GOVERNMENT OF THE RUSSIAN FEDERATION

RESOLUTION # 1222 Dated September 26, 1997

ON GOODS PROCURED FOR STATE NEEDS ON A NON COMPETITIVE BASIS

(incorporates changes and additions introduced by Resolutions ## 651 and 26 of the Government of the Russian Federation respectively dated June 25, 1998 and January 9, 1999 (as amended on September 3, 1999)

For the purposes of implementation of Decree # 305 of the President of the Russian Federation dated April 8, 1997 "On Priority Measures to Prevent Corruption and Reduce Budgetary Expenditures When Organizing Procurement of Goods for State Needs" (Sobraniye Zakonodatelstva Rossiyskoy Federatsii, 1997, # 15, page 1756) the Government of the Russian Federation has resolved:

1. To determine that the following goods (work, services) shall be procured for state needs on a non-competitive basis:

precious metals and precious stones;

museum items (individual items and collections), unique and rare books, manuscripts, archive documents on various types of media, and other items (including copies) having a historical, artistic or any other cultural value; protected by the state as historical and cultural monuments; and intended for the replenishment of the museum, library, archive, cinema, photographic and other such funds;

state television and radio productions, and television and radio broadcasting services provided by communication sector organizations;

work to maintain the mobilization capacities;

domestically-produced vaccines included in the National Calendar of Preventive Vaccinations (this paragraph was introduced by Resolution # 651 of the Government of the Russian Federation dated June 25, 1998);

food and material and technical resources supplied in 1999 from the territory of Ukraine to federal bodies of executive power and other recipients of federal budgetary resources at food prices formed on the Russian market as of the moment of the signing of the contract, and at negotiated prices for material and technical resources supplied as repayment of the debt for Russian natural gas deliveries to Ukraine (*incorporates changes and additions introduced by Resolution 26 of the Government of the Russian Federation dated January 9, 1999 ((as amended on September 3, 1999)*;

goods manufactured under state defense orders – in case no other enterprises apply for participating in competitive placement of such orders, or in case the lead contractor (executor) is not selected as a result of such competitive selection.

The above goods (work, services) shall be procured for state needs on a non-competitive basis in full.

2. To establish that the procurement of goods from the suppliers specified in the state defense order for 1997 shall be carried out on a non-competitive basis.

Chairman of the Government of the Russian Federation V.CHERNOMYRDIN