone number of a customer, an authorised body;
- 2) The source of procurement financing;
- 3) The contract subject, a brief description of the goods, works, services, that are subject of this contract;

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

- 4) Ceased being in effect. - No.53-FZ Federal Law of 20.04.2007;
- 5) The need to supply goods, carry out works, render services within the shortest possible period can without an advance payment and (or) with determent of payment;
- 6) Requirements to the procurement participants under Article 50 of this Federal Law;
- 7) The form of a preliminary selection bid;
- 8) The location, procedures, and the deadline for filing preliminary selection bids;
- 9) The location, date and time of a preliminary selection.

Article 50. Requirements to a Procurement Participant Taking Part in a Preliminary Selection

1. Procurement participants that meet the requirements specified in Part 1 and Clause 2 Part 2 Article 11 of this Federal Law are allowed to take part in a preliminary selection.
2. A customer, an authorised body cannot set any additional requirements to the procurement participants except specified in Part 1 of this Article.

Article 51. The Procedures for Filing the Bids for a Preliminary Selection

1. Bids for a preliminary selection shall be filed by the deadline and executed as specified in a notice about a preliminary selection.
2. Bids for a preliminary selection shall include the following information:
 - 1) Information and documents about a procurement participant that files the bid:
 - a) The company name (name), information about the organizational and legal form, location, mailing address, the contract telephone number (for legal entities), the surname, name, patronymic, passport details, information about the place of residence, the contact telephone number (for physical persons);

Consultant Plus: Note.

The official body of the document probably contains a misprint: instead of "a notice about an open tender" it should mean "a notice about a preliminary selection".

- b) An extract from the Single State Register of Legal Persons, obtained no earlier than six months before a notice about an open tender was placed on the official web-site, or a notary certified copy of such an extract (for legal entities); an extract from the Single State Register of Individual Entrepreneurs, obtained no earlier than six months before the notice about an open tender was placed on the official web-site, or a notary certified copy of such an extract (for individual entrepreneurs), copies of identity documents (for other physical persons); duly certified translation into Russian of the documents about state registration of a legal person or state registration of a physical person as an individual entrepreneur in accordance with the law of the relevant

state (for foreign persons), obtained no earlier than six months before the notice about an open tender was placed on the official web-site;

(as revised by No.207-FZ Federal Law of 31.12.2005 and No. 218-FZ Federal Law of 24.07.2007)

c) A document confirming the scope of reference of a person exercising actions on behalf of a procurement participant;

(as revised by No. 218-FZ Federal Law of 24.07.2007)

2) Information about functional characteristics (consumer qualities) and quality characteristics of goods, works, services;

3) Copies of documents confirming that a procurement participant meets the requirement established by Clause 1 Part 1 Article 11 of this Federal Law if the law of the Russian Federation establishes requirements to the persons supplying goods, carrying out works and rendering services that are the subject of a preliminary selection.

(as revised by No.53-FZ Federal Law of 20.04.2007)

3. It is not allowed to request a procurement participant to present documents other than specified in Part 2 of this Article.

4. Bids for preliminary selection filed after the deadline for filing the bids shall not be accepted and considered by a customer, an authorised body.

5. Each bid for a preliminary selection filed by the deadline specified in a notice about a preliminary selection shall be registered by a customer, an authorised body. Upon a request of a procurement participant that filed a bid, a customer, an authorised body shall issue a receipt that the bid was received specifying the date and time when the bid was received.

Article 52. The Procedures for Preliminary Selection

1. Within ten days after the deadline for filing the bids for a preliminary selection, a Quotation Commission must consider the quotation bids. A Quotation Commission has the right to request procurement participants to provide within a reasonable period explanations about the provisions of the documents presented by them and explanations of the provisions of the bids for preliminary selection. It is not allowed to change a bid for a preliminary selection. A Quotation Commission cannot set additional requirements to the procurement participants with regard to authenticity of the documents, except the requirements specified in Part 1 Article 50 of this Federal Law and other federal laws. It is not allowed to change the requirements to the procurement participants specified in a notice about a preliminary selection.

2. Based on the results of considering the bids filed for a preliminary selection, a Quotation Commission compiles the list of suppliers and makes a decision on including or refusing to include a procurement participant in the list of suppliers.

3. A decision to refuse to include a procurement participant in the list of suppliers shall be made if:

- 1) A procurement participant does not meet the requirements specified in Part 1 Article 50 of this Federal Law;
- 2) Documents specified in Part 2 Article 51 of this Federal Law are not presented in full or knowingly incorrect information is presented;
- 3) A bid for a preliminary selection does not meet the requirements specified in a notice about a preliminary selection;
- 4) A procurement participant was excluded from the list of suppliers, compiled on the basis of the results of the preliminary selection preceeding the current preliminary selection.

4. It is not allowed to refuse to include a procurement participant in the list of suppliers on other grounds except specified in Part 3 of this Article. A customer, an authorised body or a Quotation Commission shall establish, whether a procurement participant meets the requirements specified in Clauses 2 - 4 Part 1, Clause 2 Part 2 Article 11 of this Federal Law, independently and cannot obligate procurement participants to confirm that they meet the above requirements.

5. Preliminary selection takes place in view of Part 3 – 6 Article 12 of this Federal Law.

6. The results of considering the preliminary selection bids shall be registered in a Protocol that is kept by a Quotation Commission and shall be signed by all present members of a Quotation Commission and a customer, an authorised body on the day of the deadline for documents consideration. The Protocol must contain information about the procurement participants that filed the preliminary selection bids, about a decision made with regard to these persons. On the day of the deadline for documents consideration a customer, an authorised body shall place the Protocol on the official web-site. Next day after the Protocol was signed, a customer, an authorised body shall send notices about the decisions made to the procurement participants who filed the preliminary selection bids.

7. A procurement participant can appeal the decision of a Quotation Commission to not include this procurement participant in the list of suppliers in accordance with the procedures specified in this Federal Law.

8. A customer, an authorised body shall compile the list of suppliers including procurement participants about whom the decision was made to include in the list of suppliers under Part 1 Article 48 of this Federal Law. The lists of suppliers must be compiled according to the types of goods, works, services that can be supplied, carried out, rendered by such participants.

9. If it is established that documents specified in Part 2 Article 51 of this Federal Law contain incorrect information, a customer, an authorised body can exclude the procurement participant who filed these documents from the list of suppliers specified in Part 1 Article 48 of this Federal Law.

Article 53. Specifics of Procurement for the Purposes of Providing Humanitarian Aid or Liquidating the Consequences of Natural or Technogenic Emergencies

1. Procurement for the purposes of providing humanitarian aid or liquidating the consequences of natural or technogenic emergencies takes place without limiting the contract price.

(as revised by No.83-FZ Federal Law of 08.05.2010)

2. For the purposes of this Federal Law humanitarian aid means the goods supplied by the Russian Federation free-of-charge to foreign states, their federal territories or municipalities, international and foreign establishments or non-commercial organisations, as well as foreign physical persons, works and services carried out or rendered to them in order to provide medical and social aid to low-income, socially unprotected groups of population, who suffered from natural calamities and other emergencies, to liquidate the consequences of natural calamities and other emergencies.

3. If there is a need to provide humanitarian aid or liquidate the consequences of natural or technogenic emergencies, a customer shall send a quotation request to all procurement participants that can supply the necessary goods, carry out works, render services in accordance with the list specified in Part 1 Article 48 of this Federal Law.

4. A quotation request can be made using all means of communications, particularly in the electronic form.

5. A quotation request and quotation bids must meet the requirements set in Articles 43 and 44 of this Federal Law, in view of the specifics established by Part 6 of this Article.

6. A quotation request shall specify the quantity of goods, volume of works, services required to provide humanitarian aid or liquidate the consequences of natural or technogenic emergencies. A quotation request should not state the maximum contract price. A procurement participant specifies in a quotation bid the quantity of goods, volume of works, services that can be supplied, carried out rendered within the period set in the quotation request.

7. Each procurement participant can only file one quotation bid that cannot be changed. In course of a quotation request a customer, an authorised body or a Quotation Commission cannot negotiate with a procurement participant a quotation bid filed by this procurement participant.

(as revised by No.308-FZ Federal Law of 30.12.2008)

8. A quotation bid can be filed using any means of communications, particularly in the form of an electronic document. Upon receiving a quotation bid in the form of an electronic document a customer must confirm in writing or in the form of an electronic document that the quotation bid was received.

9. A customer shall register each bid filed by the deadline specified in a quotation request. Upon a request of a procurement participant that filed a bid, a customer shall issue a receipt that the quotation bid was received specifying the date and time when the bid was received.

10. If by the deadline specified in a quotation request, only one quotation bid was filed, a customer shall conclude a contract with a procurement participant that filed this quotation bid under the conditions specified in the quotation request, for the quantity, volume and at the price, offered in this quotation bid.

(as revised by No.83-FZ Federal Law of 08.05.2010)

11. If a quotation bid specified in Part 10 of this Article does not contain information required by a customer about the quantity of goods, volume of works, services, and if by the deadline for filing quotation bids no quotation bid was filed, a customer can place an order with a single supplier (executor, contractor) under Clause 6 Part 2 Article 55 of this Federal Law.

12. If in course of a quotation request a procurement participant fails to file a quotation bid twice, this procurement participant shall be excluded from the list of suppliers specified in Part 1 Article 48 of this Federal Law, and cannot take part in a preliminary selection that shall take place next year to update the lists of suppliers.

Article 54. Consideration and Evaluation of Quotation Bids for the Purposes of Providing Humanitarian Aid or Liquidating the Consequences of Natural or Technogenic Emergencies

1. A Quotation Commission shall consider quotation bids in accordance with the procedures established by Part 1 Article 47 of this Federal Law, in view of the specifics of this Article.

2. Based on the results of considering quotation bids, a Quotation Commission makes a decision whether a quotation bid meet or does not meet the requirements specified in a quotation request. Therewith, a decision that a quotation bid does not meet these requirements cannot be made only on the basis of nonconformity of the quantity of goods, volume of works, services specified in a quotation request to the quantity of goods, volume of works, services, specified in a quotation bid.

3. Based on the results of consideration and evaluation of quotation bids, a Quotation Commission assigns an ordering number to each quotation bid according to increasing contract price stated in the quotation bids. Initially ordering numbers are assigned to the quotation bids that state no less than 30% of the quantity of goods, volume of works, services specified in a notice about a quotation request. The first number is assigned to the quotation bid that states no less than 30% the quantity of goods, volume of works, services specified in a notice about a quotation request (if there are quotation bids that state no less than 30% the quantity of goods, volume of works, services specified in a notice about a quotation request) and that offers the lowest contract price. If contract price offers in quotation bids are identical, the first number shall be assigned to the quotation bid that was received by a customer earlier than other quotation bids.

4. The results of consideration and evaluation of quotation bids must be registered in a Protocol, which should contain information about a customer, essential contract conditions, the list of quotation bids according to the assigned numbers, information about all procurement participants that filed quotation bids. Members of a Quotation Commission and a customer must sign the Protocol on the day of consideration and evaluation of quotation bids and place it on the official web-site. Within three days after the Protocol for consideration and evaluation of quotation bids was signed, a customer must send in writing or in the form of an electronic document a notice about the results of consideration and evaluation of quotation bids to the winner of the quotation request and other procurement participants. The winner of a quotation request shall be recognised a procurement participant, whose quotation bid was assigned the first number.

