

**FEDERAL LAW NO. 94-FZ OF JULY 21, 2005 ON PLACEMENT OF ORDERS TO SUPPLY GOODS,
CARRY OUT WORKS AND RENDER SERVICES FOR MEETING STATE AND MUNICIPAL NEEDS
(with the Amendments and Additions of December 31, 2005, July 27, 2006, April 20, July 24,
November 8, 2007)**

**Adopted by the State Duma on July 8, 2005
Endorsed by the Federation Council on July 13, 2005**

Chapter 1. General Provisions

Article 1. The Scope of Regulation of this Federal Law and Aims Thereof

1. This Federal Law shall regulate the relations connected with the placement of orders to supply commodities, carry out works and render services for meeting state or municipal needs (hereinafter also referred to as placement of an order), in particular, shall establish a uniform procedure for placing orders, for the purpose of ensuring the unity of the economic space on the territory of the Russian Federation when placing orders, the efficient use of budget assets and of those from off-budget financing sources, providing greater opportunities to natural persons and legal entities as to participation in the placement of orders and encouraging such participation, developing fair competition, improving the activities of state power bodies and local self-government bodies concerning placements of orders, ensuring publicity and transparency in placement of orders, prevention of corruption and other abuse while placing orders.

2. This Federal Law shall apply in the event of placing orders to supply commodities, carry out works and render services for meeting state or municipal needs, except when such services are rendered by international financial organisations, of which the Russian Federation is a party, as well as by international financial organisations with which the Russian Federation has made international treaties. A list of said international financial organisations shall be endorsed by the Government of the Russian Federation.

3. The specifics of placing the state defence order, an order to supply material assets to the state reserve, may be established by other federal laws.

Article 2. The Legislation of the Russian Federation and Other Normative Legal Acts of the Russian Federation Concerning Placement of Orders

1. The legislation of the Russian Federation on placements of orders is based on the provisions of the Civil Code of the Russian Federation, the Budget Code of the Russian Federation and consists of this Federal Law and other federal laws regulating the relations connected with placement of orders. The rules of law contained in other federal laws and connected with placements of orders must comply with this Federal Law.

2. In the instances provided for by the legislation of the Russian Federation on placements of orders the President of the Russian Federation and the Government of the Russian Federation shall be entitled to adopt normative legal acts regulating the relations connected with placement of orders.

3. The federal executive body charged with normative legal regulation with respect to placements of orders shall be entitled to adopt normative legal acts regulating the relations which are connected with placements of orders in the instances and to the extent that are provided for by this Federal Law and by the normative legal acts of the Government of the Russian Federation adopted in compliance with it.

4. Where an international treaty made by the Russian Federation establishes rules other than those provided for by this Federal Law, the rules of the international treaty shall apply.

Article 3. State Needs and Municipal Needs

1. State needs shall mean the Russian Federation's needs and those of governmental customers for commodities, works and services required for the exercise of the functions and powers of the Russian Federation and of governmental customers (in particular, for implementation of federal targeted programmes), for fulfilment of international obligations of the Russian Federation, in particular for implementation of the international targeted programmes where the Russian Federation participates (hereinafter also referred to as federal needs) or the needs of the constituent entities of the Russian Federation and governmental customers in commodities, works and services required for exercise of the functions and powers of the constituent entities of the Russian Federation and of governmental customers, in particular for implementation of regional targeted programmes (hereinafter also referred to as needs of the constituent entities of the Russian Federation) which are satisfied with the use of the federal budget funds, or budget funds of the constituent entities of the Russian Federation, or funds from off-budget financing sources.

2. Municipal needs shall mean the needs of municipal establishments and of municipal customers for commodities, works and services required for resolving problems of local importance and exercise of individual state powers transferred to local self-government bodies by federal laws and (or) laws of the constituent entities of the Russian Federation, as well as for the exercise of the functions and powers of

municipal customers, that are satisfied with the use of local budget funds and extra-budgetary sources of financing.

Article 4. State Customers and Municipal Customers

1. As state customers and municipal customers (hereinafter also referred to as customers), when placing orders to supply commodities, carry out works and render services at the expense of budgets funds and extra-budgetary sources of financing, may act accordingly state power bodies, state extra-budgetary funds, local authorities, as well as state-financed institutions, other recipients of budget funds and the state-financed institutions, other recipients of funds from the budgets of constituent entities of the Russian Federation and from local budgets authorised by state power bodies of constituent entities of the Russian Federation or by local authorities to place orders.

2. If the federal executive body, the executive body of a constituent entity of the Russian Federation or the local self-government body authorised to exercise the functions of placing orders for state or municipal customers (hereinafter referred to as an authorised body) are established, the said authorised body shall exercise the functions of placing orders for state or municipal customers defined by the decision on establishment of the appropriate authorized body, except for signing state or municipal contracts of supplying goods, carrying out works and rendering services to meet state or municipal needs. With this, state or municipal contracts shall be signed by state or municipal customers. A procedure for interaction of an authorised body and state or municipal customers must be set by a decision on the establishment of such authorised body.

Article 5. Placement of Orders to Supply Commodities, Carry Out Works and Render Services for Meeting State or Municipal Needs

Placement of orders to supply commodities, carry out works and render services for meeting state or municipal needs shall mean the activities of customers or authorised bodies exercised in the procedure provided for by this Federal Law, which are aimed at finding suppliers (performers, contractors) for the purpose of making with them state or municipal contracts of supplying goods, carrying out works and rendering services to meet state or municipal needs (hereinafter also referred to as a state or municipal contract or contract) and in the case, provided for by Item 14 of Part 2 of Article 55 of this Federal Law, for the purpose of concluding other civil law contracts with them in any form as well.

Article 6. Specialised Organisation

1. A customer or an authorised body shall have the right (where such right is provided for by a decision on establishing the authorised body) to attract a legal entity on a contractual basis (hereinafter referred to as a specialised organisation) for exercise of the functions of placing an order by way of sales in the form of a tender for the right to make a state or municipal contract (hereinafter also referred to as a tender) or an auction of the right to make a state or municipal contract (hereinafter also referred to as an auction) - that is, to devise tender documentation or auction documentation, to publish and insert a notice of holding a public tender or an public auction, to send invitations to participate in a public tender or a public auction, as well as to exercise other functions related to ensuring the conduct of sales. With this, establishment of a commission for placement of an order, fixing of the initial (maximum) price of a state or municipal contract, determination of the subject and essential conditions of a state or municipal contract, endorsement of a draft contract, tender documentation, auction documentation, determination of the terms of sales and their modification shall be effected by the customer or authorised body, while a state or municipal contract shall be signed by the customer.

2. A specialised organisation shall be selected by a customer or an authorised body by way of holding sales or a call for bids in respect of commodities, works and services in compliance with this Federal Law.

3. A specialised organisation shall exercise the functions specified in Part 1 of this Article, on behalf of a customer or authorised body. With this, either the customer or authorised body shall obtain the relevant rights and responsibilities.

4. A customer or an authorised body shall be jointly liable for the harm caused to a natural person or legal entity as a result of unlawful actions (omission to act) of the specialised organisation made within the scope of authority transferred thereto by the customer or the authorised body on a contractual basis and connected with placement of an order, when it exercises on behalf of the customer or authorised body the functions specified in Part 1 of this Article.

5. A specialised organisation may not participate in the placement of an order under which this organisation is engaged in the exercise of the functions indicated in Part 1 of this Article.

Article 7. Commission for Placement of Orders

1. When placing an order by way of holding a tender or an auction, as well as by way of a call for bids in respect of commodities, works or services (hereinafter referred to as a call for bids), a tender, auction or bidding commission shall be established (hereinafter also referred to as a commission).

2. A customer or an authorised body, prior to publishing a notice of holding a public tender or public auction, of making a call for bids, of a preliminary selection or sending invitations to participate in a closed tender or a closed auction shall decide on establishing a commission, determine its composition and working routine, and shall appoint the chairman thereof. The customer or the authorized body are entitled to include into the composition of the commission mainly persons who have been professionally retrained or have raised their qualifications in the field of placement of orders for meeting state or municipal needs.

3. A commission must include at least five persons.

3.1. When holding an open tender for the right to conclude a state or municipal contract for creation of a work of literature or arts (except for software for electronic computers (hereinafter referred to as computers) and data bases) for performance, for financing distribution or demonstration of a national film, the tender commission must include creative specialists engaged in the appropriate area of literature or arts. The number of such persons must constitute at least 50 per cent of the total number of tender commission members.

4. The natural persons who are personally interested in the results of placing an order (including the natural persons who have filed applications for participation in a tender, applications for participation in an auction or applications for participation in a bidding (hereinafter referred to as bids) or those on the staff of the organisations that have filed the said applications) or the natural persons who can be influenced by participants in the placement of an order (including the natural persons who are participants (stockholders) of these organisations, members of their managerial bodies, creditors of participants in placement of an order), as well as officials, who directly exercise control over placement of orders, of the federal executive body, the executive body of a constituent entity of the Russian Federation or local self-government body authorized to exercise control over orders' placement (hereinafter referred to as the body authorised to exercise control over orders' placement) may not be members of the commission. In the event of detecting the said persons within the composition of a commission, a customer or authorised body that has decided on the establishment of the commission shall be obliged to replace them immediately by other natural persons who are not personally interested in the results of placing the order and who cannot be influenced by participants in its placement, as well as those who are not officials, directly involved in the exercise of control over placement of orders, of the agencies authorised to exercise control over orders' placement.

5. The replacement of a commission member shall be only allowable on the basis of a decision of the customer or authorised body that have decided on the establishment of the commission.

6. A tender commission shall open envelopes with applications for participation in a tender or shall provide access to applications for participation in a tender, which are kept in the general use information system filed in the form of electronic documents and signed in compliance with normative legal acts of the Russian Federation (hereinafter also referred to as opening of envelopes with applications for participation in a tender and provision of access to applications for participation in a tender filed in the form of electronic documents), shall select tender participants, consider, assess and compare applications for participation in a tender, determine a tender winner, keep a record of opening envelopes with applications and of provision of access to applications for participation in a tender filed in the form of electronic documents, a record of considering applications for participation in a tender, a record of assessment and comparison of applications for participation in a tender, a record in respect of the refusal to conclude a contract.

7. An auction commission shall consider applications for participation in an auction and select its participants, shall keep a record of consideration of applications for participation in a tender, and a record in respect of the refusal to make a contract.

8. A bidding commission shall preliminarily select participants in placement of an order, keep a record of considering applications for participation in a preliminary selection in the instances provided for by this Federal Law, and shall consider, assess and compare bids and determine the winner of bidding, keep a record of consideration and assessment of bids or the record in respect of the refusal to make a contract.

9. A customer or authorised body shall be entitled to establish a single commission for exercise of the functions provided for by Parts 6-8 of this Article.

10. A commission shall be authorised to exercise the functions provided for by Parts 6-8 of this Article, if at least 50 per cent of the total number of its members are present at the commission's meeting. The commission members must be notified in due time of the place, date and time of holding the commission's meeting. It is not allowable for the commission members to adopt decisions by absentee voting, or to delegate their authority to other persons.

Article 8. Participants in Placement of Orders

1. As participants in placement of orders shall be deemed the persons claiming to make a state or municipal contract. Any legal entity regardless of its organisation and legal form, property form, location

and the capital's place of origin or any natural person, in particular, an individual businessman, may participate in the placement of an order.