5. The contract shall be concluded with the winner of a quotation request under the conditions specified in the

quotation request for the goods, works, services in the quantity, volume and at the price offered in this quotation bid.

(as revised by No.83-FZ Federal Law of 08.05.2010)

6. If the winner of quotation request cannot execute the contract in full, a customer shall also place an order with the procurement participant whose quotation bid was assigned the next ordering number in the order of increasing, under the conditions specified in the quotation request for the goods, works, services in the quantity, volume and at the price offered in this quotation bid.

7. If after concluding the contract under Parts 5 and 6 of this Article, the quantity of goods, volume of works, services under the contract is less than the quantity of goods, volume of works, services required by a customer, a customer can place orders for the part of goods, volume of works, services that is lacking with a single supplier under Clause 6 Part 2 Article 55 of this Federal Law.

Chapter 6. PROCUREMENT WITH A SINGLE SUPPLIER (EXECUTOR, CONTRACTOR) AND SPECIFICS OF PROCUREMENT IN ACCORDNACE WITH A DECISION OF THE GOVERNMENT OF THE RUSSIAN FEDERATION

(as revised by No.79-FZ Federal Law of 21.04.2011)

Article 55. Cases of Procurement with a Single Supplier (Executor, Contractor)

1. Procurement with a single supplier (executor, contractor) means a method of procurement when a customer offers to conclude a contract and in the cases specified in Clause 14 Part 2 of this Article, a contract or other civil law agreement to only one supplier (executor, contractor).

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

2. Procurement with a single supplier (executor, contractor) is carried out by a customer if:

1) Goods, works, services are in the field of activities of the holders of natural monopolies in accordance with No.147-FZ Federal Law "On Natural Monopolies" of 17 August 1995;

2) Rendering services for water supply, sewage, heat supply, gas supply (except services for selling liquified gas), connecting (accessing) to engineering networks at the prices (tariffs) regulated under the law of the Russian Federation;

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.308-FZ Federal Law of 30.12.2008)

2.1) A contract is concluded for power supply or buying and selling electric power with the provider of last resort;

(Clause 2.1 is introduced by No.53-FZ Federal Law of 20.04.2007)

3) Supplying cultural values, including museum artefacts and museum collections, as well as rare and valuable publications, manuscripts, archive documents, including copies, that are of historic, artistic or other cultural

significance, designed to replenish state museum, library, archive funds, cinema- and photo-funds and other similar funds;

(as revised by No. 218-FZ Federal Law of 24.07.2007)

4) Carrying out works for mobilization training in the Russian Federation;

(Clause 4 as revised by No.53-FZ Federal Law of 20.04.2007)

5) A need has emerged for works or services, that can be carried out or rendered exclusively by executive bodies in accord with their scope of reference or subordinate to them state-owned organisations, state unitary enterprises, the relevant scope of reference of which is established by normative legal acts of the Russian Federation, normative legal acts of a constituent territory of the Russian Federation. Therewith, no later than one working day after concluding the contract, a customer must notify the federal executive body responsible for control over procurement (for procurement of goods, works and services for the federal needs, the needs of a federal budget-funded organisation), an executive body of a constituent territory of the Russian Federation (for procurement of goods, works, services for the needs of a constituent territory of the Russian Federation or the needs of a municipality, the needs of budget-funded organisation of a constituent territory of the Russian Federation, the needs of a municipal budget-funded organisation). A copy of a contract concluded in accordance with this Clause must be enclosed to the notice;

(as revised by No.207-FZ Federal Law of 31.12.2005 N 207-ФЗ, No. 218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

b) A need has emerged for particular goods, works or services due to force majeure, the need for urgent medical intervention, so applying other methods of procurement that require time outlays, is inexpedient. A customer can conclude a contract in accord with this Clause for goods, works, services, for the quantify, volume required to liquidate the consequences of force majeure or provide urgent medical care. No later than three working days after concluding a contract, a customer must notify the federal executive body responsible for control over procurement (for procurement of goods, works and services for the federal needs, the needs of a federal budget-funded organisation), an executive body of a constituent territory of the Russian Federation (for procurement of goods, works, services for the needs of a constituent territory of the Russian Federation or the needs of a municipality, the needs of budget-funded organisation of a constituent territory of the Russian Federation, the needs of a municipal budget-funded organisation). A copy of an accident investigation act or a copy of a document executed by a customer and confirming the circumstances on the basis of which the contract is concluded in accordance with this Clause must be enclosed to the notice, as well as a copy of the contract ;

(as revised by No. 218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

7) Production of goods, carrying out works, rendering services by institutions and enterprises of the penal enforcement system in the cases specified by the Government of the Russian Federation;

(as revised by No.53-FZ Federal Law of 20.04.2007)

8) Only one tender bid, auction bid or quotation bid is filed under Part 12 Article 25, Part 7 Article and 31.4, Part 12 Article 35, Part 22 Article 41.8, Part 6 Article 46, Part 10 Article 53 of this Federal Law;

(as revised by No. 218-FZ Federal Law of 24.07.2007 and No.93-FZ Federal Law of 08.05.2009)

9) Only one procurement participant that filed a tender bid, or an auction bid is recognised as a bidder at a tender or an auction under Part 5 Article 27, Part 3 Article 31.5, Part 6 Article 36, Part 11 Article 41.9 of this Federal Law;

(as revised by No. 218-FZ Federal Law of 24.07.2007 and No.93-FZ Federal Law of 08.05.2009)

10) Only one auction bidder took part under Part 13 Article 37, Part 14 Article 41 of this Federal Law;

(as revised by No. 218-FZ Federal Law of 24.07.2007)

11) A tender or a auction is recognised void and the contract is not concluded under Part 1 Article 31, Part 1 Article 40 of this Federal Law, and in the cases specified in Part 15 Article 41.11 and Part 14 Article 41.12 of this Federal Law;

(as revised by No.93-FZ Federal Law of 08.05.2009 and No.83-FZ Federal Law of 08.05.2010)

12) For procurement of communication services for the needs of national defence, state security and law enforcement in accordance with the procedures specified in Article 55.1 of this Federal Law;

(Clause 12 is introduced by No.142-FZ Federal Law of 27.07.2006)

13) In course of a repeated procurement by a quotation request no quotation bid was filed under Part 8 Article 46 of this Federal Law;

(Clause 13 is introduced by No.53-FZ Federal Law of 20.04.2007)

14) For goods, works, services for the customer's needs for the sum not exceeding the maximum size of cash settlement between legal entities in the Russian Federation established by the Central Bank of the Russian Federation for a single transaction; therewith a customer can place orders for the same-name goods, works, services within a quarter under this Clause for the sum not exceeding the above maximum size of cash settlement. Upon the results of such procurement, contracts and other civil law agreements can be concluded in accordance with the Civil Code of the Russian Federation;

(Clause 14 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

15) A customer, an authorised body, a specialised organisation needs to publish a notice about an open tender, a notice about an open auction, a Tender Bids Evaluation and Comparison Protocol or an Auction Protocol in the official print media;

(Clause 15 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No. 218-FZ Federal Law of 24.07.2007)

16) Procurement for supply of Russian-made weapons and military equipment, that do not have domestic analogues and that are manufactured by a single manufacturer, from a supplier of such weapons and military equipment, included in the Register of Single Suppliers of such weapons and military equipment. The procedures for keeping the Register of Single Suppliers of such weapons and military equipment, pricing procedures for such weapons and military equipment are established by the Government of the Russian Federation. A government contract for supply of such Russian-made weapons and military equipment shall be concluded at the price determined by the above pricing procedures;

(Clause 16 is introduced by No.53-FZ Federal Law of 20.04.2007)

17) Procurement of goods, works, services for the state needs is with a supplier (executor, contractor) determined by a Decree or and Order of the President of the Russian Federation. Preparing a relevant draft decree or an order of the President if the Russian Federation, in accord with 19.1 Article of this Federal Law documents and data justifying the contract price must be enclosed to the draft;

(Clause 17 is introduced by No.53-FZ Federal Law of 20.04.2007, as revised by No.79-FZ Federal Law of 21.04.2011)

17.1) Procurement of goods, works, services with a supplier (executor, contractor) for the state needs in the cases established by decisions or instructions of the President of the Russian Federation, determined by a Decree of the Government of the Russian Federation. . Preparing a relevant draft decree or an order of the government of the Russian Federation, in accord with 19.1 Article of this Federal Law documents and data justifying the contract price must be enclosed to the draft;

(Clause 17.1 is introduced by No.68-FZ Federal Law of 28.04.2009, as revised by No.79-FZ Federal Law of 21.04.2011)

18) Procurement of the works of literature and art of particular authors (except buying movies projects for the purposes of release), performance by particular executors, phonograms of particular makers for the customers' needs if the only person has exclusive rights for such works, performance, a phonogram;

(Clause 18 is introduced by No.218-FZ Federal Law of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

19) Procurement of supplies of print and electronic publications of particular authors, services for providing access to electronic publications to support state and municipal educational institutions, state and municipal libraries, state research organisations from the publishers of such print and electronic editions if the above publishers have exclusive rights for use of such publications;

(Clause 19 is introduced by No.218-FZ Federal Law of 24.07.2007Ф3)

20) Procurement for visiting a zoo, a theater, a movie theater,a concert, a museum, an exhibition, a sport

event;

(Clause 20 is introduced by No.218-FZ Federal Law of 24.07.2007)

21) Procurement of services for several customers for taking part in an event organised for the customers' needs by a customer that is an event organiser and has selected a supplier (executor, contractor) in accordance with the procedures established in this Federal Law;

(Clause 21 is introduced by No.218-FZ Federal Law of 24.07.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

22) Procurement of teaching services rendered by physical persons;

(Clause 22 is introduced by No.218-FZ Federal Law of 24.07.2007)

23) A theater, an organisation involved in concert activities, including a concert group (a dance group, chorale, orchestra, ensemble), a TV- and radiobroadcasting organisation, circus, museum, a cultural centre, a club places an order for creating works of literature or art specified in Clauses 1 - 5 Part 2 Article 31.1 of this Federal Law with a particular physical person or particular physical persons – the author of a scenario, performing artist, presenter of a TV or radio programme, designer, conductor, drama writer, ballet-master, choreographer, animal trainer, circus acts engineer, composer, accompanist, librettist, cameraman, sound- or video-recording engineer, writer, poet, film director, coach, sculptor, chorus-master, painter, art director, dress designer, set decorator, property-master, make-up artist, or for performances as well as for aiming and supplying decorations, stage furniture, costumes (including headware and footwear) and materials necessary to make decorations and costumes, scenery, theatrical properties, make-up, wig items, stage dolls, necessary for create and (or) perform works of art by organizations specified in this Clause;

(Clause 23 is introduced by No.308-FZ Federal Law of 30.12.2008, as revised by No.79-FZ Federal Law of 21.04.2011)

24) Procurement of services for authorial control over development of project documentation of capital construction facilities, authorial supervision over construction, reconstruction, capital repair of capital construction facilities by their authors;

(Clause 24 is introduced by No.308-FZ Federal Law of 30.12.2008)

25) Procurement of services for technical and authorial supervision over the works for preserving cultural heritage (historical and cultural monuments) of the peoples of the Russian Federation by the project authors;

(Clause 25 is introduced by No.308-FZ Federal Law of 30.12.2008)

26) Procurement of services for sending members of staff to a business trip (round trip to the destination of a business trip, accommodation, transportation services, catering);

(Clause 26 is introduced by No.308-FZ Federal Law of 30.12.2008)

27) Procurement of services related to visits of the heads of foreign states, the heads of foreign governments, the heads of international organisations, parliamentary delegations, government delegations, delegations of foreign states (hotel, transportation services, operating computer facilities, catering);

(Clause 27 is introduced by No.308-FZ Federal Law of 30.12.2008)

28) Procurement of services related to field events organised by the President of the Russian Federation, the Chambers of the Federal Assembly of the Russian Federation, the Government of the Russian Federation (hotel, transportation services, operating computer facilities, catering);

(Clause 28 is introduced by No.308-FZ Federal Law of 30.12.2008, as revised by No.68-FZ Federal Law of 28.04.2009)

29) Procurement of services for management of apartment blocks on the basis of a choice of a managing organisation made by the owners of premises in an apartment block or a local self-government body in accordance with the housing law, if premises in an apartment block are private property, and government property or municipal property;

(Clause 29 is introduced by No.308-FZ Federal Law of 30.12.2008)

30) Procurement of services for technical maintenance, protection and servicing of one or several non-residential premises, handed over to a customer for free use if these services are provided to another person or other persons that use non-residential premises in the building where the premises, handed over to a customer for free use are located;

(Clause 30 is introduced by No.308-FZ Federal Law of 30.12.2008, as revised by No.83-FZ Federal Law of 08.05.2010)

31) Procurement of supply of sport facilities and equipment, sport outfit required for training sport teams of the Russian Federation on Olympic and Paralympic sports, and for participation of sport teams of the Russian Federation in the Olympic Games and Paralympic Games;

(Clause 31 is introduced by No.308-FZ Federal Law of 30.12.2008)

32) A budget-funded organization that is an executor under a contract for research-and development or technological works, engages other persons for complete these works in course of contract execution;

(Clause 32 is introduced by No.79-FZ Federal Law of 21.04.2011)

33) Research-and development or technological works are carried out by a budget-funded organization using monetary or other means (except budgetary means from the budget system of the Russian Federation), transferred free of charge and irrevocable by citizens and legal entities, including foreign citizens and foreign legal entities, as well as international organizations, that have been given the rights to provide grants in the Russian Federation according to the procedures established by the Government of the Russian Federation, for

specific research under the conditions specified by the grantors.

(Clause 33 is introduced by No.79-FZ Federal Law of 21.04.2011)

Article 55.1. Specifics of Procurement of Services with a Single Executor for the Needs of National Defence, State Security and Law Enforcement

(is introduced by No.142-FZ Federal Law of 27.07.2006)

1. If no quotation bid is filed, or a tender or an auction is recognised void, and the government contract for communications services for the needs of national defence, state security and law enforcement is not concluded under Part 12 Article 25, Part 5 Article 27, Part 1 Article 31, Part 12 Article 35, Part 6 Article 36, Part 13 Article 37, Part 1 Article 40 of this Federal Law, the federal executive body responsible for special communications networks designed for the needs of national defence, state security and law enforcement, and that acts as the government customer, can repeat procurement by a quotation request, organise a new tender or an auction, or approach the Government of the Russian Federation with a submission to obligate a provider to render communications services for the needs of national defence, state security and law enforcement.

2. Based on the submission specified in Part 1 of this Article and approved by the federal executive body in the field of communications, the Government of the Russian Federation obligates the provider specified in such submission, that has a license for providing communication services and has a technical possibility to implement the communication services indicated in the above submission, to render communications services for the needs of national defence, state security and law enforcement. The government contract must be concluded with the above provider under the conditions specified in a tender or auction documentation, or a notice about a quotation request; the price of the government contract shall not exceed the initial (maximum) price of the government contract specified in a notice about an open tender, an invitation to take part in a closed tender, a notice about an open auction, an invitation to take part in a closed auction, or in a notice about a quotation request.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.83-FZ Federal Law of 08.05.2010)

3. A provider specified in Part 2 of this Article cannot refuse an obligation to render communications services for the needs of national defence, state security and law enforcement.

Article 55.2. Specifics of Procurement of Goods with a Single Supplier (Executor, Contractor) for the State Needs of Penal Enforcement Institutions

(is introduced by No.308-FZ Federal Law of 30.12.2008)

Penal enforcement institutions can place an order for the state needs with a single supplier for the goods if such institutions buy raw materials, materials and components for production of goods, carrying out works, rendering services for the purposes of employment of convicts on the basis of civil law contracts with legal entities, provided that the above institutions acquire raw materials, materials, and components necessary to produce goods, carry out works, render services from the fund provided for by the above civil law contracts.

Article 55.3. Specific of Procurement in Accordance with a Decision of the Government of the Russian

Federation

(is introduced by No.79-FZ Federal Law of 21.04.)

1. The Government of the Russian Federation can determine specific of a particular procurement of goods, works, services for the federal needs.
2. To create additional technological and economic advantages for the Russian Federation, the Government of the Russian Federation can determine the need to include additional contract conditions with regard to a particular state procurement of goods, works, services, in particular, conditions not related to the contract subject.
3. Acts of the Government of the Russian Federation passed under Parts 1 and 2 of this Article, along with specifics of particular procurement or additional contract conditions should include the name of a customer, the source of financing, the contract subject and the contract period, reference to the official web-site that is determined by this Federal Law and where a notice about state procurement will be placed in accord with this Federal Law.
4. Introducing to the Government of the Russian Federation of a draft act of the Government of the Russian Federation, providing for specifics of procurement under Part 1 of this Article, shall be made by the federal executive body that exercises the functions for developing the government policy and normative legal regulation in the field of state and municipal procurement of goods, works, services, upon a submission from a customer, containing substantiated proposals about procurement in accord with this Article, particularly, about impossibility to place an order otherwise in accordance with this Federal Law. A draft act of the Government of the Russian Federation is subject to approval, in accordance with the procedures established by the Government of the Russian Federation, by the federal executive body responsible for control of procurement of goods, works, services for state federal needs and the federal executive body exercising the functions for developing the government policy and normative legal regulation in the field of budgetary, tax, insurance, currency and banking activities.
5. Introduction to the Government of the Russian Federation of a draft act of the Government of the Russian Federation, that under Part 2 of this Article provides for the need to include additional conditions to a contract, is exercised by an interested federal executive body upon agreement with the federal executive body that exercises the functions for developing government policy and normative legal regulation in the fields of state procurement of goods, works, services, the federal executive body responsible for control over procurement of goods, works, services for the state federal needs and the federal executive body exercising the functions for developing the government policy and normative legal regulation in the field of budgetary, tax, insurance, currency, banking activities.
6. The Government of the Russian Federation can establish the specifics of preparing and adopting the acts of the Government of the Russian Federation under Parts 1 and 3 of this Article.
7. The acts of the Government of the Russian Federation specified in this Article must be considered at sessions of the Government of the Russian Federation in accordance with the established procedures.
8. In the part, where specifics of state procurement is not established under this Article, the general

procurement procedures in this Federal Law shall be applied.

Chapter 7. PROCUREMENT OF EXCHANGE COMMODITIES FOR STATE AND MUNICIPAL NEEDS THROUGH EXCHANGE

Ceased being in effect from 1st July 2009. – No.93-FZ Federal Law of 08.05.2009.

Chapter 7.1. PROCUREMENT OF ENERGY SERVICES FOR THE CUSTOMERS' NEEDS

(as revised by No.83-FZ Federal Law of 08.05.2010)

(is introduced by No.261-FZ Federal Law of 23.11.2009)

Article 56.1. Procurement of Energy Services for the Customers' Needs

(as revised by No.83-FZ Federal Law of 08.05.2010)

1. To save on goods, works, services, related to the activities of the holders of natural monopolies, for the services of water supply, water drainage, sewage, heat-supply, gas-supply, connection (accessing) engineering networks at the prices (tariffs) regulated under the law of the Russian Federation, for supply of electric power, fuel oil, coal, for supply of fuel used to generate power, customers can conclude agreements (contracts) for energy services, the subject of which is exercising actions by an executor aimed at energy saving and increasing energy efficiency of the use of the above energy resources (further on referred to as an energy services contract).

(as revised by No.83-FZ Federal Law of 08.05.2010)

2. A contract for energy services shall be concluded separately from the contracts for goods, works, and services related to the activities of the holders of natural monopolies, for the services of water supply, water drainage, sewage, heat-supply, gas-supply, connection (accessing) engineering networks at the prices (tariffs) regulated under the law of the Russian Federation, for supply of electric power, fuel oil, coal, for supply of fuel used to generate power (further on for the purposes of this Article referred to as supply of energy resources). Procurement of energy services takes place in accordance with the procedures established by this Federal Law, in view of the provisions of this Article.

3. The initial (maximum) contract price (lot price) for energy services is determined in view of the actual costs incurred by a customer under the contracts for supply of relevant types of energy resources in the past year and cannot exceed the above costs in view of the specifics established by the Government of the Russian Federation in accord with Part 17 of this Article. Tender, auction documentation, documentation for an open auction in the electronic form, a notice about quotation request shall set the initial (maximum) contract price (lot price) for energy services, including the breakdown of the costs of supplying energy with regard to each type of goods, works, services, specifying the quantity of such goods, works, services and the cost per unit of each goods, works, services, as well as one of the following conditions:

1) The fixed size of saving in monetary terms of the relevant expenses of a customer for supply of energy

resources, the maximum percentage of savings that can be paid to the executor of an energy services contract;

2) The fixed percentage of saving in monetary terms of the relevant expenses of a customer for supply of energy resources payable to the executor of an energy services contract, the minimum size of saving in monetary terms;

3) The minimum size of saving in monetary terms of the relevant expenses of a customer for supply of energy resources, the maximum percentage of savings that can be paid to the executor of an energy services contract.

4. A customer, an authorised body in a tender, auction documentation, documentation for an open auction in the electronic form, a notice about a quotation request can specify the maximum size of possible customer's expenses that a customer can incur in relation to energy services.

5. In procurement of energy services by organising a tender or a quotation request, a customer, an authorised body also specify in the tender documentation, a notice about a quotation request the need to include in a tender bid, a quotation request one of the following offers:

1) Contract price offer (saving percentage offered by a procurement participant) in the case specified in Clause 1 Part 3 of this Article;

2) Offer of a sum defined as the difference between the relevant expenses of the customer for supply of energy resources (the initial (maximum) contract price) and offered by a procurement participant saving in monetary terms of the above expenses of the customer in the case specified in Clause 2 Part 3 of this Article;

3) Offer of a sum defined as the difference between the relevant expenses of a customer for supply of energy resources (the initial (maximum) contract price) and offered by a procurement participant saving in monetary terms of the above expenses of the customer and decreased by the value, corresponding to the saving percentage offered by the procurement participant in the case specified in Clause 3 Part 3 of this Article.