2. Participation in placement of orders may be only restricted in the instances provided for by this Federal Law and other federal laws.

Article 9. State or Municipal Contract of Supplying Commodities, Carrying Out Works and Rendering Services to Meet State or Municipal Needs

1. A state or municipal contract shall mean the contract made by a customer on behalf of the Russian Federation, a constituent entity of the Russian Federation or municipal formation for the purpose of meeting state or municipal needs.

2. A state and municipal contract shall be made in the procedure provided for by the Civil Code of the Russian Federation and other federal laws subject to the provisions of this Federal Law.

3. After determining the winner of a tender, auction or the winner of bidding, the customer shall be obliged within the time period provided for making a state or municipal contract to deny making the contract with the winner of the tender, auction or the winner of bidding, or if the winner of a tender, auction or the winner of bidding evades making the contract with the participant in placement of the order with which such contract is to be made, in the event of detecting the following facts:

1) of effecting liquidation of participants in placement of the order which are legal entities or of the adoption by an arbitration court of a decision to declare bankrupt participants in the order's placement which are legal entities or individual businessmen and on initiating bankruptcy proceedings;

2) of suspension of the activities of the said persons in the procedure provided for by the Code of Administrative Offences of the Russian Federation;

3) of presenting by the said persons wittingly false data contained in the documents provided for by Part 3 of Article 25 or Part 2 of Article 35 of this Federal Law;

4) of the said persons' property being under arrest made on the basis of a court decision, if upon the expiry of the time period for making the contract the balance sheet value of arrested property exceeds twenty five percent of the balance sheet value of the said persons' assets according to the business accounting report documents for the last complete reporting period;

5) of a participant in the order's placement having arrears of charged taxes, fees and other obligatory payments to budgets of any level or to state extra-budgetary funds for the past calendar year whose amount exceeds twenty five per cent of the balance sheet value of assets of the participant in the order's placement on the basis of accounting reports/statements for the last reporting period, provided that the participant in the order's placement does not appeal against said arrears in compliance with the legislation of the Russian Federation.

3.1. In the event of the refusal to conclude a contract with the winner of a tender, auction or the winner of a call for bids in respect of commodities or in the event of the avoidance of the winner of a tender, auction or the winner of a call for bids to conclude the contract with the participant in the order's placement with which such contract is to be concluded the tender, the auction or quotation commission, within the time period of one day following the date of establishing the facts provided for by Part 3 of this article and serving as grounds for the refusal to conclude the contract shall draw up a record in respect of the refusal to conclude the contract that must contain data on the place, date and time of drawing it up, on the person with which the customer refuses to conclude the contract, data on the facts serving as grounds for the refusal to conclude the contract, as well as requisite elements of the documents proving such facts. The record shall be signed by all attending members of the tender, auction or quotation commission and the customer on the day of drawing up such record. The record shall be drawn up in two copies, one of them being kept by the customer. The said record shall be put by the customer on the official WEB-site defined in the procedure established by Article 16 of this Federal Law within one day following the date of signing the said record. The customer within two working days as of the date of signing the record shall pass over one copy of the record to the person with which the customer has refused to make the contract.

4. An order shall be deemed placed as of the date of concluding a state or municipal contract, and in the case, provided for by Item 14 of Part 2 of Article 55 of this Federal Law, as of the date of concluding other civil law contracts.

4.1. The price of a state or municipal contract shall be fixed and shall not be changed in the course of execution thereof, except when making a contract on the basis of Item 2.1 of Part 2 of Article 55 of this Federal Law, and also as established by Parts 4.2, 6, 6.2-6.4 of this Article. Payment for supplied commodities, carried out works and rendered services shall be made at the price established by a state or municipal contract.

4.2. Where the tender documentation or auction documentation when placing an order to carry out works related to maintenance and/or repair of machines, equipment, to provide communication services or render legal aid specifies the price of spare parts (of each spare part) for machines and equipment, the price of a unit service and/or unit work offered by the person with which a contract is made under this Federal Law, the price of the spare parts (of each spare part) to the machines and the

equipment, the price of the unit service and/or unit work shall be fixed and may not be changed in the course of implementation of such contract. Carrying out of such works and rendering of such services shall be paid for at the price of the unit service and/or unit work on the basis of the volume of actually rendered services and carried out works at the price of each spare part for the machines and equipment on the basis of quantity of the spare parts supplied in the course of executing the contract but at a rate not exceeding the initial (maximum) contract price cited in the tender documentation or auction documentation.

5. When making and executing a state or municipal contract, it shall not be allowable to modify by agreement of the parties and unilaterally the terms of the contract specified in Parts 11 and 12 of this Article, Part 12 of Article 25, Part 5 of Article 27, Part 3 of Article 29, Part 1 of Article 31, Part 7 of Article 31.4, Part 3 of Article 31.5, Part 12 of Article 35, Part 6 of Article 36, Part 13 of Article 37, Part 3 of Article 38, Part 1 of Article 40, Part 14 of Article 41, Part 6 of Article 42, Parts 6 and 8 of Article 46, Part 8 of Article 47, Part 10 of Article 53 and Parts 5 and 6 of Article 54 of this Federal Law, except for instances provided for by Parts 6-6.6 and 8.1 of this Article.

6. Where it is provided for by tender documentation, the customer, with approbation of the supplier (performer or contractor) is entitled while executing a contract to alter by at most 10 per cent the quantity of commodities or the volume of works and services which are provided for by the contract, if the need for the commodities, works and services, for whose accordingly supply, carrying out and rendering the contract is made, has changed or if the need has been exposed for an additional volume of works or services which are not provided for by the contract but are connected with the works and services provided for by the contract. Where it is stipulated by tender documentation, as well as if an order is placed with a single supplier in compliance with Item 16 of Part 2 of Article 55 of this Federal Law, the customer with the approbation of the supplier is entitled when executing the contract to alter by 10 per cent at most the quantity of all the commodities provided for by the contract, if the need for the commodities for whose supply the contract is made has changed. When supplying an additional quantity of such commodities, carrying out an additional volume of such works and rendering an additional volume of such services, the customer with the approbation of the supplier (performer or contractor) is entitled to alter the initial contract price in proportion to the quantity of such commodities, the volume of such works or services but at most by 10 per cent of such contract's price, and when making the appropriate amendments to a contract in connection with reduction of the need for supply of such commodities, carrying out such works and rendering such services the customer is obliged to change the contract price in the said way. The unit price of additionally supplied commodities and the unit price of commodities in the event of decrease of the need for supply of a part of such commodities shall be determined as the quotient resulting from division of the initial contract price by the quantity of such commodities provided for by the contract.

6.1. It shall not be allowable while executing a state or municipal contract to replace the supplier (performer or contractor), except when the supplier (performer or contractor) is the legal successor of the supplier (performer or contractor) under such contract as a result of re-organisation of a legal entity in the form of transformation, merger or affiliation.

6.2. Where the price of a state contract for carrying out works to meet federal needs, which is made for a term of at least three years, amounts to 10 billion roubles and more and it is impossible to execute the said contract without changing the price thereof as a result of a major increase of the cost of works to be carried out, such price may be changed on the basis of a decision of the Government of the Russian Federation.

6.3. Where the price of a state or municipal contract for carrying out works to meet the needs of a constituent entity of the Russian Federation or municipal needs, which is made for a term of at least three years, amounts accordingly to one billion roubles and more and to five hundred million roubles and more and it is impossible to execute the said contracts without changing the price thereof as a result of a major increase of the price of works to be carried out, such price may be changed on the basis of accordingly a law adopted by the constituent entity of the Russian Federation or a decision of the representative local self-government body.

6.4. In the event of changes under the legislation of the Russian Federation in state-controlled prices (tariffs) of commodities, works and services of natural monopolists, in prices and tariffs in the field of gas supply, tariffs of commodities and services of organisations pertaining to the public utilities complex, the customer in the course of execution of a state or municipal contract made on the basis of Item 1 or 2 of Part 2 of Article 55 of this Federal Law is obliged to change the price of such contract according to the changes in tariffs of appropriate commodities and services of organisations pertaining to the public utilities complex, prices and tariffs in the field of gas supply, prices (tariffs) of commodities, works and services of natural monopolists.

6.5. When concluding a state or municipal contract, the customer by approbation of the participant with which this contract is to be concluded under this Federal Law is entitled to increase the quantity of the commodities being supplied by an amount not exceeding the difference between the price of the contract offered by such participant and the initial (maximum) price of the contract (the price of a

lot), where such customer's right is provided for by the tender documentation or auction documentation. For this the unit price of the said commodities must not exceed the price of the unit commodity defined as the quotient of division of the contract price cited in the application for participation in a tender or offered by the tender participant with which the contract is concluded by the quantity of commodities cited in the notice of holding a public tender or public auction.

6.6. In the case of replacement of a state or municipal customer under a contract, the customer's rights and duties under such contract shall be transferred to the new customer in the same extent and under the same terms.

7. When making a state or municipal contract of supplying energy resources, the relevant draft contract sent by a state or municipal customer to the supplier must be based on the volume of energy resources' consumption coordinated in the procedure provided for by the legislation of the Russian Federation.

7.1. In the placement of an order for rendering communication services by the federal executive power body, under whose jurisdiction are put special-purpose communication networks intended for the needs of the country's defence and state security and for the ensurance of law and order, and which comes out as a state customer, the initial (maximum) price of the state contract as well as the price of the state contract if the state order is placed by the above-said body with an only executor, shall be determined in accordance with the procedure established by the Government of the Russian Federation, proceeding from the need to compensate the economically substantiated outlays connected with rendering services and to recompence the substantiated norm of profit (profitability) from the capital used in rendering the given services.

7.2. When placing orders for carrying out works aimed at construction, re-construction or overhaul of capital construction objects, the initial (maximum) price of a state or municipal contract shall be fixed for the whole period of carrying out such works on the basis of their price within the appropriate years of the planned period of the contract's execution.

8. The dissolution of a state or municipal contract shall be allowable by agreement of the parties thereto or by court decision for the reasons provided for by the civil legislation.

8.1. In the event of dissolution of a state or municipal contract in connection with failure to discharge, or improper discharge, by the supplier (performer or contractor) of their obligations under the contract, the customer is entitled to conclude a contract with the participant in the order's placement with which under this Federal Law the contract has to be made in the event of evasion of the tender winner or the winner of a call for bids of concluding the contract with the approbation of such participant in the order's placement. A state or municipal contract shall be concluded with the said participant in the order's placement under the terms provided for accordingly by Part 3 of Article 29, Part 3 of Article 38 and Part 8 of Article 47 of this Federal Law subject to the specifics provided for by this article. If prior to dissolution of a state or municipal contract the supplier (performer or contractor) has partially discharged obligations under such contract, the quantity of the commodities to be supplied, the volume of the works to be carried out and the services to be rendered, when making a new state or municipal contract, shall be reduced subject to the quantity of supplied commodities, the volume of carried out works and rendered services under the contract previously made with the winner of the tender, auction or the winner of a call for bids. For this the contract price shall be reduced in proportion to the quantity of supplied commodities, the volume of carried out works and rendered services.

8.2. In the event of issuance by a court of law of a ruling to secure a claim for dissolution of a state or municipal contract for supplying foodstuffs, means required for rendering emergency medical aid or immediate medical aid, medicines, fuel which are necessary to support the normal life of citizens and whose unavailability can disrupt normal life, the customer is entitled to place an order to supply such commodities by way of a call for bids in compliance with Part 6 of Article 42 of this Federal Law.