6. For procurement of energy services by organising a tender or a quotation request, a tender bid, a quotation bid shall include offers specified in Clauses 1 - 3 Part 5 of this Article depending on the conditions specified in a tender documentation, a notice about a quotation request.

7. In the cases specified in Clauses 2 and 3 Part 5 of this Article, the winner of a quotation request is recognised a person that filed a bid for the lowest sum.

8. In the cases specified in Clauses 2 and 3 Part 5 of this Article, to determine the best contract conditions for energy services specified in tender bids, a Tender Commission instead of using the contract price as a criterion for bids evaluation, evaluates and compares the bids using such criterion as a sum offer, to determine the best conditions for relevant expenses of a customer for supply of energy resources, that the customer will incur as a result of concluding and executing the contract for energy resources, and the customer's costs incurred under the contract for energy services. Tender bids evaluation and comparison under the criterion of the sum offer shall take place according to the procedures established by the Government of the Russian Federation under

Part 7 Article 28 of this Federal Law with regard to such criterion as the contract price in view of the specifics established in this Article.

9. For procurement of energy services by organising an auction, particularly an open auction in the electronic form, an auction is organised by reducing one of the following indicators:

1) The price of a contract for energy service (a percentage of saving) in the case specified in Clause 1 Part 3 of this Article;

2) The sum offer determined as the difference between the relevant customer's expenses for supply of energy resources (the initial (maximum) contract price) and the saving of the above expenses in monetary terms offered by an auction bidder, in the case specified in Clause 2 Part 3 of this Article;

3) The sum offer determined as the difference between the relevant customer's expenses for supply of energy resources (the initial (maximum) contract price) and the saving of the above expenses in monetary terms offered by an auction bidder and decreased by the value, corresponding to the saving percentage offered by the auction bidder, in the case specified in Clause 3 Part 3 of this Article.

10. In the cases specified in Clauses 2 and 3 Part 9 of this Article, the auction winner shall be recognised the person that filed the bid for the lowest sum.

11. In the case specified in Clause 3 Part 9 of this Article, concluding a contract for energy services, the auction winner or a procurement participant, with whom the contract for energy services is being concluded if the auction winner evades the contract, determines the size of saving of the relevant customer's expenses for supply of energy resources in monetary terms and the saving percentage in view of the minimum saving and maximum saving percentage specified in the auction documentation, the documentation for an auction in the electronic form as well as of the sum offer made by this auction winner or this procurement participant.

12. A contract for energy services shall be concluded at a price determined as:

1) The percentage of fixed saving in monetary terms of the relevant expenses of a customer for supply of energy resources, offered by a procurement participant, with whom the contract for energy services is being concluded, in the case specified in Clause 1 Part 3 of this Article;

2) The fixed percentage of saving in monetary terms of the relevant expenses of a customer for supply of energy resources, offered by a procurement participant, with whom the contract for energy services is being concluded, in the case specified in Clause 2 Part 3 of this Article;

3) The percentage of saving in monetary terms of the relevant expenses of a customer for supply of energy resources, offered by a procurement participant, with whom the contract for energy services is being concluded, in the case specified in Clause 3 Part 3 of this Article.

13. Concluding a contract for energy services, the contract should specify in physical terms the relevant expenses of a customer for supply of each type of energy resources, calculated on the basis of the fixed size of saving in monetary terms (in the case specified in Clause 1 Part 3 of this Article) or offered by a

procurement participant (in the cases specified in Clauses 2 and 3 Part 3 of this Article) saving of such expenses in monetary terms, as well as cost per unit of each goods, works, services specified in tender documentation, auction documentation, documentation about an open auction in the electronic form, a notice about a quotation request.

14. Concluding a contract for energy services, the contract should also specify in the cases listed in Clauses 1 and 3 Part 3 of this Article, offered by a procurement participant percentage of saving of relevant customer's expenses for supply of energy resources or, in the case specified in Clause 2 Part 3 of this Article, the fixed percentage of such saving. The percentage of such saving, specified in a contract for energy services, cannot be changed in course of contract execution.

15. Obligations of the executor of the contract for energy services is to ensure specified in the contract saving of the relevant customer's expenses for supplies of energy resources in physical terms without accounting for saving in monetary terms, therewith with due account to specifics of contract execution, determined under Part 17 of this Article.

16. Payment for the contract for energy services is made on the basis of the size of saving of the relevant customer's expenses for supply of energy resources specified in the contract in the physical terms, as well as the percentage of such saving, determined in monetary terms according to the actual prices (tariffs) for the relevant energy resources for the period of contract execution.

17. The Government of the Russian Federation establishes the conditions for executing such a contract, including the contract payment conditions (including the procedures for determining the actual prices (tariffs) for energy resources for the purposes of payment for such contract), specifics of determining the initial (maximum) contract price (lot price) for energy services (including the period for which customer's expenses for supply of energy resources is accounted for).

Chapter 8. PROTECTION OF THE RIGHTS AND LEGITIMATE INTERESTS OF PROCUREMENT PARTICIPANTS

Article 57. Appealing Actions (Omissions) of a Customer, an Authorised Body, a Specialised Organisation, an Operator of an Electronic Site, a Tender, Auction or a Quotation Commission

(as revised by No.93-FZ Federal Law of 08.05.2009)

1. Any procurement participant can appeal through a court of law, as well as under the procedures specified in this Chapter, actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, if such actions (omissions) infringe the rights and legitimate interests of procurement participants. Appealing actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission under the procedures specified in this Chapter does not prevent a procurement participant to appeal actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation commission through a court of law.

(as revised by No.93-FZ Federal Law of 08.05.2009)

2. Appealing actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of

an electronic site, a Tender, Auction or a Quotation Commission under the procedures specified in this Chapter is allowed at any stage of procurement but no later than ten days after placing on the official web-site of the Tender Bids Evaluation and Comparison Protocol, the Auction Protocol, as well as the Tender Bids Consideration Protocol or the Auction Bids Consideration Protocol if a tender or an auction was recognised void, and if organising a closed tender or a closed auction – after the day when the relevant Protocol was signed and no later than seven days after placing on the official web-site the Protocol of an auction organised under Part 3 Article 40 of this Federal Law, the Quotation Bids Evaluation and Comparison Protocol, except the cases specified in Parts 2.1 - 2.3 of this Article. Complaints about provisions of tender documentation, auction documentation or a notice about a quotation request can be filed by a procurement participant before the deadline for filing tender bids, auction bids, quotation bids. If appealed actions (omissions) were exercised after the beginning of accordingly tender bid opening, auction bids consideration, consideration and evaluation of quotation bids, only the procurement participant that filed accordingly a tender bid, an auction bid, a quotation bid can appeal such actions (omissions). Upon expiry of the above period, actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission can only be appealed to a court of law.

(as revised by No. 218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008, No.93-FZ Federal Law of 08.05.2009 and No.240-FZ Federal Law of 27.07.2010, No.79-FZ Federal Law of 21.04.2011)

2.1. Appealing actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, if such actions (omissions) were exercised in procurement by an open auction in the electronic form under the provisions of Chapter 3.1 of this Federal Law, according to the procedures specified in this Chapter, is allowed at any time in course of procurement and in the period of accrediting a procurement participant to an electronic site, but no later than ten days after placing on an electronic site a Protocol of summing up the results of an open auction in the electronic form, as well as the Bids Consideration Protocol of an open auction in the electronic form or the Protocol of an open auction in the electronic form if this open auction was recognised void. If the appealed actions (omissions) were exercised after the beginning of consideration of open auction bids, such actions (omissions) can only be appealed by a procurement participant who filed the bid for an open auction. Complaints about provisions of auction documentation in the electronic form or a notice about a quotation request can be filed by a procurement participant before the deadline for filing bids for an open auction in the electronic form. If the appealed actions (omissions) were exercised in course of consideration of the second parts of the bids for an open auction or in concluding a contract, such actions (omissions) can be appealed before the contract is concluded. Upon expiry of the above periods for appealing actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, such actions (omissions) can only be appealed to a court of law.

(Part 2.1 is introduced by No.93-FZ Federal Law of 08.05.2009, as revised by No.83-FZ Federal Law of 08.05.2010, No.79-FZ Federal Law of 21.04.2011)

2.2. Appealing actions (omissions) of an operator of an electronic site related to accreditation of a procurement participant to an electronic site under the procedures specified in this Chapter, is allowed within 30 days after the appealed actions (omissions) were exercised. Appealing actions (omissions) of an operator of an electronic site related to organisation of an open auction in the electronic form under the procedures specified in this Chapter is allowed within the period specified in Part 2.1 of this Article.

(Part 2.2 is introduced by No.93-FZ Federal Law of 08.05.2009)

2.3. Appealing actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site related to concluding a state or a municipal contract under the procedures specified in this Chapter is allowed no later than the date of concluding a state or a municipal contract.

(Part 2.3 is introduced by No.240-FZ Federal Law of 27.07.2010)

3. Procurement can be recognised void upon a claim of an interested person or a claim of the federal executive body, an executive body of a constituent territory of the Russian Federation, a local self-government body responsible for procurement control only by a court of law.

4. A procurement participant can lodge a written complaint, particularly by fax communication, about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission in course of procurement of goods, works, services for the federal needs, the needs of a budget-funded organisation, as well as actions (omissions) of an operator of an electronic site to the federal executive body responsible for procurement control.

(as revised by No.53-FZ Federal Law of 20.04.2007, No.93-FZ Federal Law of 08.05.2009, No.83-FZ Federal Law of 08.05.2010 and No.240-FZ Federal Law of 27.07.2010)

5. A procurement participant can lodge a written complaint about actions (omissions) of a customer, an authorised body, a specialised organisation, a Tender, Auction or a Quotation Commission in course of procurement for the needs of the Russian Federation, the needs of a budget-funded organisation of a constituent territory of the Russian Federation to the federal executive body, an executive body of a constituent territory of the Russian Federation responsible for procurement control. A procurement participant can lodge a written complaint about actions (omissions) of a customer, an authorised body, a specialised organisation, a Tender, Auction or a Quotation Commission in course of procurement for municipal needs, the needs of a budget-funded municipal organisation to the federal executive body, an executive body of a constituent territory of the Russian Federation responsible for procurement control or a local self-government body responsible for procurement control. If the appealed actions (omissions) of a customer, an authorised body, a specialised organisation, an Auction Commission took place in course of procurement for the customer's needs by organising an open auction in the electronic form under Chapter 3.1 of this Federal Law, a procurement participant can lodge a complaint about such actions (omissions) only to the federal executive body responsible for procurement control.

(as revised by No. 218-FZ Federal Law of 24.07.2007, No.93-FZ Federal Law of 08.05.2009 and No.83-FZ Federal Law of 08.05.2010)

5.1. A procurement participant that filed a bid for an open auction in the electronic form can lodge a complaint in the form of an electronic document about actions (omissions) of a customer, an authorised body, a specialised organisation, an Auction Commission in course of procurement of goods, works, services for the federal needs, the needs of a constituent territory of the Russian Federation or municipal needs by organising an open auction in the electronic form under Chapter 3.1 of this Federal Law as well as actions (omissions) of

an operator of an electronic site to the federal executive body responsible for procurement control.

(Part 5.1 is introduced by No.240-FZ Federal Law of 27.07.2010)

6. Lodging a complaint about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission under Parts 4 and 5 of this Article, a procurement participant sends a copy of the complaint accordingly to a customer, an operator of an electronic site, an authorised body, a specialised organisation, a Tender, Auction or a Quotation Commission, whose actions (omissions) are appealed.

(as revised by No.93-FZ Federal Law of 08.05.2009)

Article 58. The Content of a Complaint about Actions (Omissions) of a Customer, an Authorised Body, a Specialised Organisation, an Operator of an Electronic Site, a Tender, Auction or a Quotation Commission

(as revised by No.93-FZ Federal Law of 08.05.2009)

1. A Complaint about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission must include:

(as revised by No.93-FZ Federal Law of 08.05.2009)

1) The name, location, mailing address, the contact telephone number of a customer, an authorised body, a specialised organisation, an operator of an electronic site (if such information is available), the surnames, names, patronymics of the members of a Tender, Auction or a Quotation Commission, whose actions (omissions) are appealed;

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.93-FZ Federal Law of 08.05.2009)

2) The name, information about location (for a legal entity), the surname, name, patronymic, information about the place of residence (for a physical person) of a procurement participant who is lodging a complaint, mailing address, e-mail address, the contact telephone number, fax number;

3) Indication of the procurement, except when appealing actions (omissions) of an operator of an electronic site related to accreditation of a procurement participant to an electronic site;

(as revised by No.93-FZ Federal Law of 08.05.2009)

4) The appealed actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, arguments for the appeal.

(as revised by No.93-FZ Federal Law of 08.05.2009)

2. A procurement participant that complained about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, must

enclose documents to the complaint supporting validity of the complaint. In this case the complaint should contain the full list of enclosed documents.

(as revised by No.93-FZ Federal Law of 08.05.2009)

3. A complaint about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission shall be signed by the procurement participant who is lodging the complaint or its representative. If a complaint is lodged by a representative of a procurement participant, a power of attorney or other documents confirming the authority of this representative to sign the complaint should be enclosed to the complaint.

(as revised by No.93-FZ Federal Law of 08.05.2009)

Article 59. Returning a Complaint about Actions (Omissions) of a Customer, an Authorised Body, a Specialised Organisation, an Operator of an Electronic Site, a Tender, Auction or a Quotation Commission

(as revised by No.93-FZ Federal Law of 08.05.2009)

1. A complaint about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission shall be returned to a procurement participant if:

(as revised by No.93-FZ Federal Law of 08.05.2009)

1) A complaint does not contain the name of a customer, an authorised body, a specialised organisation if such information is available on the official site of an operator of an electronic site, an indication of a Tender, Auction or a Quotation Commission, whose actions (omissions) are appealed and (or) information specified in Clauses 2 - 4 Part 1 Article 58 of this Federal Law;

(Clause 1 as revised by No.240-FZ Federal Law of 27.07.2010)

2) A complaint is not signed or is signed by a person whose authority is not confirmed by documents;

3) A complaint is lodged after the expiry of the period specified in Part 2 Article 57 of this Federal Law;

4) A judicial ruling has been passed on the complaint for the same actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission;

(Clause 4 as revised by No.93-FZ Federal Law of 08.05.2009)

5) A complaint is lodged in breach of the norms of Parts 4 or 5 Article 57 of this Federal Law;

6) An executive body of a constituent territory of the Russian Federation responsible for procurement control establishes that a complaint about the same actions (omissions) is being considered or the federal executive

body responsible for procurement control has made a decision with regard to this complaint;

(Clause 6 is introduced by No. 218-FZ Federal Law of 24.07.2007)

7) A local self-government body responsible for procurement control establishes that a complaint for the same actions (omissions) is being considered or the federal executive body responsible for procurement control or an executive body of a constituent territory of the Russian Federation responsible for procurement control has made a decision with regard to this complaint.

(Clause 7 is introduced by No. 218-FZ Federal Law of 24.07.2007)

2. A decision on returning the complaint about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission must be made no later than two working days after the complaint was received.

(as revised by No.93-FZ Federal Law of 08.05.2009)

3. The bodies specified in Parts 4 and 5 Article 57 of this Federal Law, on the day of making a decision to return the complaint must inform in writing the procurement participant who lodged the complaint about the decision made, specifying the reasons for returning the complaint.

4. A decision to return the complaint can be appealed to a court of law.

Article 60. Substantial Consideration of a Complaint about Actions (Omissions) of a Customer, an Authorised Body, a Specialised Organisation, an Operator of an Electronic Site, a Tender, Auction or a Quotation Commission

(as revised by No.93-FZ Federal Law of 08.05.2009)

1. Upon lodging a complaint about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission and accepting it for consideration, the federal executive body, an executive body of a constituent territory of the Russian Federation, a local self-government body responsible for procurement control within two working days after receiving a complaint shall place information about receiving a complaint and its content on the official web-site, and in case of a closed tender or a closed auction shall send notices about receiving a complaint and its content to all interested procurement participants, and also shall inform the procurement participant that lodged the complaint, a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, whose actions (omissions) are appealed, about the place and time of considering the complaint.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ Federal Law of 24.07.2007 and No.93-FZ Federal Law of 08.05.2009)

2. Procurement participants whose rights and legitimate interests are directly affected as a result of considering a complaint about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, can send to the

bodies specified in Part 1 of this Article a counterargument to an appeal and take part in the appeal consideration personally or through representatives. A counterargument to an appeal must contain information specified in Part 1 Article 58 of this Federal Law. A counterargument to an appeal shall be sent to a body specified in Part 1 of this Article, no later than two working days before the day when the appeal will be considered.

(as revised by No.93-FZ Federal Law of 08.05.2009)

3. Bodies specified in Part 1 of this Article must consider an appeal substantially and a counterargument to an appeal within five working days after the day of receiving the appeal and notify the procurement participant that lodged the appeal, the persons who lodged a counterargument to the appeal about the results of consideration. The above bodies can request a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, the procurement participant that lodged the appeal, to submit information and documents necessary to consider the appeal. Substantial consideration of an appeal must be on a collegial basis.

(as revised by No.53-FZ Federal Law of 20.04.2007, No. 218-FZ Federal Law of 24.07.2007, as revised by No.93-FZ Federal Law of 08.05.2009)

3.1. A customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, whose actions (omissions) are appealed, must submit for substantial consideration of the appeal a tender documentation, auction documentation, a notice about a quotation request, changes to a tender documentation, auction documentation, tender bids, auction bids, quotation bids, the Bids Opening Protocols, Tender Bids Consideration Protocols, Auction Bids Consideration Protocols, Quotation Bids Evaluation and Comparison Protocols, Tender Bids Evaluation and Comparison Protocols, Auction Protocols, audio- and video recordings and other documents executed in course of procurement or accrediting procurement participants to an electronic site.

(Part 3.1 is introduced by No. 218-FZ Federal Law of 24.07.2007, as revised by No.93-FZ Federal Law of 08.05.2009)

3.2. Appeal shall not be considered with regard to the results of tender bids evaluation under the criteria for tender bids evaluation, specified in Clauses 1 and 1.1 Part 4 Article 28, Clauses 1, 2 and 4 Part 3 Article 31.6 of this Federal Law.

(Part 3.2 is introduced by No. 218-FZ Federal Law of 24.07.2007)

4. Bodies specified in Part 1 of this Article can suspend procurement until an appeal about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission is substantially considered, by sending in writing a request to a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission to suspend procurement until an appeal is substantially considered, which is mandatory for them. If a decision is made to suspend procurement, a contract cannot be concluded until an appeal is substantially considered.

(as revised by No. 218-FZ Federal Law of 24.07.2007, No.93-FZ Federal Law of 08.05.2009, and No.83-FZ Federal Law of 08.05.2010)

5. A customer cannot conclude a contract until an appeal about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission is considered by the bodies specified in Part 1 of this Article. Therewith, the period established for concluding a contract shall be extended for the period of substantial consideration of the appeal.

(as revised by No.93-FZ Federal Law of 08.05.2009 and No.83-FZ Federal Law of 08.05.2010)

6. Upon the results of considering the appeal, the bodies specified in Part 1 of this Article shall make a decision to issue determinations specified in Part 9 Article 17 of this Federal Law on exercising other actions, provided for by Article 17 of this Federal Law, or on recognising the complaint lodged by a procurement participant unjustified. The contract cannot be concluded before the determinations issued under Part 9 Article 17 of this Federal Law to eliminate the violations of the law on procurement are executed.

(as revised by No. 218-FZ Federal Law of 24.07.2007 and No.83-FZ Federal Law of 08.05.2010)

7. If the federal executive body and an executive body of a constituent territory of the Russian Federation responsible for procurement control or a local self-government body responsible for procurement control considered complaints about the same actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, the decision shall be executed that is made by the federal executive body responsible for procurement control.

8. Within three working days after the decision specified in Part 6 of this Article was made, the bodies specified in Part 1 of this Article shall send to the procurement participant that lodged an appeal with regard to actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, the procurement participants that sent a counterargument to an appeal, as well as to a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, whose actions (omissions) are appealed, a copy of a decision, a determination issued upon the outcome of consideration of the appeal, and shall place information about the issued decision and determination on the official web-site.

(as revised by No.53-FZ Federal Law of 20.04.2007 No. 218-FZ Federal Law of 24.07.2007 and No.93-FZ Federal Law of 08.05.2009)

9. A decision made as a result of considering an appeal about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, can be appealed to a court of law within three months after the decision was made.

(as revised by No.93-FZ Federal Law of 08.05.2009)

Article 61. Withdrawing a Complain about Actions (Omissions) of a Customer, an Authorised Body, a Specialised Organisation, an Operator of an Electronic Site, a Tender, Auction or a Quotation Commission

(as revised by No.93-FZ Federal Law of 08.05.2009)

1. A procurement participant that lodged an appeal about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, can withdraw it before the decision is made on the matter of the appeal. A procurement participant that withdrew the appeal lodged by this procurement participant cannot again lodge the appeal with regard to the same actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission under the procedures specified in this Chapter.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.93-FZ Federal Law of 08.05.2009)

2. Within two working days after an appeal about actions (omissions) of a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission was withdrawn, the bodies specified in Part 1 Article 60 of this Federal Law must send a notice about withdrawing the appeal to the procurement participants that sent a counterargument to an appeal, specified in Part 2 Article 60 of this Federal Law, as well as to a customer, an authorised body, a specialised organisation, an operator of an electronic site, a Tender, Auction or a Quotation Commission, whose actions (omissions) are appealed.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No.93-FZ Federal Law of 08.05.2009)

Article 62. Liability for Violating the Law of the Russian Federation and Other Normative Legal Acts of the Russian Federation on Procurement

Persons guilty in violating the law of the Russian Federation and other normative legal acts of the Russian Federation on procurement of goods, works, services for the customers' needs shall bear disciplinary, civil law, administrative and criminal liability under the law of the Russian Federation.