9. In the event of a delay in discharge by a customer of the commitment provided for by a state or municipal contract, the other party shall be entitled to demand payment of a forfeit (fine or penalty). The forfeit (fine or penalty) shall be charged for each day of delay in discharging the commitment provided for by a state or municipal contract, starting from the date following the day of expiry of the time period for discharge of the commitment established by the state or municipal contract. The rate of such forfeit (fine or penalty) shall be established in the amount of one three hundredth of the refinancing rate of the Central Bank of the Russian Federation effective on the date of paying the forfeit (fine or penalty). A customer shall be relieved of paying a forfeit (fine or penalty) if it can prove that a delay in discharge of the said commitment has been caused by an act of God or through the other party's fault.

10. A state or municipal contract shall include an obligatory provision to the effect that the supplier (performer, contractor) shall be liable for failure to discharge, or improper discharge of, a commitment provided for by the state or municipal contract.

11. In the event of a delay in the discharge by the supplier (performer or contractor) of an obligation provided for by a state or municipal contract, the customer is entitled to demand payment of a forfeit (fine or penalty). The forfeit (fine or penalty) shall be charged for each day of delay in discharging the obligation provided for by a state or municipal contract, starting from the day following the date of

expiry of the time period for discharging the obligation fixed by the state or municipal contract. Such forfeit (fine or penalty) shall be established by a state or municipal contract in the amount of at least one three hundredth of the refinancing rate of the Central Bank of the Russian Federation effective as of the date of payment of the forfeit (fine or penalty). The supplier (performer or contractor) shall be relieved from paying a forfeit (fine or penalty) if he can prove that the delay in discharging the said obligation was caused by an act of God or the customer's fault.

12. A state or municipal contract shall include an obligatory term as to the procedure for acceptance by the customer of commodities being supplied, the works being carried out and the services rendered, as regards the compliance of their quantity, completeness, volume and quality with the requirements established by such contract. In order to verify the conformity of the quality of commodities to be supplied, works to be carried out and services to be rendered to the requirements established by a state or municipal contract, the customer is entitled to attract independent experts who are selected in compliance with this Federal Law.

Article 10. Ways of Placing an Order

1. An order can be placed:

1) by way of holding sales in the form of a tender or auction, including an auction in an electronic form;

2) without holding sales (by a call for bids, with a single supplier (performer, contractor), at commodity exchanges).

2. In all instances an order shall be placed by way of holding sales, except for the instances provided for by this Federal Law.

2.1. When placing orders for supplying commodities, carrying out works or rendering services by way of holding an auction, lots may be marked out in respect of which in a notice of holding a tender or an auction, the subject, initial (maximum) price, time and other terms of supplying commodities, carrying out works or rendering services may be shown separately in tender documentation or auction documentation. A participant in placing orders shall file an application for participation in a tender or an auction in respect of a specific lot. For each lot a separate state or municipal contract shall be made.

3. A decision on the way of placing an order shall be rendered by a customer or an authorised body in compliance with the provisions of this Federal Law.

4. Orders to supply commodities, carry out works and render services for meeting state or municipal needs which are not accordingly supplied, carried out and rendered on the basis of specific applications of a customer or authorised body, for which there is a functioning market and which can be compared solely on the basis of prices thereof, shall be placed by way of holding an auction. Lists of the commodities, works and services in respect of which orders accordingly to supply, carry out and render them are placed by way of holding an auction shall be established by the Government of the Russian Federation. If commodities, works or services are included in the said lists, placement of orders to supply such commodities, carry out such works and render such services for meeting state or municipal needs by way of holding a tender shall not be allowable.

5. A violation of the provisions concerning placement of an order which are provided for by this Federal law shall serve as ground for declaring placement of the order invalid by a court of law or arbitration court on the basis of a claim made by a person concerned or a claim made by the federal executive body, the executive body of a constituent entity of the Russian Federation or the local self-government body authorised to exercise control with respect to placement of orders.

6. Two and more customers or authorised bodies shall be entitled to place orders to supply to carry out works of the same name or to render services of the same name by way of holding joint sales. The rights, duties and liabilities of customers or authorised persons when holding joint sales and a procedure for holding joint sales shall be determined by an agreement of the parties made in compliance with the Civil Code of the Russian Federation and this Federal Law. A state or municipal contract shall be made with the winner or winners of joint sales by each customer that has held such sales or by each customer for which an order is placed by way of holding sales by an authorised body. The state or municipal contracts made with the winner or winners of joint sales shall be executed by the parties thereto in compliance with the Civil Code of the Russian Federation and other federal laws subject to the provisions of this Federal Law.

6.1. Commodities of the same name, works of the same name and services of the same name shall mean commodities, works and services pertaining to the same group of commodities, works or services in compliance with the nomenclature of commodities, works and services for meeting state and municipal needs endorsed by the federal executive body charged with normative legal regulation of orders' placement.

7. A procedure for interaction of customers and authorised bodies while holding joint sales may be established by the Government of the Russian Federation.

8. A decision to hold joint sales for meeting the needs concerning the country's defence and state security shall be adopted by the Government of the Russian Federation.

Article 11. Requirements with Respect to Participants in Placement of an Order by Way of Holding Sales

1. When placing an order by way of holding sales, the following obligatory requirements shall be established with respect to participants in the order's placement:

1) compliance of the participants in the order's placement with the requirements established in compliance with the legislation of the Russian Federation with respect to the persons engaged in supplying the commodities, carrying out the works and rendering the services which constitute the subject of the sales;

2) the participant in the order's placement which is a legal entity must not be in the process of liquidation or there must not be a decision of an arbitration court on declaring bankrupt the participant in the order's placement which is a legal entity or an individual businessman or on initiation of bankruptcy proceedings;

3) non-suspension of activities of the participant in the order's placement in the procedure provided for by the Code of Administrative Offences of the Russian Federation on the date of considering the application for participation in a tender or the application for participation in an auction;

4) the participant in the order's placement must not have arrears in payment of charged taxes, fees and other obligatory payments to budgets of any level and to extra-budgetary funds within the expired calendar year whose amount exceeds twenty five per cent of the balance sheet value of assets of the participant in the order's placement according to the data of business accounting report documents for the last complete reporting period. A participant in an order's placement shall be deemed complying with an established requirement, if he complains against the presence of such arrears in compliance with the legislation of the Russian Federation and a decision in respect of such complaint is not rendered on the date of considering the application for participation in the auction.

2. When placing an order by way of holding sales, a customer or authorised body shall be entitled to establish the following requirements with respect to participants in the order's placement:

1) the participants in the order's placement must enjoy exclusive rights to intellectual property units, if the customer acquires the rights to the intellectual property units in connection with execution of a state or municipal contract;

2) absence of data on the participants in the order's placement in the register of unfair suppliers provided for by this Federal Law.

2.1. If, when placing an order to carry out construction, reconstruction and capital repair works at a capital construction object by way of holding an auction, the initial (maximum) contract price (the lot price) amounts to fifty million roubles or more, the customer or the authorized body are also entitled to establish for participants in the order's placement requirement for this carrying out within the last five years preceding the end date for filing applications for participation in the auction construction, reconstruction and capital repair works at a capital construction object which pertain to the same group, subgroup or one of several groups or subgroups of works for whose implementation the order is placed in compliance with the nomenclature of commodities, works and services for meeting state and municipal needs endorsed by the federal executive body in charge of normative legal regulation in the field of orders' placement whose cost amounts to at least twenty per cent of the initial (maximum) price of the contract (the price of the lot) in respect of which the right of conclusion is put up for auction. For this, the cost of all construction, reconstruction and capital repair works carried out by a participant in an order's placement (subject to legal succession) at one of the capital construction objects (at the option of the participant in the order's placement) shall be taken into account.

3. The Government of the Russian Federation shall be entitled to establish additional requirements with respect to participants in an order's placement, when placing an order to supply commodities, carry out works and render services for meeting the needs of the country's defence and state security, as regards the availability to such participants in the order's placement of the production facilities, engineering equipment, financial and labour resources required for manufacture of the commodities, carrying out the works and rendering the services which constitute the subject of the order.

4. Apart from the requirements indicated in Parts from 1 to 3 of this Article, the Government of the Russian Federation, a customer or an authorised body shall not be entitled to establish any other requirements with respect to participants in an order's placement.

5. The requirements specified in Parts from 1 to 3 of this Article shall apply to all participants in an order's placement.

6. The customer, authorized body, tender or auction commission shall verify the conformity of participants in an order's placement to the requirements cited in Item 2 of Part 2 of this Article, if such requirement is established by the customer or authorized body, and they are likewise entitled to verify the compliance of a participant in an order's placement with the requirements cited in Items 2-4 of Part 1 of this Article. With this, the customer, authorised body, tender or auction commissions shall not be entitled to place upon participants in an order's placement the duty of proving the compliance with these requirements.

Article 12. Terms of Admittance to Participation in Sales

1. When considering applications for participation in a tender or applications for participation in an auction, a participant in an order's placement shall not be admitted by the tender or auction commission to participation in the tender or the auction in the event of:

1) failure to submit the documents specified by Part 3 of Article 25 of this Federal Law (except for the documents provided for by Subitem (d) of Item 1 of Part 3 and Part 3.1 of Article 25 of this Federal Law), Part 2 of Article 31.4 or Part 2 of Article 35 of this Federal Law or the presence in such documents of unreliable data on the participant in placement of the order or on the commodities, works and services, on the work of literature or arts, on the performance, on the national film in respect of which an order accordingly to supply, carry out, render or to finance distribution or demonstration is to be placed;

2) non-compliance with the requirements established in compliance with Article 11 of this Federal Law;

3) failure to enter monetary funds to secure the application for participation in the tender or auction, if the requirement to secure such applications is indicated in the tender documentation or auction documentation;

4) non-compliance of the application for participation in a tender or an auction with the requirements of the tender documentation or the auction documentation, in particular such applications containing bids for the contract price exceeding the initial (maximum) contract price (lot's price), the initial (maximum) price of a unit commodity, the initial (maximum) price of spare parts (of each spare part) for machines and equipment, the initial (maximum) price of a unit service and/or unit work. If, when placing an order to supply technical facilities for rehabilitation of disabled persons, to render educational services, services related to sanatorium-and-spa treatment and rehabilitation (provision of appropriate permits and so on), the tender documentation provides for the customer's right to conclude a contract with several participants in the order's placement, the decision on non-conformity of an application for participation in the tender to such requirements may not be rendered solely on the basis of non-compliance of the quantity of commodities and the extent of services cited in an notice of holding the tender with the quantity of commodities and the extent of services specified in the application for participation in the tender.

2. The refusal to admit to participation in sales for reasons other than those indicated in Part 1 of this Article, shall not be allowable.

3. A customer or an authorised body shall be entitled to request the appropriate bodies and organisations for data on liquidation of the participant in an order's placement which is a legal entity and has filed an application for participation in a tender or an application for participation in an auction, on adoption by an arbitration court of the decision on declaring bankrupt such participant which is a legal entity or an individual businessman and on initiation on bankruptcy proceedings, on suspension of the activities of such participant in the procedure provided for by the Code of Administrative Offences of the Russian Federation, on such participant's having arrears of charged taxes, fees and other obligatory payments to budgets of different levels and to state extra-budgetary funds for the past calendar year, on complaining about the presence of such arrears and on the results of the complaints' consideration and, if the customer or authorized body has established the requirement cited in Part 2.1 of Article 11 of this Federal Law, on putting a capital construction object in operation, on the acceptance certificate for a capital construction object to be presented when obtaining a permit to put an object into operation. The said bodies and organisations shall be obliged to present the required data within ten days upon request of a customer or authorised body.