(as revised by No.83-FZ Federal Law of 08.05.20103)

Chapter 9. COMING INOT EFFECT OF THIS FEDERAL LAW AND TRRANSITIONAL PROVISIONS

63. Coming into Effect of this Federal Law

This Federal Law comes into effect on 1st January 2006.

Article 64. Duration of This Federal Law in Time

(as revised by No.207-FZ Federal Law of 31.12.2005)

1. This Federal Law is applied to the relations associated with procurement of goods, works, services for state or municipal needs and emerged after the Law came into effect. This Federal Law shall be applicable to relations associated with procurement of goods, works, services for state or municipal needs and developed before this Federal Law came into effect in the part of rights and responsibilities that would emerge after the Law comes into effect.

2. If a notice about a tender for procurement of goods, works, services for state or municipal needs was published before 1st January 2006, a tender shall be organised and its results shall be summed up according to the procedures in place before this Federal Law came into effect.

3. If a notice about a tender or an auction for procurement of goods, works, services for state or municipal needs was published before 20th April 2007, the provisions of Part 7.2 Article 9, as well as Clause 15.2 Part 4 Article 22, Clause 9 Part 4 Article 34 of this Federal Law in the part of responsibility of a customer, an authorised body to establish a requirement for the contract security shall not be applicable to the relations associated with such procurement, concluding a state or a municipal contract upon the results of such procurement, and contract execution.

(Part 3 is introduced by No. 218-FZ Federal Law of 24.07.2007)

4. Starting from 1st January 2008 information about procurement of goods, works, services for the federal needs shall not be published in an official print publication.

(Part 4 is introduced by No. 218-FZ Federal Law of 24.07.2007)

Article 65. Transitional Provisions

1. When this Federal Law comes into force, No.97-FZ Federal Law "On Tenders for Procurement of Goods, Works, Services for the State Needs" of 6th May 1999 ceases being in effect (the Russian Federation Code, 1999, No. 19, p. 2302).

2. When this Federal Law comes into force, other federal laws passed before it coming into effect and specifying the procedures for state and municipal procurement of goods, works, services shall be applied in the part that does not contravene this Federal Law.

3. Until the Government of the Russian Federation establishes the lists of goods, works, services, procurement of which is organised through auctions, a customer shall make a decision about the method of competitive bidding independently, taking into account the provisions of this Federal Law, laws and other normative legal acts of the constituent territories of the Russian Federation, normative legal acts of local self-government bodies in the part that does not contravene this Federal Law.

4. Until the Government of the Russian Federation establishes the procedures for using official web-sites and the requirements to technological, software, linguistic, legal and organizational means of support of use of these web-sites, these procedures and requirements shall be established under this Federal Law and normative legal acts of the constituent territories of the Russian Federation.

5. Until the Government of the Russian Federation establishes the procedures for keeping the Contracts Registers and the requirements to technological, software, linguistic, legal and organizational means of support of use of the official web-sites, where the above Registers shall be placed, these procedures and requirements shall be established under this Federal Law and normative legal acts of the constituent territories of the Russian Federation.

6. Until the Government of the Russian Federation establishes the procedures for keeping the Registers of Unfair Suppliers and the requirements to technological, software, linguistic, legal and organizational means of keeping the Registers of Unfair Suppliers, the executive bodies of the constituent territories of the Russian Federation can keep a Register of Unfair Suppliers. The procedures for keeping the Registers of Unfair

Suppliers and the requirements to technological, software, linguistic, legal and organizational means of keeping the Registers of Unfair Suppliers shall be established under this Federal Law and normative legal acts of the constituent territories of the Russian Federation. Information included in a Register of Unfair Suppliers kept by a constituent territory of the Russian Federation, is subject to a free-of-charge transfer to the federal executive body responsible for procurement control within 30 days after the Government of the Russian Federation establishes the procedures for keeping the Registers of Unfair Suppliers and the requirements to technological, software, linguistic, legal and organizational means of keeping the Registers of Unfair Suppliers.

7. Until the Government of the Russian Federation establishes the procedures for evaluation of the bids filed for a tender for procurement of particular types of goods, works, services for state or municipal needs, the procedures for evaluation of tender bids shall be established by a customer under this Federal Law and normative legal acts of the constituent territories of the Russian Federation, local self-government bodies in the part that does not contravene this Federal Law, and in the absence of such normative legal acts of the constituent territories of the Russian Federation, local self-government bodies - independently in accord with this Federal Law. In a tender documentation a customer shall establish the criteria specified in this Federal Law, their content and significance.

(as revised by No.53-FZ Federal Law of 20.04.2007 and No. 218-FZ Federal Law of 24.07.2007)

8. Ceased being in effect from 1st July 2010. - No. 218-FZ Federal Law of 24.07.2007 (as revised on 08.05.2009).

9. Within three years after this Federal Law comes into force a customer can place an order with a single executor for research and development, design and experimental works if carrying out such works is on the basis of a state or a municipal contract concluded before this Federal Law comes into force, such contract has not been terminated due to essential violations of the contract conditions by the executor and as of the day when this Federal Law comes into force these works have not been completed.

(Part 9 is introduced by No.53-FZ Federal Law of 20.04.2007)

9.1. The Government of the Russian Federation establishes cases when from 1st January 2009 to 31st December 2009 inclusive the price of a government contract for the works for construction, reconstruction, capital repair of capital construction facilities, concluded before 1st January 2009 must be reduced, as well as the procedures and the size of such reduction of the price of a government contract. Losses incurred by a contractor due to reduction of the price of a government contract shall not be compensated.

(Part 9.1 is introduced by No.308-FZ Federal Law of 30.12.2008)

Part 10 Article 65 (as revised by No. 93-FZ Federal Law of 08.05.2009) is applicable to legal relations developed after 1st January.

10. Before 1st January 2010, if provided for by a tender documentation or an auction documentation, a customer, upon an agreement with a supplier (executor, contractor) in course of executing a contract for carrying out works, including construction, reconstruction, capital repair of capital construction facilities, can change by no more than 10% of the contract volume of works if the need in the works for which the contract is concluded has changed, or if revealing the need for additional volume of works, not specified in the contract

but related to the contract works. Carrying out additional volume of such works, a customer, upon an agreement with a supplier (executor, contractor) can change the initial contract price pro rata to the volume of such works, but by no more than 10% of the contract price, and if introducing relevant amendments to the contract due to a reduced need in such works, a customer must change the contract price accordingly.

(Part 10 is introduced by No. 218-FZ Federal Law of 24.07.2007, as revised by No. 93-FZ Federal Law of 08.05.2009)

10.1. Before 1st January 2009, the federal executive body responsible for developing public policy and regulation in the field of construction, architecture, urban development (except state technical record-keeping and technical inventorying of capital construction facilities) and housing and utilities sector, and the federal state institution subordinate to this body and exercising the functions for implementing the federal target programmes, as well as the federal executive body responsible for developing and implementing public policy and regulation in defence, can place orders to acquire residential premises from developers in apartment blocks to provide residential housing to citizens under No.76-FZ Federal Law "On the Status of Servicemen" of 27th May 1998 by a quotation request regardless of the price of a government contract. A notice about a quotation request, along with information specified in Article 43 of this Federal Law must include:

1) The maximum price of a government contract based on the price per square meter of the total area of the residential premises that are procured. The price per square meter must not exceed the average market value of a square meter of the total area of residential premises determined by the federal executive body responsible for developing public policy and regulation in the field of construction, architecture, urban development (except state technical record-keeping and technical inventorying of capital construction facilities) and housing and utilities sector, in view of the average cost of construction of apartment blocks for each constituent territory of the Russian Federation;

2) Information about a possibility for a customer to conclude a government contract with several developers to buy residential premises, if such possibility is provided for by the customer.

(Part 10.1 is introduced by No.225-FZ Federal Law of 01.12.2008)

10.2. If a notice about a quotation request specified in Part 10.1 of this Article contains information about a possibility for a customer to conclude a government contract with several developers to buy residential premises, discrepancy between a number of residential premises specified in a quotation request and a number of residential premises specified in a notice about a quotation request cannot constitute the grounds for recognising that a quotation bid does not meet the requirements specified in the notice about a quotation request. If a developer that won the quotation request cannot execute the contract in full, a customer can conclude government contracts for execution of the remaining volume of the order with the developers, whose quotation requests were assigned the following ordering numbers in the order of increasing, under the conditions specified in the notice about a quotation request, and at the prices specified in these quotation bids. Such developers cannot refuse to conclude the government contract. The total price of government contracts, concluded upon the outcome of a quotation request cannot exceed the initial (maximum) price of the government contract specified in the notice about a quotation request.

(Part 10.2 is introduced by No.225-FZ Federal Law of 01.12.2008)

10.3. Ceased being in effect. – No.316-FZ Federal Law of 17.12.2009.

10.4. In the cases specified in Parts 10.1 and 10.2 of this Article, a customer, an authorised body must place a notice about a quotation request and a draft government contract, concluded upon the results of such request, on the official web-site no later than four working days before the deadline for filing quotation bids. If after the deadline for filing quotation bids only one quotation bid is filed, that meets the requirements specified in the notice about a quotation request and contains an offer for a price of a government contract that does not exceed the maximum price specified in the notice about a quotation request, a customer can conclude a government contract with the developer that filed this quotation bid under the conditions specified in the notice about a quotation request, and at the price offered in the quotation bid of this developer. This developer cannot refuse to conclude a government contract.

(Part 10.4 is introduced by No.225-FZ Federal Law of 01.12.2008, as revised by No.316-FZ Federal Law of 17.12.2009)

10.5. Ceased being in effect. – No.147-FZ Federal Law of 17.07.2009.

11. Until 1st January 2011, the federal executive body, an executive body of a constituent territory of the Russian Federation, a local self-government body responsible for maintaining official web-sites can engage on a basis of the contract concluded upon the outcome of competitive bidding, an organisation for providing services for maintenance and support of the official web-sites, determined according to the procedures specified in Article 16 of this Federal Law. The above bodies are jointly and severally liable for the damages inflicted upon a physical or a legal person as a result of unlawful actions (omissions) by such an organisation, exercised within the scope of reference assigned to it by the above bodies on a contract basis. This organisation cannot be a procurement participant except in the cases of procurement of services for maintenance and support of the official web-sites.

(Part 11 is introduced by No. 218-FZ Federal Law of 24.07.2007, No.308-FZ Federal Law of 30.12.2008)

12. Before 1st July 2008, control over compliance of an official print publication selected by the Government of the Russian Federation with the law of the Russian Federation and other normative legal acts of the Russian Federation on procurement shall take place in accord with the procedures specified in Article 17 of this Federal Law.