4. In the event of detecting unreliable data in the documents presented by a participant in an order's placement in compliance with Part 3 of Article 25, Part 2 of Article 31.4 or Part 2 of Article 35 of this Federal Law, of establishing the fact of liquidating a participant in an order's placement which is a legal entity or of adoption by an arbitration court of a decision on declaring bankrupt a participant in the order's placement which is a legal entity or individual businessman and on initiation of bankruptcy proceedings, the fact of suspending such participant's activities in the procedure provided for by the Code of Administrative Offences of the Russian Federation, the fact of such participant's having arrears of charged taxes, fees and other obligatory payments to budgets of any level or state extra-budgetary funds for the past calendar year in an amount exceeding twenty five per cent of the balance sheet value of such participant's assets on the basis of bookkeeping reports/statement for the last complete reporting period, provided that the participant in the order's placement does not appeal against said arrears in compliance with the legislation of the Russian Federation, the customer, authorised body, tender or auction commission shall be obliged to dismiss such participant from participation in the tender or the action at any stage thereof.

5. The decision of a customer, authorised body, tender or auction commission to dismiss a participant in the placement of an order from participation in a tender or auction, as well as the decision of a tender or auction commission to deny admittance to the tender or auction, may be complained against by such participant in the procedure provided for by this Federal Law.

6. The admittance by a customer, authorised body, tender or auction commission to participation in sales of the participant in an order's placement which under Part 1 of this Article may not be admitted to participation in the sales, if the customer, authorized body, tender or auction commission have established the occurrence of the incidents cited in Part 1 of this Article or the refusal to allow to participate in sales for other reasons, apart from the incidents specified in Part 1 of this Article, shall serve as a ground for a court to declare these sales invalid on the basis of a claim made by a person concerned or on the basis of a claim of the federal executive body, the executive body of a constituent entity of the Russian Federation or the local self-government body authorised to exercise control in respect of order placement.

Article 13. National Treatment of Commodities Originating from Foreign States, as Well as Works and Services Carried Out or Rendered by Foreign Persons

1. When placing orders, the national treatment shall be applied to commodities coming from a foreign state or a group of foreign states, as well as to works or services carried out or rendered by foreign persons, which stipulates that such commodities, works and services are allowable for the purpose of placing orders to supply commodities, carry out works and render services for meeting state or municipal needs on equal terms with commodities of Russian origin, as well as works and services carried out or rendered by Russian persons, if not otherwise established by an international treaty made by the Russian Federation, this Federal Law or other federal laws.

2. The treatment provided for by Part 1 of this Article shall apply to commodities originating from a foreign state or a group of states, to works or services carried out or rendered by foreign persons, if a similar treatment is established by the foreign state or the group of foreign states in respect of commodities of Russian origin, as well as works and services carried out or rendered by Russian persons.

3. If a foreign state or a group of foreign states has not established in respect of commodities of Russian origin, works or services carried out or rendered by Russian persons the treatment which is similar to that provided for by Part 1 of this Article, the federal executive body engaged in normative legal regulation in respect of order placement shall establish the terms of admittance of commodities originating from the foreign state or the group of foreign states, of works or services carried out or rendered by foreign persons for the purposes of placing orders to supply commodities, carry out works and render services for meeting state or municipal needs.

4. The Government of the Russian Federation may establish prohibitions and restrictions as to the admittance of commodities originating from a foreign state or a group of foreign states, of works and services carried out or rendered by foreign persons for the purposes of placing orders to supply commodities, carry out works and render services for meeting the needs of the country's defence and state security.

5. The normative legal act establishing the terms of, as well as prohibitions and restrictions with respect to, admittance of commodities originating from a foreign state or a group of foreign states, of works or services carried out or rendered by foreign persons for the purpose of placing orders to supply commodities, carry out or render services for meeting state or municipal needs shall be subject to obligatory publication in the procedure stipulated for official publication of normative legal acts of the Government of the Russian Federation or normative legal acts of the federal executive bodies and within three working days as of the date of such publication shall be placed on the official Internet site of the Russian Federation to be determined in compliance with Part 1 of Article 16 of this Federal Law.

6. Commodities originating from a foreign state or a group of foreign states, as well as works or services carried out or rendered by foreign persons, shall be allowable for the purpose of placing orders to supply commodities, carry out works and render services for meeting state or municipal needs in compliance with the prohibitions and restrictions established by the Government of the Russian Federation and under the terms and conditions established in compliance with Part 3 of this Article by the federal executive body engaged in normative legal regulation in respect of orders' placement.

7. A customer or authorised body shall be entitled to request the federal executive body engaged in normative legal regulation in respect of order placement for data concerning the terms of admittance of commodities originating from a foreign state or a group of foreign states, of works or services carried out or rendered by foreign persons for the purpose of placing orders to supply commodities, carry out works and render services for meeting state or municipal needs. The said federal executive body within ten days shall be obliged to present the required data upon the request of a customer or authorised body.

Article 14. Participation of Institutions and Enterprises of the Criminal Executive System, Organisations of Disabled Persons in Orders' Placement

1. Institutions and enterprises of the criminal executive system, organisations of disabled persons shall be granted advantages as regards their participation in orders' placement in compliance with this Federal Law.

2. For the purposes of this Federal Law, organisations of disabled persons shall mean all-Russia social associations of disabled persons (including those which are established as unions of social associations of disabled persons) where disabled persons and their legal representatives constitute at least eighty percent and organizations whose authorised (pooled) capital is fully made up of contributions of all-Russia public organisations of disabled persons and where the average listed number of disabled persons as compared to other employees constitutes at least fifty per cent and the share of disabled persons' wages in the wage fund is equal to at least twenty five per cent.

Article 15. Specifics of Participation of Small-Scale Business Subjects in Orders' Placement

1. State customers, except for the instances of placing orders to supply commodities, carry out works and render services for meeting the needs of the country's defence and state security, shall be obliged to place orders with small-scale businesses in the amount of at least ten and at most twenty per cent of the total annual volume of supplied commodities, carried out works and rendered services according to the list of commodities, works and services established by the Government of the Russian Federation by holding sales or by way of a call for bids where such subjects participate, while state customers, in the event of placing orders to supply commodities, carry out works and render services for meeting the needs of the country's defence and state security, and municipal customers are be entitled to effect such placement of orders.

1.1. The initial (maximum) contract price (lot price) when placing an order to supply commodities or carry out works to meet the state or municipal needs with small-scale businesses shall not exceed three million roubles, while the initial (maximum) contract price (lot's price) when placing an order to render services for meeting the state or municipal needs with small-scale businesses shall not exceed two million roubles.

2. Orders shall be placed by way of holding sales or a call for bids, where small-scale businesses shall be as participants of an order's placement, and the placement shall be performed in the procedure provided for by Chapters 2 - 4 of this Federal Law subject to the provisions of this Article.

3. When placing an order by way of holding the sales or a call for bids which are provided for by Part 1 of this Article and where small-scale businesses shall be as participants in an order's placement, information on holding such sales or the call for bids must be included into a notice of holding a public tender, public auction or into a notice of holding a call for bids.

4. When placing an order by way of holding the sales or a call for bids provided for by Part 1 of this Article, and in which small-scale businesses take part as participants of an order's placement, the applications for participation in a tender, applications for participation in an auction or bids filed by participants in the order's placement which are not small-scale businesses shall be subject to rejection.

5. If upon the expiry of the time period for filing applications for participation in a tender or of applications for participation in an auction subjects of small-scale business filed less than two applications for participation in a tender or of applications for participation in an auction, sales shall be declared invalid.

6. If sales are declared invalid and no applications have been filed or the application filed by a single participant in an order's placement which is a small-scale business does not comply with the requirements and terms provided for by tender documentation or auction documentation, repeated sales where small-scale businesses participate shall not be held and the volume of the commodities, works and services for whose supply, carrying out and rendering such sales have been held shall be accounted for in the total annual volume provided for by Part 1 of this Article. An order shall be placed by holding sales in the procedure provided for by Chapters 2 and 3 of this Federal Law.

7. If upon the expiry of the time period for filing bids by small-scale businesses no applications have been filed complying with the requirements established by a notice for inviting bids, a repeated placement of an order by way of a call for bids where small-scale businesses participate shall not be held and the volume of commodities, works and services for whose supply, carrying out and rendering the call for bids has been held shall be accounted for in the total annual volume provided for by Part 1 of this Article.

Article 16. Informational Support to Placement of Orders

1. The Government of the Russian Federation, the supreme executive state power body of a constituent entity of the Russian Federation and local administration shall appoint an official media for publication of information concerning placement of orders (hereinafter referred to as an official media), as well as an official site of the Russian Federation, an official site of a constituent entity of the Russian Federation or an official site of a municipal establishment in the Internet for inserting information on placement of orders (hereinafter also referred to as the official site).

2. If a municipal establishment has no official site, the municipal customer shall insert information concerning order placement to the official site of the constituent entity of the Russian Federation within whose boundaries such municipal establishment is located.

3. The insertion of information on placements of orders to the official site may not replace the publication of such information in the official media, if publication of such information is provided for by this Federal Law.

4. Information concerning addresses of official sites of the constituent entities of the Russian Federation shall be placed on the official site of the Russian Federation. If the supreme executive state power body of a constituent entity of the Russian Federation decides to change the address of the official site of the constituent entity of the Russian Federation, the said body within one working day as of the date of rendering this decision shall be obliged to send information concerning such change to the federal executive body authorised to keep the official site of the Russian Federation. The federal executive body authorised to keep the official site of the Russian Federation shall be obliged within two working days as of the date of receiving the information on such change to place it on the official site of the Russian Federation.

5. On the official site of a constituent entity of the Russian Federation shall be placed information concerning the addresses of official sites of the municipal establishments which are located within the boundaries of such constituent entity of the Russian Federation. If the local administration decides on changing the address of the official site of a municipal establishment, the local administration shall be obliged within one working day as of the date of rendering this decision to send information to the executive body of the constituent entity of the Russian Federation which is authorized to keep the official site of the constituent entity of the Russian Federation and which shall be obliged within two working days as of the date of receiving the information on such change to place it on the official site of the constituent entity of the Russian Federation.

6. There shall be inserted on a free-of-charge basis information concerning placement of orders to supply commodities, carry out works and render services for meeting federal needs to the official site of the Russian Federation, information concerning the placement of orders to supply commodities, carry out works and render services for meeting the needs of a constituent entity of the Russian Federation to the official site of the constituent entity of the Russian Federation, information concerning the placement of orders to supply commodities, carry out works and render services for meeting municipal needs to the official site of a municipal establishment or (if this Federal Law provides for the duty of concurrently inserting this information to the official site of the municipal formation and the official site of the constituent entity of the Russian Federation) to the official site of the constituent entity of the Russian Federation, information on the terms, prohibitions and restrictions as to the admittance of commodities originating from a foreign state or a group of foreign states, of works and services carried out or rendered by foreign persons for the purpose of order placement and the information specified in Parts 4 and 5 of this Article. With this, as information concerning an order's placement shall be deemed information provided for by this Federal Law and the data obtained as a result of rendering a decision on an order's placement and in the course of an order's placement, including the data contained in a notice concerning the conduct of a public tender or public auction, a notice of holding a call for bids, tender documentation, auction documentation, amendments made to such notices and such documentation, explanations on such documentation and records drawn up in the course of an order's placement.

7. A procedure for using official sites and requirements with respect to engineering, software, linguistic, legal and organisational means of ensuring the use of the said sites shall be established by the Government of the Russian Federation.

8. Information concerning the placement of an order inserted on official sites must be available for familiarisation with it on a free-of-charge basis.

Article 17. Control over Observance of the Legislation of the Russian Federation and Other Normative Legal Acts of the Russian Federation Concerning Placement of Orders

1. Control over observance by a customer, authorised body or specialised organisation, as well as by tender, auction or bidding commissions, by the federal executive body authorized to maintain the official site, an organisation engaged in servicing the official site and ensuring the functioning of such site, the federal executive body authorized to keep registers of state or municipal contracts made on the basis of the results of placing orders, by the executive body of a constituent entity of the Russian Federation and by operators of electronic hosting services, of the legislation of the Russian Federation and other normative legal acts of the Russian Federation concerning placement of orders shall be exercised by way of conducting planned and extraordinary inspections. When holding the said inspections, the results of assessing applications for participation in a tender on the basis of the criteria cited in Items 1 and 1.1 of Part 4 of Article 28, Items 1, 2 and 4 of Part 3 of Article 31.6 of this Federal Law shall not be inspected.

2. Control over observance of the legislation of the Russian Federation and other normative legal acts of the Russian Federation concerning placement of orders by the federal executive body authorised to maintain the official site, by the organisation engaged in servicing the official site and in ensuring the functioning of such site, by the federal executive body authorized to keep the register of state contracts made on the basis of the results of placing orders and by operators of electronic hosting services shall be exercised by the federal executive body authorized to exercise control in respect of orders' placement.

3. Planned inspections, when placing orders to supply commodities, carry out work and render services for meeting federal needs, needs of the constituent entities of the Russian Federation or municipal needs, shall be conducted accordingly by the federal executive body, the executive body of a constituent entity of the Russian Federation and the local self-government body of a municipal district or urban circuit authorised to exercise control in respect of placement of orders. The procedure for conducting planned inspections when placing orders to supply commodities, carry out works and render services to meet state or municipal needs shall be established by the federal executive body in charge of normative legal regulation in respect of orders' placement.

4. Extraordinary inspections, when placing orders to supply commodities, carry out works and render services for meeting federal needs, needs of constituent entities of the Russian Federation or municipal needs, shall be conducted accordingly by the federal executive body authorised to exercise control in respect of orders' placement, the executive body of a constituent entity of the Russian Federation authorised to exercise control in respect of orders' placement and the local self-government body of a municipal district or urban circuit authorised to exercise control in respect of orders' placement.

5. An extraordinary inspection shall be held, if a participant in an order's placement makes a complaint against actions (failure to act) of a customer, authorised body or a specialised organisation, as well as of tender, auction or bidding commissions, or information is received about violations of the legislation of the Russian Federation and/or other normative legal acts of the Russian Federation in respect of orders' placement, as well as for the purpose of exercising control over following of the orders issued in compliance with Part 9 of this Article. Such a complaint shall be considered in the procedure established by Chapter 8 of this Federal Law. If an extraordinary inspection is conducted on the basis of the complaint of a participant in an order's placement, a single decision shall be rendered on the basis of the results of conducting said inspection.

6. In the event of receiving information about failure of the persons cited in Part 1 of this Article to follow orders issued in compliance with Part 9 of this Article, as well as in the event of receiving information about commission by the said persons of actions (failure to act) containing constituent elements of an administrative offence, the federal executive body and the executive body of a constituent entity of the Russian Federation authorized to exercise control in respect of orders' placement are also entitled to conduct extraordinary inspections when placing orders to supply commodities, carry out works and render services to meet the needs of the constituent entity of the Russian Federation or municipal needs.

7. With respect to one customer, one authorised body, one standing tender, auction or bidding commission, the federal executive body authorized to maintain an official site, one organisation engaged in servicing and ensuring the functioning of an official site of the federal executive body, of the executive body of a constituent entity of the Russian Federation or the local self-government body authorized to keep registers of state or municipal contracts made on the basis of the results of orders' placement and one operator of an electronic hosting service planned inspections shall be conducted at most once every six months.

8. With respect to one specialized organisation, one tender, auction or bidding commission, except for the commissions indicated in Part 7 of this Article, planned inspections shall be held at most once within the period from the date of publishing a notice in respect of conducting a public tender or public auction, of sending invitations to participate in a closed tender or closed auction or of inserting information in respect of a call for bids on the official site up to the date of concluding a state or municipal contract, declaring sales invalid or rejecting all bids.

9. In the event of detecting, as a result of conducting planned and extraordinary inspections, as well as a result of considering a complaint against actions (failure to act) of the customer, authorized body or specialized organisation, or of a tender, auction or bidding commission, breaches by the persons cited in Part 1 of this Article of the legislation of the Russian Federation and/or of other normative legal acts of the Russian Federation concerning orders' placement, the federal executive body, the executive body of a constituent entity of the Russian Federation or the local self-government body authorised to exercise control in respect of orders' placement are be entitled to do the following:

1) to issue to the customer, the authorized body, specialized organisation, tender, auction or bidding commission whose actions (failure to act) have violated the rights and legitimate interests of participants in placement of an order, directions to be followed without fail for the elimination of such violations in compliance with the legislation of the Russian Federation, in particular cancellation of sales;

2) to issue to the persons cited in Part 1 of this Article directions to be followed without fail for the elimination of such violations in compliance with the legislation of the Russian Federation;

3) to make a claim with a court of law or an arbitration court for declaring a placed order invalid.

10. A direction to eliminate a breach of the legislation of the Russian Federation on orders' placement in compliance with the legislation of the Russian Federation issued in compliance with Part 9 of this Article shall indicate the specific actions to be undertaken by the person that such direction is issued to, for elimination of the said breach.

11. The federal executive body authorised to exercise control in respect of orders' placement, the executive body of a constituent entity of the Russian Federation or local self-government body authorized to exercise control in respect of orders' placement are obliged to insert such notice on an official site within three working days as of the date when the direction was issued in compliance with Part 9 of this Article.

12. In the event of detecting, as a result of conducting planned and extraordinary inspections, the fact of the committing by the persons cited in Part 1 of this Article of actions (failure to act) which contain the constituent elements of an administrative offence, the local self-government body authorized to exercise control in respect of orders' placement is obliged within two working days as of the date of detecting such fact to deliver information about commission of the said action (failure to act) and the documents proving such fact to the federal executive body authorized to exercise control in respect of orders' placement or to the executive body of a constituent entity of the Russian Federation authorized to exercise control in respect of orders' placement.

13. In the event of detecting, as a result of conducting planned and extraordinary inspections, the fact of the committing by the persons cited in Part 1 of this Article of actions (failure to act) which contain the constituent elements of an offence, the federal executive body, the executive body of a constituent entity of the Russian Federation or the local self-government body authorized to exercise control in respect of orders' placement are obliged within two working days as of the date of detecting such fact to supply information about commission of the said action (failure to act) and the documents proving such fact to law enforcement agencies.

14. In the event of receiving information about a person's failure to follow a direction issued thereto in compliance with Part 9 of this Article, the local self-government body authorized to exercise control in respect of orders' placement is obliged to supply information about it to the federal executive body authorised to exercise control in respect of orders' placement or to the executive body of a constituent entity of the Russian Federation authorised to exercise control in respect of orders' placement, or it is entitled to file a claim with a court of law or an arbitration court for forcing compliance with the legislation of the Russian Federation.

15. In the event of receiving information about a person's failure to follow a direction issued thereto in compliance with Part 9 of this Article, the federal executive body or the executive body of a constituent entity of the Russian Federation authorized to exercise control in respect of orders' placement are obliged to apply punitive sanctions in compliance with the legislation of the Russian Federation, as well as to make a claim with a court of law or an arbitration court for forcing compliance with the legislation of the Russian Federation.

16. When conducting the inspections cited in Part 1 of this Article, officials of the federal executive body, the executive body of a constituent entity of the Russian Federation or local self-government body authorized to exercise control in respect of orders' placement are entitled within the scope of their authority and upon producing their official identification cards and a decision of the heads (deputy heads) of the said bodies on conducting the inspections to have free admittance to the federal executive bodies, executive bodies of constituent entities of the Russian Federation, local self-government bodies, other bodies or organisations exercising the said functions, managerial bodies of state extra-budgetary funds, state-financed institutions, to other recipients of budget funds, as well as to organisations exercising the functions of specialized organisations engaged in servicing an official site and ensuring the functioning of such site or acting as operators of electronic hosting services for obtainment of documents and information about orders' placement which are necessary for the federal executive body, the executive body of a constituent entity of the Russian Federation or local self-government body authorised to exercise control in respect of orders' placement.

Article 17.1. Obligation to Supply Information to the Bodies Authorised to Exercise Control in Respect of Orders' Placement

1. Profit-making organisations and non-profit organisations, federal executive bodies, state power bodies of constituent entities of the Russian Federation, local authorities which exercise the functions of a specialised organisation, are engaged in servicing an official site and ensuring the functioning of such site and are operators of electronic hosting services, as well as other bodies and organisations exercising the functions of the said agencies, managerial bodies of state extra-budgetary funds, state-financed institutions and other recipients of budget funds (officials thereof) are obliged to present to the bodies authorized to exercise control in respect of orders' placement at the request of such bodies the documents necessary for them, explanations in written and oral forms, information about orders' placement (including information about orders' placement constituting state, commercial, official and other secrets protected by law).

2. Information about orders' placement which constitute state, commercial, official and other secrets protected by law shall be supplied to the bodies authorized to exercise control in respect of orders' placement in compliance with the requirements established by federal laws.

Article 17.2. Obligation of the Bodies Authorised to Exercise Control in Respect of Orders' Placement to Protect State, Commercial, Official and Other Secrets Protected by Law

1. Information constituting state, commercial, official and other secrets protected by law and obtained by the bodies authorized to exercise control in respect of orders' placement when they exercise their authority is not subject to divulgence, except as provided for by federal laws.

2. Officials of the bodies authorized to exercise control in respect of orders' placement shall be held liable under civil, administrative and criminal laws for divulgence of information constituting state, commercial, official and other secrets protected by law.

3. The harm inflicted upon a natural person or legal entity as a result of the divulgence by the bodies authorized to exercise control in respect of orders' placement or by officials thereof of information constituting state, commercial, official and other secrets protected by law is subject to reimbursement from the treasury of the Russian Federation, a constituent entity of the Russian Federation or municipal entity.

Article 18. Registers of State or Municipal Contracts Made on the Basis of the Results of Placing Orders

1. The federal executive body, the executive body of a constituent entity of the Russian Federation, the local self-government body authorised to keep registers of state or municipal contracts made on the basis of the results of placing orders (hereinafter referred to as registers of contracts), shall accordingly keep registers of state contracts made on behalf of the Russian Federation, of state contracts made on behalf of the constituent entity of the Russian Federation and municipal contracts made on behalf of municipal establishments. Data on the state or municipal contracts and on other civil law agreements made in compliance with Item 14 of Part 2 of Article 55 of this Federal Law shall not be included into registers of contracts.