(Part 12 is introduced by No. 218-FZ Federal Law of 24.07.2007)

13. Until 1st January 2011 control over compliance of the editorial board of an official print publication selected by the supreme executive body of a constituent territory of the Russian Federation, a local self-government body, with the law of the Russian Federation and other normative legal acts of the Russian Federation on procurement shall take place in accord with the procedures specified in Article 17 of this Federal Law.

(Part 13 is introduced by No. 218-FZ Federal Law of 24.07.2007)

14. Before 1st January 2011 control over compliance of an executive body of a constituent territory of the

Russian Federation, a local self-government body responsible for maintaining the official web-sites, an organisation providing services for a constituent territory of the Russian Federation, a municipality, with the law of the Russian Federation and other normative legal acts of the Russian Federation on procurement shall take place in accord with the procedures specified in Article 17 of this Federal Law.

(Part 14 is introduced by No. 218-FZ Federal Law of 24.07.2007, as revised by No.308-FZ Federal Law of 30.12.2008)

15. In a tender for the right to conclude a contract for goods, works, services for the needs of a constituent territory of the Russian Federation, or municipal needs, a Tender Bids Evaluation and Comparison Protocol subject to publishing before 1st January 2011 in an official print media, must specify the location, date, time of bids evaluation and comparison, the decision made on the basis of the results of the bids evaluation and comparison to assign the ordering numbers to the tender bids, and the names (for legal entities), the surnames, names, patronymics (for physical persons) and mailing addresses of the tender bidders, whose bids were assigned the first and second numbers.

(Part 15 is introduced by No. 218-FZ Federal Law of 24.07.2007)

16. In an auction for the right to conclude a contract for goods, works, services for the needs of a constituent territory of the Russian Federation, or municipal needs, an Auction Protocol subject to publishing before 1st January 2011 in an official print media, must specify the location, date, time of the auction, the last and the one before last bids for contract price, and the names (for legal entities), the surnames, names, patronymics (for physical persons) and mailing addresses of the auction winner and the bidder that filed the one before last bid for the contract price .

(Part 16 is introduced by No. 218-FZ Federal Law of 24.07.2007)

17. Before 1st January 2011 information about appeals and their content, the decision made upon consideration of the appeals lodged by procurement participants, the determinations issued by the federal executive bodies, executive bodies of the constituent territories of the Russian Federation, local self-government bodies responsible for procurement control shall be placed in accord with the procedures for placing information about procurement accordingly on the official web-sites of the Russian Federation, a constituent territory of the Russian Federation, a municipality.

(Part 17 is introduced by No. 218-FZ Federal Law of 24.07.2007, as revised by No.308-FZ Federal Law of 30.12.2008)

18. If under this Federal Law a customer, an authorised body set the requirement to procurement participants specified in Part 2.1 Article 11 of this Federal Law, to confirm that a procurement participant meet this requirement, this procurement participant can include in the auction bid with regard to a capital construction facility commissioned or accepted before 1st January 2006, documents confirming commissioning or acceptance of a capital construction facility before 1st January 2006, and if necessary, documents confirming the cost of this facility (a contract, payment and other documents confirming the costs of a capital construction facility).

(Part 18 is introduced by No. 257-FZ Federal Law of 08.11.2007, as revised by No.83-FZ Federal Law of 08.05.2010)

19. Before the federal executive body responsible for regulation over procurement approves the nomenclature of goods, works, services for the customers' needs, the same-name goods, works, services mean goods, works, services with similar technical and functional characteristics, that can differ by insignificant characteristics (details) that do not affect the quality and the main consumer qualities of the goods, the results of works, services, and have uniform consumer orientation and can be substituted.

(Part 19 is introduced by No. 308-FZ Federal Law of 30.12.2008, as revised by No.83-FZ Federal Law of 08.05.2010)

20. From 1st January 2009 a Procurement Commission must include at least one person that has undergone professional retraining or advance training in the field of procurement for the customers' needs.

(as revised by No.365-FZ Federal Law of 27.12.2009 and No.83-FZ Federal Law of 08.05.2010)

21. before the Government of the Russian Federation establishes the initial (maximum) contract price (lot price) for procurement of services for customers' needs with small business entities, the initial (maximum) contract price (lot price) for procurement of goods, works for the customers' needs with small business entities must not exceed three million Rubles, the initial (maximum) contract price (lot price) for procurement of services for the customers' needs with small business entities must not exceed two million Rubles.

(Part 21 is introduced by No. 308-FZ Federal Law of 30.12.2008, as revised by No.83-FZ Federal Law of 08.05.2010)

22. Before 1st January 2012, a government customer, a federal budget-funded organisation or a budget-funded organisation of a constituent territory of the Russian Federation, a municipal customer can place orders for the works for construction or reconstruction of capital construction facilities, necessary to organise the summit of the heads of the states and the governments of the countries – participants of the "Asia-Pacific Economic Cooperation" Forum in 2012 in Vladivostok (further on referred to as the summit), development of Vladivostok as a centre for international cooperation in the Asia-Pacific region and provided for by the sub-programme for developing Vladivostok as a centre for international cooperation in the Asia-Pacific region of the federal target programme for economic and social development of the Russian Far East and the Baykal Region until 2013 (further on referred to as the federal target programme for summit organisation), by competitive bidding or without competitive bidding in the cases established by the decisions or instructions of the President of the Russian Federation for procurement from a single contractor, determined by the instructions of the Government of the Russian Federation, in view of the specifics established by Parts 23 – 28 of this Article.

(Part 22 is introduced by No. 93-FZ Federal Law of 08.05.2009, as revised by No.83-FZ Federal Law of 08.05.2010 and No. 56-FZ Federal Law of 05.04.2011)

23. In procurement of works for construction or reconstruction of the capital construction facilities, specified in Part 22 of this Article, by competitive bidding in the absence of project documentation for these facilities, by a

government customer, a federal budget-funded organisation or a budget-funded organisation of a constituent territory of the Russian Federation, a municipal customer the contract price shall be determined according to the following procedures:

(as revised by No.83-FZ Federal Law of 08.05.2010 and No. 56-FZ Federal Law of 05.04.2011)

1) A customer shall specify in a tender documentation or an auction documentation the initial (maximum) contract price (lot price) in accord with the cost of the relevant works (measures), provided for by the federal target programme for summit organisation;

2) it is mandatory that a contract shall specify along with the contract price (lot price), offered by the tender winner or the auction winner, the size of reduction in percentage of the initial (maximum) contract price (lot price), which is determined as the difference between the initial (maximum) contract price (lot price) and contract price (lot price), offered by the tender winner or the auction winner with regard to the initial (maximum) contract price (lot price), multiplied by a coefficient equal to;

(as revised by No.83-FZ Federal Law of 08.05.2010)

3) The size of reduction of the initial (maximum) contract price (lot price) is fixed and cannot be changed in course of executing the contract;

(as revised by No. 56-FZ Federal Law of 05.04.2011)

4) If in course of executing the contract changes were made to the federal target programme for summit organisation due to approval of the project documentation of capital construction facilities, the contract price shall be established on the basis of the costs of works (measures), set in accordance with the changes introduced to the federal target programme for summit organisation, and the size of reduction of the initial (maximum) contract price (lot price), specified in the contract.

(Part 23 is introduced by No.93-FZ Federal Law of 08.05.2009, as revised by No.83-FZ Federal Law of 08.05.2010)

24. In procurement of works for construction or reconstruction of capital construction facilities, specified in Part 22 of this Article, without competitive bidding, with the single contractor in the absence of the project documentation of these facilities approved by a government customer, a federal budget-funded organisation or a budget-funded organisation of a constituent territory of the Russian Federation, a municipal customer, the contract price shall be determined as follows:

(as revised by No.83-FZ Federal Law of 08.05.2010 and No. 56-FZ Federal Law of 05.04.2011)

1) In the contract, the customer shall specify the contract price in accordance with the cost of works (measures) provided for by the federal target programme for summit organisation;

(as revised by No.83-FZ Federal Law of 08.05.2010)

2) If in course of contract execution changes are made to the federal target programme for summit organisation due to approval of the project documentation of capital construction facilities, the contract price shall be formed on the basis of the costs of works (measures) established in accordance with the changes introduced to the federal target programme for summit organisation and the size of reduction of the initial (maximum) contract price (lot price), specified in the contract.

(Part 24 is introduced by No.93-FZ Federal Law of 08.05.2009, as revised by No.83-FZ Federal Law of 08.05.2010)

25. The size of the contract security for works for construction or reconstruction of the capital construction facilities, specified in Part 22 of this Article, must be from 10% to 30% of the initial (maximum) contract price (lot price) determined under Clause 1 Part 23 and Clause 1 Part 24 of this Article. If a contract provides for advance payment, the size of the contract security determined by this Part is increased by the size of the advance payment.

(Part 25 is introduced by No.93-FZ Federal Law of 08.05.2009, as revised by No.83-FZ Federal Law of 08.05.2010)

26. A contract shall only be concluded after the tender winner or the auction winner or the tender bidder or the auction bidder, with whom the contract is concluded if the winner of the tender or the winner of the auction evaded the contract, presents an irrevocable bank guarantee, contract liability insurance or transfers monetary funds to a customer, particularly in the form of a deposit in the size of the contract security specified in Part 25 of this Article. This tender bidder or the auction bidder shall independently determine the method of contract security out of the methods specified in this Part, in view of the requirements to credit organisations and insurance organisations established by the Government of the Russian Federation.

(Part 26 is introduced by No.93-FZ Federal Law of 08.05.2009, as revised by No. 56-FZ Federal Law of 05.04.2011)

Provisions of Part 26.1 Article 65 (as revised by No. 56-FZ Federal Law of 05.04.2011) are applicable to the legal relations developed since 15th May 2009

26.1. If the size of an advance payment and the payment procedures have been changed in accordance with the normative legal acts of the Government of the Russian Federation, normative legal acts of the supreme executive body of a constituent territory of the Russian Federation or legal acts of the Head of the Local Authority of Vladivostok City District (if a state or a municipal contract for carrying out the works for construction or reconstruction of capital construction facilities, specified in Part 22 of this Article, provides for advance payment) a customer, upon agreement with a contractor, can introduce relevant changes to the above state or municipal contract.

(Part 26.1. is introduced by 56-FZ Federal Law of 05.04.2011)

27. The federal executive body that is the customer – coordinator of the federal target programme for summit organisation (further on referred to the customer – coordinator), a municipal customer can engage independent expert organisations, selected in accordance with this Federal Law in view of the specifics

established in Part 28 of this Article, to conduct expert examination of the project documentation of the capital construction facilities, specified in Part 22 of this Article.

(Part 27 is introduced by No.93-FZ Federal Law of 08.05.2009 as revised by No. 56-FZ Federal Law of 05.04.2011)

28. In procurement of works for expert examination, specified in Part 27 of this Article, the customer – coordinator can set mandatory requirements to the rating of procurement participants, that within the past two years should be no lower than the rating of one of the international rating agencies. A relevant rating shall be determined by the customer – coordinator.

(Part 28 is introduced by No.93-FZ Federal Law of 08.05.2009)

28.1. A state or a municipal contract can be concluded by a quotation request according to the procedures established by Parts 28.2 – 28.6 of this Article, by a decision of state customers, the highest official of the Primorie region (the Head of the highest executive body of the Primorie region) or the Head of the Local Authority of Vladivostok City District in exceptional circumstances related to reduced periods for organizing the events of Summit.