2. Registers of contracts must contain the following data:

- 1) customer's name;
- 2) source of financing
- 3) way of placing orders;
- 4) date of conducting an auction, of summing up the results of a tender or results of a call for bids and requisite elements of the documents proving the ground for making a contract;
- 5) date of making a contract;
- 6) subject and price of a contract and time for execution thereof;
- 7) name, location (for legal entities), family name, first name, patronymic, place of residence, taxpayer identification number (for natural persons) of a supplier (performer, contractor);
- 8) data in respect of a contract's execution.

3. Customers within three working days as of the date of concluding a state or municipal contract shall send the data specified in Items 1-7 of Part 2 of this Article accordingly to the federal executive body, the executive body of a constituent entity of the Russian Federation or local self-government body authorized to keep registers of contracts. If under this Federal Law the terms of a state or municipal contract have been amended, customers, within three working days as of the date of such amendments, shall send to the said bodies the data provided for by Part 2 of this Article and in respect of which amendments have been made to the terms of the contract. The data specified in Item 8 of Part 2 of this Article shall be sent by customers to the said agencies within three working days as of the date of execution or dissolution of a state or municipal contract.

4. The federal executive body, the executive body of a constituent entity of the Russian Federation or local self-government body authorised to keep registers of contracts shall accordingly place on the official site of the Russian Federation, on the official site of a constituent entity of the Russian Federation or on the official site of a municipal establishment the data specified in Part 2 of this Article within three working days as of the date of receiving them.

5. The data contained in registers of contracts must be available free-of-charge on an official site for familiarisation.

6. A procedure for keeping registers of contracts, requirements with respect to engineering, software, linguistic, legal and organisational means of ensuring the use of the official site on which the said registers are placed shall be established by the Government of the Russian Federation.

7. The data concerning placement of orders and conclusion of contracts and constituting a state secret shall be included in a separate register of contracts to be kept in the procedure established by the Government of the Russian Federation. The said data shall not be subject to publication in mass media and to placement on the Internet.

Article 19. Register of Unfair Suppliers

1. A register of unfair suppliers shall be kept by the federal executive body authorised to exercise control in respect of orders' placement.

2. A register of unfair suppliers shall include data on the participants in the placement of an order evading conclusion of a state or municipal contract, as well as on the suppliers (performers or contractors) with which state or municipal contracts are dissolved on the basis of a court decision in connection with their essential failures to execute state or municipal contracts.

3. A register of unfair suppliers must contain the following data:

1) name, location (for legal entities), family name, first name, patronymic, place of residence, taxpayer identification number (for natural persons) of the persons specified in Part 2 of this Article;

2) date of holding an auction, of summing up the results of a tender or results of a call for bids if the winner of the auction, the winner of the tender or the winner of the call for bids has evaded making a state or municipal contract, date of declaring frustrated the sales in which the sole participant in an order's placement that has filed an application for participation in a tender or an application for participation in an auction, or the participant in an order's placement declared the sole participant in a tender or auction has avoided concluding a state or municipal contract, date of concluding the call for bids in which the sole participant in an order's placement that filed a bid refused to conclude a state or municipal contract, date of making an unimplemented or improperly implemented state or municipal contract;

3) subject and price of a contract, as well as time period for implementation thereof;

4) grounds for, and date of, dissolution of a state or municipal contract in the event of dissolving a contract in connection with a major breach of a contract by the supplier (performer, contractor);

5) date of entering the said data to the register of unfair suppliers.

4. If a state or municipal contract is made with the participant in an order placement with which under this Federal Law the contract is to be made in the event of evasion of the winner of sales, the tender participant whose application for participation in the tender has been awarded the second number, the tender participant that has made the last but one bid for the contract price or the winner of a call for bids of making the contract, the customer within three working days as of the date of making the contract with the said participant in the order's placement shall send to the federal executive body authorised to exercise control in respect of order placement the data provided for by Items 1-3 of Part 3 of this Article, as well as an extract from the record of assessment and comparison of applications for participation in the tender, the record of the auction or the record of consideration and assessment of bids, as regards the determination of the winner of sales or the winner of a call for bids, a notice of the winner of sales or the winner of a call for bids as to his refusal to make a contract, a court decision to force the winner of sales or the winner of a call for bids to make a contract (if any) and other documents proving the refusal of the winner of sales or the winner of a call for bids to make a contract.

5. If the sole participant in placement of an order that has filed an application for participation in a tender, an application for participation in an auction or a bid, or the participant in placement of an order declared to be the only participant in a tender or auction has evaded making a state or municipal contract, the customer within five working days as of the date of expiry of the time period for signing the contract specified in the tender documentation, auction documentation or a notice of making a call for bids shall send to the federal executive body authorised to exercise control in respect of order placement the data provided for by Items 1-3 of Part 3 of this Article, as well as an extract from the record of consideration of applications for participation in a tender, from the record of consideration of applications for participation in an auction, a notice sent by the sole participant in an order's placement which has filed an application for participation in a tender or an application for participation in an auction, or by the participant in an order's placement declared to be the only participant in a tender or auction, that he refuses to make the contract, a court decision to forced such participant to make a contract (if any) and other documents proving the refusal of the said person to make the contract.

6. In the event of dissolution of a state or municipal contract in connection with a major breach of the contract by the supplier (performer, contractor), the customer within three working days as of the date of dissolving the contract shall send to the federal executive body authorised to exercise control in respect of orders' placement the data provided for by Item 1-3 of Part 3 of this Article, as well as a copy of a court decision on the contract's dissolution.

7. The federal executive body authorised to exercise control in respect of order placement shall enter the data provided for by Part 3 of this Article to the register of unfair suppliers within three working days as of the date of their coming in.

8. In the event of receiving data on evasion of a participant in an order's placement of making a state or municipal contract proving the refusal of the participant in an order's placement to make the contract, the federal executive body authorised to exercise control in respect of orders' placement within ten working days shall check the fact of evasion of the participant in the order's placement of making the contract. Should the fact of evasion of a participant in an order's placement of making a contract be proved, the federal executive body authorised to exercise control in respect of orders' placement shall enter the data provided for by Part 3 of this Article, to the register of unfair suppliers within three working days as of the date of proving the said fact.

9. The data contained in the register of unfair suppliers must be available free-of-charge for familiarisation on the official site of the Russian Federation.

10. The data provided for by Part 3 of this Article shall be deleted from the register of unfair suppliers within two years as of the date of their entering thereto.

11. A procedure for keeping the register of unfair suppliers, requirements with respect to engineering, software, linguistic, legal and organisational means to ensure keeping the register of unfair suppliers shall be established by the Government of the Russian Federation.

12. An entry of data on a participant in an order's placement evading the conclusion of a state or municipal contract, on a supplier (performer, contractor) with which a state or municipal contract has been dissolved in connection with a major breach by him of a state or municipal contract, to the register of unfair suppliers or keeping such data in the register of unfair suppliers, as well as a failure to make the actions provided for by Part 10 of this Article, may be complained against judicially by a person concerned.

Chapter 2. Placement of an Order by Way of Holding a Tender

Article 20. Tender for the Right to Make a State or Municipal Contract

1. For the purposes of this Federal Law, a tender shall mean sales whose winner shall be deemed the person which has offered the best terms and conditions of implementation of a state or municipal contract and to whose application for participation in the tender the first number is awarded.

2. A tender may be public or closed. A customer or an authorised body shall be entitled to place an order by way of holding a closed tender solely in the event of placing an order to supply commodities, carry out works and render services data of which constitute a state secret, provided that such data are contained in tender documentation or in a draft state contract.

3. It shall not be allowable to recover payment for participation in a tender from participants in orders' placement, except for payment for supplying tender documentation in the instances provided for by this Federal Law.

4. A customer or an authorised body may establish the requirement to enter monetary funds for securing an application for participation in a tender (hereinafter referred to as the requirement to secure an application for participation in a tender). With this, the rate of security of an application for participation in a tender may not exceed five per cent of the the initial (maximum) price of a contract (lot price). If a customer or authorised body has established the requirement to secure an application for participation in a tender, such requirement shall equally extend to all participants in an order's placement and shall be mentioned in tender documentation.

5. In order to prepare the conduct of a tender, including when a customer or an authorised body cannot draw up detailed specifications of commodities, to define the characteristics of works (carrying out complex scientific research, design-and-development and engineering works) or services for the purpose of better satisfaction of state or municipal needs, the customer or authorised body may publish in the official media or place on the official site a report concerning their interest in holding the tender with an indication of the time for presenting proposals concerning the technical, technological and qualitative characteristics of commodities, works and services. Presented proposals may be taken into consideration when defining the subject of a tender. After defining the subject of a tender the customer or the authorized body shall render a decision on holding the tender. With this, the customer or the authorised body shall not be entitled to establish any advantages for the persons that have filed the said proposals.

6. When holding a tender, any talks of the customer, authorised body, specialised organisation or tender commission with a participant in an order's placement shall not be allowable. In the event of violating the said provision, a tender may be declared invalid on the basis of a claim made by a person concerned in the procedure provided for by the legislation of the Russian Federation.

Article 21. Notice of Holding a Public Tender

1. A notice of holding a public tender shall be published by a customer, authorised body or specialised organisation in the official media and placed on the official site at least thirty days before the date of opening envelopes with applications for participation in a tender and providing access to applications for participation in a tender filed in the form of electronic documents.

2. When holding a public tender for placement of orders to supply commodities, carry out works and render services for meeting municipal needs, a municipal customer, authorised body or specialised organisation within the time period established by Part 1 of this Article shall also place on the official site of the constituent entity of the Russian Federation within whose boundaries the municipal establishment is located a notice of holding such public tender.

3. A customer, authorised body or specialised organisation shall be likewise entitled to publish a notice in respect of holding a tender in any mass medium, including electronic mass media, provided that such publication and insertion may not be made instead of those stipulated by Parts 1 and 2 of this Article.

4. The following data must be shown in a notice of holding a public tender:

1) form of sales;

2) name, location, postal address, e-mail address, contact telephone number of the customer, authorised body or specialised organisation;

3) abrogated;

4) subject of the state or municipal contract with an indication of the quantity of commodities to be supplied, the works to be carried out and the services to be rendered, except for the case when in the course of holding a tender for the right to make a state or municipal contract for maintenance and/or repair of machines, equipment, provision of communication services and legal aid it is impossible to determine the required quantity of spare parts for the machines, equipment or the volume of works and services;

5) place of supplying commodities, carrying out works and rendering services;

6) abrogated;

7) initial (maximum) price of the contract (lot price);

8) time of, place and procedure for, presenting tender documentation, official site on which tender documentation is inserted, rate of, procedure and time for making, the payment recovered by the customer or the authorised body for supplying tender documentation, where such payment is established;

9) abrogated;

10) abrogated;

11) place, date and time of opening envelopes with applications for participation in the tender and providing access to applications for participation in the tender filed in an electronic form, place and date of consideration of such applications and of summing up the tender's results;

12) preferences granted to institutions and enterprises of the criminal executive system and (or) to organisations of disabled persons engaged in manufacture of commodities carrying out works and rendering services, if such preferences are established by the customer or authorised body. With this, the customer or authorised body shall be entitled to grant preferences to the said categories of persons in respect of the bid for contract price in the amount up to fifteen per cent in the procedure and in compliance with the list of goods, works and services established by the Government of the Russian Federation;

13) abrogated;

14) abrogated.

4.1. The customer or authorized body are entitled to made a decision on amending a notice of holding a public tender at the latest five days before the end date of the time period for filing applications for participation in the tender. It is not allowable to change the subject of the tender. Within five working days and within one day as of the date of rendering the said decision such amendments shall be accordingly published or inserted by the customer, authorized body or specialized organisation in the procedure established for publishing notices of holding a public tender in an official publication or for inserting it on an official site. For this, the time period for filing applications for participation in a tender shall be extended so that such time period is equal to at least twenty days from the date of publishing in an official publication and inserting on an official site the amendments made to a notice of holding a public tender and up to the end date for filing applications for participation in the tender.

5. The customer or authorised body which have officially published and placed on an official site a notice of holding a public tender shall be entitled to refuse to hold it at latest fifteen days before the finishing date of the time period for filing applications for participation in the tender. A notice concerning the refusal to hold a public tender shall be published and placed by a customer, authorised body or specialised organisation accordingly within five working days and two days as of the date of rendering a decision as to the refusal to hold the public tender in the procedure established for official publication and insertion to an official site of a notice of holding the public tender. Within two working days as of the date of rendering the said decision the customer or authorised body shall open (if on the envelope the postal address (if a legal entity) or data on the place of residence (if a natural person) of the participant in an order's placement are not indicated) envelopes with applications for participation in the tender, provide access to applications made in the form of electronic documents and send the appropriate notices to all the participants in the order's placement which have filed applications for participation in the tender. Where the requirement to secure an application for participation in tender is established, the customer or authorised body shall return to participants in the order's placement the monetary funds entered to secure applications for participation in the tender within five working days as of the date of rendering a decision to refuse holding the public tender.

Article 22. Contents of Tender Documentation

1. Tender documentation shall be devised by a customer, authorised body and specialised organisation and shall be endorsed by the customer and authorised body.

2. Tender documentation must contain the requirements established by the customer and authorised body with respect to the quality and specifications of commodities, works and services, requirements with respect to their safety, requirements to the functional characteristics (consumer properties) of commodities, requirements with respect to the size, packing and shipping of commodities,

requirements with respect to the results of works and other indices connected with the assessment of compliance of commodities to be supplied, works to be carried out and services to be rendered with the customer's needs.

2.1. It shall not be allowable to include into tender documentation (in particular in the form of requirements for quality, specifications of commodities, works or services, of requirements for functional features (consumer properties) of commodities) requirements for a participant in the order's placement (in particular requirements for qualifications of a participant in an order's placement, including that concerning the working experience of a participant in an order's placement), as well as requirements for his business reputation, requirements in respect of availability for a participant in an order's placement of production capacities, engineering equipment, labour, financial and other resources which are necessary for manufacture of the commodity which is the subject of the contract, for carrying out works or rendering services which constitute the subject of the contract, except when the possibility of establishing such requirements for a participant in an order's placement is provided for by this Federal Law.

3. Tender documentation must not indicate trade marks, service marks, firm's names, patents, utility models, industrial models, names of commodities' places of origin or their manufacturers' names, as well as requirements with respect to commodities, their manufacturer, to information, works and services, if such requirements entail limitation of the number of participants in the order's placement.

4. Tender documentation must contain the following:

1) under Parts 2 - 4 of Article 25 of this Federal Law requirements for the content, form and composition of an application for participation in the tender, including an application filed in the form of an electronic document signed in compliance with the normative legal acts of the Russian Federation and instructions as to filling it out;

2) requirements with respect to the description by participants in an order's placement of the commodities to be supplied which constitute the subject of the tender, their functional characteristics (consumer properties), as well as their quantitative and qualitative characteristics, requirements to the description by participants in an order's placement of the works to be carried out and services to be rendered which constitute the subject of the tender, their quantitative and qualitative characteristics;

3) the requirements as to the time and (or) extent of guarantees with respect to the quality of commodities, works and services, to servicing commodities, to outlays on commodities' operation (if necessary);

4) the place, terms and time (time periods) for supplying commodities, carrying out works and rendering services;

4.1) the initial (maximum) price of the contract (price of the lot), as well as the initial (maximum) price of a unit commodity and a unit service, if, when placing an order to supply technical facilities for rehabilitation of disabled persons, to render educational services, services related to sanatorium-and-spa treatment and health improvement for meeting state or municipal needs, tender documentation provides for the customer's right to make a contract with several participants in an order's placement. If, when holding a tender for the right to conclude a state or municipal contract for maintenance and/or repair of machines, equipment, rendering of communications services and legal aid it is impossible to determine the required number of spare parts for the machines and equipment or the volume of works and services, the customer or authorized body is entitled to specify in the tender documentation the initial (maximum) price of the contract (the price of the lot), as well as the initial (maximum) price of spare parts (each spare part) for the machines and equipment and the initial (maximum) price of the unit service and/or the unit work;

4.2) form, time and procedure for making payment for commodities, works and services;

4.3) sources of financing the order;

5) the procedure for forming the price of the contract (lot price), (with account taken of, or without taking into account, outlays on transportation, insurance, payment of customs duties, taxes and making other obligatory payments);

5.1) a list of spare parts for machines and equipment indicating the initial (maximum) price of each such spare part for the machines and equipment - if, when holding a tender for the right to make a state or municipal contract for maintenance and/or repair of the machines and equipment it is impossible to determine the required number of spare parts for the machines and equipment, the required volume of works and services;

6) the data on the currency used for forming the price of the contract and for making settlements with suppliers (performers, contractors);

7) the procedure for applying the official exchange rate of foreign currency with respect to the Russian rouble established by the Central Bank of the Russian Federation and used for payment of a state or municipal contract made;

8) the data on the consumer's capacity to change the quantity of commodities, volume of works or services provided for by the contract in compliance with Part 6 of Article 9 of this Federal Law;

8.1) data on the customer's potential to conclude a contract for supply of technical facilities for rehabilitation of disabled persons, rendering educational services, services related to sanatorium-and-spa

treatment and health improvement to meet state or municipal needs with several participants in an order's placement;

8.2) data on the customer's potential to increase the quantity of the commodities to be supplied when making a contract in compliance with Part 6.5 of Article 9 of this Federal Law;

9) the procedure for, place of, date of starting and the end date of the time period for filing applications for participation in the tender. For this, the starting date of the time period for filing applications for participation in the tender shall be deemed the day following the day when a notice on holding the tender was published in an official publication or was inserted on an official site. The end date of the time period for filing applications for participation in the tender shall be fixed in compliance with Part 2 of Article 26 of this Federal Law;

10) the requirements as to participants in the order's placement established in compliance with Article 11 of this Federal Law;

11) the procedure and time for withdrawal of applications for participation in the tender, procedure for amending such applications. With this, the time period for withdrawal of applications for participation in the tender shall be established in compliance with Part 9 of Article 25 of this Federal Law;

12) the forms, procedure, starting and finishing dates of the time period for explaining to participants in an order's placement of the provisions of tender documentation in compliance with Part 1 of Article 24 of this Federal Law;

13) the place, procedure, date and place of opening envelopes with applications for participation in the tender and of providing access to applications for participation in the tender filed in the form of electronic documents. Dates and time of opening envelopes with applications for participation in the tender and of providing access to applications filed in the form of electronic documents shall be established in compliance with Part 1 of Article 26 of this Federal Law;

14) criteria for assessing applications for participation in the tender established in compliance with Part 4 of Article 28 of this Federal Law;

15) procedure for assessment and comparison of applications for participation in the tender;

15.1) the amount of security for an application for participation in a tender, the time of, and procedure for, paying monetary funds to secure such application, requisites of the account for remittance of the said monetary funds, if the customer or authorized body demands the securing of an application for participation in the tender;

15.2) the amount of security for execution of a state or municipal contract, time period and procedure for its granting, if the customer or authorized body demand the securing of execution of the contract. The amount of security for execution of a contract may not exceed thirty per cent of the initial (maximum) contract price (lot price) specified in a notice of holding a public tender. If the initial (maximum) contract price (lot price) exceeds fifty million roubles, the customer or authorized body is obliged to set the demand to secure execution of the contract at the amount of from ten to thirty per cent of the initial (maximum) contract price (lot price), this not being less than the amount of an advance payment (if the contract provides for making an advance payment), or if the advance payment exceeds thirty per cent of the initial (maximum) price of the contract in an amount not exceeding by twenty per cent the advance payment but not less than the advance payment;

16) time period as of the date of signing a record of assessment and comparison of applications for participation in the tender within which the tender winner must sign a draft state or municipal contract. The said time period must be at least ten days.

5. A draft state or municipal contract must be attached to tender documentation (in the event of holding a tender for several lots - a draft contract in respect of each lot) which shall be an integral part of tender documentation.

6. Data contained in tender documentation must comply with the data indicated in a notice of holding a public tender.

Article 23. Procedure for Providing Tender Documentation

1. In the event of conducting a public tender, the customer, authorised body or specialised organisation shall ensure placement of tender documentation on the official site within the time period provided for by Part 1 of Article 21 of this Federal Law concurrently with the placement of a notice of holding a public tender. The tender documentation must be accessible free-of-charge on an official site for getting familiarisation.

2. As of the date of publishing in an official publication or inserting on an official site a notice of holding a public tender, the customer or authorised body on the basis of an application of any person concerned filed in writing, including in the form of an electronic document, shall be obliged within two working days as of the date of receiving the appropriate application to provide to such person tender documentation in the procedure specified in a notice of holding a public tender. With this, tender documentation shall be provided in writing after making payment by a participant in an order's placement for providing the tender documentation, if such payment is established by the customer or authorised body and it is indicated in a notice of holding a public tender, except when tender documentation is

provided in the form of an electronic document. The rate of the said payment must not exceed the amount of outlays of the customer or authorised body on making a copy of the tender documentation and its delivery by mail to the person that has filed the said application.

Tender documentation in the form of an electronic document shall be provided free-of-charge.

3. It shall not be allowable to provide tender documentation before publishing and inserting to the official site a notice of holding a public tender.

4. The tender documentation inserted to the official site must comply with the tender documentation provided in the procedure established by Part 2 of this Article.

5. In the event of failing to meet the requirements established by Parts 1 - 4 of this Article, a public tender may be declared invalid in the procedure established by the legislation of the Russian Federation.

Article 24. Clarification of the Provisions of Tender Documentation and Making Amendments Thereto

1. Any participant in an order's placement shall be entitled to send in writing, including in the form of an electronic document, to the customer or authorised body, a request for explanation of the tender documentation's provisions. Within two working days as of the date of receiving the said request, an authorised body shall be obliged to send in writing or in the form of an electronic document explanations concerning the provisions of the tender documentation, if the said request was received by the customer or authorised body at the latest five days before the finishing date for filing applications for participation in the tender.

2. Within one day as of the date of sending an explanation of the provisions of tender documentation upon the request of a participant in an order's placement, such explanation must be placed by the customer, authorised body or specialised organisation on the official site indicating the subject of the request and not indicating the participant in the order's placement whose request has been received. The explanation of the provisions of tender documentation must not change the essence thereof.