(Part 28.1 is introduced by No. 56-FZ Federal Law of 05.04.2011)

28.2. By 1st January 2012 state or municipal customers can place orders by a quotation request regardless of the price of a state or a municipal contract for the works for construction, reconstruction, capital repair of capital construction facilities that under the federal target programme for organization of the Summit are classified as facilities of the federal status, regional status or municipal status, orders for design and prospecting works on the above facilities, orders for the works for construction of free-standing residential houses, residential houses of unit construction, apartment blocks, where residential premises (rooms, apartments) will be given to residents instead of their real estate property being repossessed in order to place capital construction facilities specified in Part 22 of this Article, orders for the works for construction, reconstruction, capital repair for facilities located along the guest route of the delegations taking part in the Summit, and orders for design and prospecting works with regard to the above facilities.

(Part 28.2 is introduced by No. 56-FZ Federal Law of 05.04.2011)

28.3. If for state or municipal procurement by a quotation request, provided for by Part 28.1 of this Article, the initial (maximum) state or municipal contract price was 50 million Rubles and more, a notice about a quotation request, along with the information specified in Part 43 of this Federal Law, must contain the following requirements:

1) Contract surety;

2) Execution by participants of state or a municipal contract, within the three years preceding the date when a notice about a quotation request was placed in the official web-site, the works for construction, reconstruction, capital repair of capital construction facilities of the works of the same group, sub-group or one of several groups, sub-groups, for which a state or a municipal order is being placed.

(Part 28.3 is introduced by No. 56-FZ Federal Law of 05.04.2011)

28.4. If a state or a municipal customer establishes the requirement for contract surety, the size of the surety must be from 10% to 30% of the initial (maximum) contract price. If a government or a municipal contract provides for advance payment, the size of the contract surety, determined in this Part, shall be increased by the size of the advance payment.

(Part 28.4 is introduced by No. 56-FZ Federal Law of 05.04.2011)

28.5. A state or a municipal contract shall only be concluded after the winner of a quotation request or the bidder that filed a quotation bid and which a state or a municipal contract is concluded if the winner of the quotation request evades concluding the state or the municipal contract, presents an irrevocable bank guarantee issued by a bank or another credit organization, a surety agreement, that meets the requirements of Parts 4.1 - 4.3 Article 29 of this Federal Law, or monetary funds are pledged to a state or a municipal customer, particularly as a deposit, in the size of the surety for the state or the municipal contract specified in a notice about the quotation request. The winner or the procurement participant shall independently select a method to ensure obligations execution from the methods specified in this Part. If the winner of a quotation request or the procurement participant that filed a quotation bid and with whom the state or the municipal contract shall be concluded when the winner of the quotation request evaded concluding the state or the municipal contract, within the period specified in the notice about the quotation request, failed to present a signed draft of the state or municipal contract to the state or the municipal customer and the surety for the state or the municipal contract, the winner or the bidder are recognized as evading the state or the municipal contract.

28.6. If a state or a municipal customer establishes the requirements specified in Clause 2 Part 28.3 of this Article, a copy of a permit to commission a capital construction facility, a copy of the act of acceptance of a capital construction facility should be enclosed to a quotation request, except when a developer is a person who carrying out the construction. A state or a municipal customer can request information from the relevant authorities about commissioning capital construction facilities, the act of acceptance of a capital construction facility that is provided to obtain a permit to commission a capital construction facility. Within three working days the above bodies and organizations must provide the required information upon a request of a state or a municipal customer.

(Part 28.6 is introduced by No. 56-FZ Federal Law of 05.04.2011)

29. Before 1st July 2010, a customer, an authorised body at their disposal can organise an open auction in the electronic form according to the procedures established by Article 41 of this Federal Law in view of a restriction set under Part 3 Article 32 of this Federal Law, or under the procedures established by Chapter 3.1 of this Federal Law. If an open auction in the electronic form is organised according to the procedures established by Article 41 of this Federal Law, the requirement for the bid security for an open auction in the electronic form shall not be set.

(Part 29 is introduced by No.93-FZ Federal Law of 08.05.2009)

30. Before 1st January 2011, if an open auction in the electronic form is organised under the procedures established by Chapter 3.1 of this Federal Law the documents and information subject to placement on the official web-site shall be placed by a customer, an authorised body, a specialised organisation on an electronic site when it is planned to organise the above open auction.

(Part 30 is introduced by No.93-FZ Federal Law of 08.05.2009)

31. The federal executive body responsible for normative legal regulation of procurement, jointly with the federal executive body responsible for control over procurement shall select electronic sites for the purposes of organising open auctions in the electronic form in accordance with the procedures established by the federal executive body responsible for normative legal regulation of procurement. When selecting electronic sites, the conditions of their functioning and the number of electronic site shall be determined.

(Part 31 is introduced by No.93-FZ Federal Law of 08.05.2009, as revised by No.144-FZ Federal Law of 01.07.2009)

32. Before selecting operators of electronic sites under Part 31 of this Article, the Government of the Russian Federation can determine operators of electronic sites for the purposes of organising open auctions in the electronic form for the right to conclude government contracts for goods, works, services for the federal needs under Chapter 3.1 of this Federal Law. The above electronic sites shall function before electronic sites of the operators of electronic sites selected under Part 31 of this Article start functioning.

(Part 32 is introduced by No.93-FZ Federal Law of 08.05.2009)

32.1. Government and municipal customers can procure goods, works, services for the needs of the constituent territories of the Russian Federation or municipal needs by organising open auctions in the electronic form under Chapter 3.1 of this Federal Law on electronic sites, whose operators are determined by the Government of the Russian Federation under Part 32 of this Article.

(Part 32.1 is introduced by No.78-FZ Federal Law of 05.05.2010)

33. A contract can be concluded by a quotation request in accordance with the procedures specified in Parts 34 - 38 of this Article, upon a decision of the heads of federal executive bodies that are responsible executors according to the Programme for construction of Olympic facilities and development of Sochi as an alpine climatic resort, a chief executive officer of the Krasnodar region (the Head of the executive authority of the Krasnodar region) or the head of a municipality of Sochi city-resort in exceptional cases related to reduced periods for organisation of the events of XXII Winter Olympic Games and XI Winter Paralympic Games 2014 in Sochi.

(Part 33 is introduced by No.155-FZ Federal Law of 17.07.2009, as revised by No.83-FZ Federal Law of 08.05.2010)

34. Before 31st December 2016, customers can procure by quotation requests, regardless of the contract price, the works for construction or reconstruction of capital construction facilities, that under No.310-FZ Federal Law "On Organisation of XXII Winter Olympic Games and XI Winter Paralympic Games 2014 in Sochi,

Developing Sochi as an Alpine Climatic Resort and Introducing Changes to Some Legislative Acts of the Russian Federation" of 1st December 2007 belong to the Olympic facilities with federal status, Olympic facilities with regional status or Olympic facilities with municipal status, procurement of project, and prospecting works with regard to the above facilities as well as procurement of work for construction of detached residential houses, residential block houses and apartment blocks, residential premises in which are designed to be provided to citizens instead of real estate recalled for the purposes of siting Olympic facilities.

(Part 34 is introduced by No.155-FZ Federal Law of 17.07.2009, as revised by No.83-FZ Federal Law of 08.05.2010)

35. If in procurement by quotation requests under Part 34 of this Article the initial (maximum) contract price is 50 million Rubles and more, a notice about a quotation request, along with information specified in Part 43 of this Federal Law, must contain the requirements:

(as revised by No.83-FZ Federal Law of 08.05.2010)

1) About the contract security;

(as revised by No.83-FZ Federal Law of 08.05.2010)

2) About procurement participants executing a state or municipal contract within the last three years preceeding the date of placing a notice about a quotation request for the works for construction, reconstruction, capital repair of capital construction facilities, that belong to the same group, sub-group or one of several groups, sub-groups of works for which a state or a municipal order is placed.

(Part 35 is introduced by No.155-FZ Federal Law of 17.07.2009)

36. When a customer set a requirement specified in Clause 1 Part 35 of this Article, the size of the contract security must be from 10% to 30% of the initial (maximum) contract price. If the contract provides for advance payment, the size of the contract security, determined by this Part, shall be increased by the size of advance payment.

(Part 36 is introduced by No.155-FZ Federal Law of 17.07.2009, as revised by No.83-FZ Federal Law of 08.05.2010)

37. A state or a municipal contract shall be concluded only after the winner of a quotation request or the procurement participant that filed a quotation bid, with whom a state or municipal contract shall be concluded if the winner of a quotation request evades a state or municipal contract, provides an irrevocable bank guarantee, a liability insurance under a state or a municipal contract or transfers monetary funds to a government customer, particularly in the form of a deposit in the size of the security for a state or a municipal contract specified in a notice about a quotation request, in view of the norms of Part 36 of this Article. This procurement participant shall independently determine the method of the contract security out of the methods specified in this Part. If the winner of a quotation request or the procurement participant that filed a quotation bid, with whom a state or municipal contract shall be concluded if the winner of a quotation request evades a state or municipal contract, within the period specified in a notice about a quotation request failed to present a

signed draft state or a municipal contract to a state or a municipal customer, this procurement participant is recognised as evading a state or a municipal contract.

(Part 37 is introduced by No.155-FZ Federal Law of 17.07.2009)

38. When a customer sets the requirement specified in Clause 2 Part 35 of this Article, enclosed to a quotation bid should also be a copy of the permit for commissioning capital construction facility, a copy of the act of acceptance of capital construction facility, except if a developer is a person carrying out the construction. A customer can request the relevant bodies and organisations to provide information about commissioning the capital construction facility, the act of acceptance of the capital construction facility, provided when obtaining a permit for commissioning the capital construction facility. The above bodies and organisations must within three working days present the necessary data upon a customer's request.

(Part 33 is introduced by No.155-FZ Federal Law of 17.07.2009, as revised by No.83-FZ Federal Law of 08.05.2010)

39. The Government of the Russian Federation establishes the list of goods, works, services that shall be procured for the federal needs by an open auction in the electronic form from 1st January 2010 to 30th June 2010. It is not allowed to organise an auction (except an open auction in the electronic form) or a tender for procurement of such goods, works, services for the federal needs.

(Part 39 is introduced by No.273-FZ Federal Law of 25.11.2009)

40. Before 1st January 2011, a customer, an authorised body that procure goods, works, services, with regard to which Part 4 Article 10 of this Federal Law provides for organisation of an auction or Part 4.1 статьи Article 10 of this Federal Law provides for organisation of an open auction in the electronic form for the needs of the constituent territories of the Russian Federation of municipal needs, can procure goods, works, services for state or municipal needs by organising an auction or an open auction in the electronic form under the provisions of this Federal Law.

(Part 40 is introduced by No.273-FZ Federal Law of 25.11.2009)

Vladimir Putin,

the President of the Russian Federation

Moscow, the Kremlin

21st July 2005

No. 94-FZ

(non-official translation)