3. The customer or authorised body are entitled at their own initiative or in compliance with the request of a participant in an order's placement to decide on making amendments to tender documentation at the latest five days before the end date for filing applications for participation in the tender. It is not allowable to change the subject of a tender. Within five working days as of the date of rendering a decision on amending tender documentation such amendments shall be published and within one day shall be inserted by the customer, authorised body or specialised organisation in the procedure established for publication and insertion of a notice of holding a public tender, and within two working days shall be sent by registered mail or in the form of electronic documents to all participants in an order's placement which the tender documentation has been provided to. For this, the time period for filing applications for participation in a tender may be prolonged so that such time period is equal to at least twenty days since the date of publication in an official publication or insertion on an official site of the amendments made to tender documentation up to the end date of filing applications for participation in the tender.

Article 25. Procedure for Filing Applications for Participation in a Tender

1. To participate in a tender, a participant in an order's placement shall file an application for participation in the tender at the time and according to the form which are established by the tender documentation.

2. A participant in an order's placement shall file an application for participation in a tender in writing in a sealed envelope or in the form of an electronic document. With this, the name of the public tender (lot) for which a given application is filed shall be stated on such envelope. A participant in an order's placement is entitled not to indicate on such envelope its firm's name, postal address (if a legal entity) or family name, first name, patronymic and data on the place of residence (if a natural person).

3. An application for participation in a tender must contain the following:

1) data and documents concerning the participant in the order's placement that has filed such application:

a) firm's name (name), information concerning organisational-and-legal form, location, postal address (in respect of a legal entity), family name, first name, patronymic, passport data, information on the place of residence (in respect of a natural person), contact telephone number;

b) an excerpt received at earliest six months before the date of inserting to an official site a notice of holding a public tender from the Comprehensive State Register of legal entities or a notary-attested copy of such an excerpt (for legal entities), an excerpt from the Comprehensive State Register of individual entrepreneurs or a notary-attested copy of such an excerpt (for individual entrepreneurs) received at earliest six months before the date of inserting to an official site a notice of holding a public tender, copies of the documents certifying the identity (for other natural persons), a properly certified and attested translation into Russian of the documents proving the state registration of a legal entity or natural person as an individual businessman in compliance with the legislation of the appropriate state (for

foreign persons) received at earliest six months before the date of inserting to an official site a notice of holding a public tender;

c) document proving the authority of a person to act on behalf of a participant in the order's placement;

d) documents proving the qualifications of a participant in the order's placement in the event of holding a tender for carrying out works and rendering services, if such criteria for assessment of applications for participation in a tender as qualifications of a participant in an order's placement is stated in tender documentation;

2) a proposal concerning the functional characteristics (consumer properties) and qualitative characteristics of commodities, the quality of works or services and other proposals concerning the terms of implementation of a state or municipal contract, including a proposal concerning the contract price, on the price of the unit commodity or unit service, if when placing an order to supply technical facilities for rehabilitation of disabled persons, to render educational services, services related to sanatorium-and-spa treatment and health improvement for meeting state and municipal needs the tender documentation provides for the customer's right to make a contract with several participants in the order's placement; on the price of spare parts (each spare part) for machines and equipment, on the price of the unit service and/or unit work, if when holding a tender for the right to make a state or municipal contract for maintenance and/or repair of machines and equipment, of rendering communications services and legal aid the customer or authorized body have cited in the tender documentation the initial (maximum) price of the contract (price of the lot), as well as the initial (maximum) price of spare parts (of each spare part) for the machines and equipment and the initial (maximum) price of the unit service and/or the unit work. In the instances provided for by tender documentation, also copies of the documents proving the compliance of commodities, works and services with the requirements established in compliance with the legislation of the Russian Federation, if requirements are established under the legislation of the Russian Federation with respect to such commodities, works and services. For this, it is not allowable to demand the submission of the said documents, if under the legislation of the Russian Federation such documents are handed over together with commodities;

3) documents or copies of the documents proving the compliance of a participant in an order's placement with established requirements and terms of admittance to participation in the tender:

a) documents that prove the entry of monetary funds to secure an application for participation in the tender, if tender documentation indicates the requirement to secure such application;

b) copies of the documents proving the compliance of a participant in an order's placement with the requirement established by Item 1 of Part 1 of Article 11 of this Federal Law, if requirements are established under the legislation of the Russian Federation with respect to the person engaged in supplying commodities, carrying out works and rendering services and such commodities, works and services constitute the subject of the tender;

c) documents proving the compliance of a participant in an order's placement with the requirement established in conformity to Item 1 of Part 2 of Article 11 of this Federal Law, if such requirement is established by a customer or authorised body;

d) copies of the documents proving the compliance of a participant in an order's placement with the requirement established in compliance with Part 3 of Article 11 of this Federal Law, if such requirement is established by the Government of the Russian Federation.

3.1. An application for participation in a tender may contain an outline, drawing, diagram, photo or other image of the commodity, a sample (specimen) of the commodity for whose supply an order is to be placed.

4. It is not allowable to demand of a participant in an order's placement other things, except for the documents and data provided for by Subitems from (a) to (c) of Item 1, Items 2 and 3 of Part 3 of this Article.

5. Upon receiving an application for participation in a tender filed in the form of an electronic document, the customer or authorised body shall be obliged to confirm its receipt in writing or by an electronic document within one working day as of the date of receiving such application.

6. A participant in an order's placement shall only be entitled to file one application for participation in a tender in respect of each subject of the tender (each lot). A participant in an order's placement that may influence the activities of a specialised organisation may not file an application for participation in a tender.

7. The acceptance of applications for participation in a tender shall be finished on the day of opening envelopes with such applications and of providing access to applications for participation in the tender filed in the form of electronic documents subject to the provisions of Part 2 of Article 26 of this Federal Law.

8. The participants in an order's placement that have filed applications for participation in a tender, the customer, authorised body and specialised organisation shall be obliged to ensure the confidentiality of the data contained in such applications prior to opening envelopes with applications for participation in the tender and provision of access to applications for participation in the tender filed in the

form of electronic documents. The persons charged with keeping envelopes with applications for participation in a tender and applications for participation in a tender filed in the form of electronic documents shall not be entitled to allow damaging such envelopes and applications before the time of their opening in compliance with Article 26 of this Federal Law.

9. A participant in an order's placement that has filed an application for participation in a tender shall be entitled to change or withdraw the application for participation in the tender at any time before opening by the tender commission envelopes with applications for participation in the tender and providing access to the applications for participation in the tender filed in the form of electronic documents. Where the requirement to secure an application for participation in a tender is established, the customer or authorised body shall be obliged to return the monetary funds entered to secure the application for participation in the tender to the participant in the order's placement that has withdrawn the application for participation in the tender within five working days as of the date of receiving by the customer or authorised body a notice of the withdrawal of the application for participation in the tender.

10. Each envelope with an application for participation in a tender and each application for participation in a tender filed in the form of an electronic document received at the time indicated in tender documentation shall be registered by the customer, authorised body or specialized organisation. For this, it is not allowable to refuse to accept and register an envelope with an application for participation in a tender on which there are no data on the participant in an order's placement that has filed such envelope, as well as to demand presentation of such data, in particular in the form of documents proving the authority of the person, that has filed the envelope with an application for participation in a tender, to commit such actions on behalf of the participant in an order's placement. The customer or authorised body on demand of a participant in an order's placement that has submitted an envelope with an application for participation in a tender shall issue a receipt to prove the acceptance of the envelope with such application, indicating the date and time of accepting it.

11. If before the expiry of the time period for filing applications for participation in a tender only one application for participation in the tender is filed or no applications for participation in a tender are filed, the tender shall be declared frustrated. If tender documentation provides for two and more lots, the tender shall only be deemed frustrated in respect of those lots for which solely one application for participation in the tender has been filed or no applications for participation in the tender have been filed.

12. If before the expiry of the time period for filing applications for participation in a tender only one application for participation in the tender is filed, the envelope with the said application shall be opened or access to an application filed in the form of an electronic document shall be provided and the said application shall be considered in the procedure established by Articles 27-28 of this Federal Law. If the said application complies with the requirements and terms provided for by tender documentation, the customer within three working days as of the date of considering the application for participation in the tender shall be obliged to transfer to the participant in the order's placement that has filed the only application for participation in the tender a draft contract to be drawn up by way of including the terms of the contract's implementation offered by such participant in the application for participation into the draft contract attached to the tender documentation. With this, a state or municipal contract shall be made with the participant in the order's placement that has filed the application subject to the provisions of Part 4 of Article 29 of this Federal Law under the terms and at the price of the contract which are provided for by the application for participation in the tender and tender documentation, but the price of such contract may not exceed the initial (maximum) price of the contract (price of the lot) indicated in a notice of holding the public tender. A participant in an order's placement that has filed the said application shall not be entitled to refuse to make a state or municipal contract. The monetary funds entered to secure an application for participation in a tender shall be returned to the participant in the order's placement within five working days as of the date of making a state or municipal contract. If such participant in the order's placement fails to submit the signed contract to the customer at the time provided for by tender documentation, as well as the security of implementation of the contract in the event of establishing by the customer or authorised body the requirement to secure implementation of the contract, it shall be declared that such participant in the order's placement evades making the state or municipal contract. If a participant in an order's placement evades making the contract, the monetary funds entered to secure the application for participation in the tender shall not be returned.

Article 26. Procedure for Opening Envelopes with Applications for Participation in a Tender and for Providing Access to Applications for Participation in a Tender Filed in the Form of Electronic Documents

1. The tender commission on the day, at the time and place indicated in a notice of holding a public tender shall publicly open envelopes with applications for participation in the tender and shall provide access to the applications for participation in the tender filed in the form of electronic documents. Envelopes with applications for participation in the tender shall be opened and access to the applications for participation in the tender filed in the form of electronic documents shall be provided on the same day.

2. On the day of opening envelopes with applications for participation in a tender and of providing access to the applications for participation in the tender filed in the form of electronic documents and right

before opening envelopes with applications for participation in the tender and providing access to the applications for participation in the tender filed in the form of electronic documents or in the event of holding a tender for several lots before opening envelopes with applications for participation in a tender filed in respect of each lot and providing access to applications for participation in a tender in respect of such lot filed in the form of electronic documents but at earliest at the time specified in a notice of holding an open tender and in the tender documentation, the tender commission shall be obliged to announce to all those present, when such envelopes are being opened and access to the applications for participation in the tender filed in the form of electronic documents is being provided, that they can file applications for participation in the tender, to amend or withdraw filed applications for participation in the tender before opening envelopes with applications for participation in the tender and provision of access to the applications for participation in the tender filed in the form of electronic documents.

3. The tender commission shall open envelopes with applications for participation in a tender and shall provide access to the applications for participation in the tender filed in the form of electronic documents received by the customer or authorised body before opening applications for participation in the tender or providing access to the applications for participation in the tender filed in the form of electronic documents. In the event of establishing the fact that one participant in an order's placement has filed two and more applications for participation in a tender in respect of the same lot and the applications previously filed by such participant have not been withdrawn, all applications of such participant in the order's placement for participation in the tender filed in respect of this lot shall not be considered and shall be returned to such participant.

4. The participants in an order's placement that have filed applications for participation in a tender or representatives thereof shall be entitled to be present when opening envelopes with applications for participation in the tender and providing access to the applications for participation in the tender filed in the form of electronic documents.

5. The denomination (for legal entities), family name, first name, patronymic (for a natural person) and postal address of each participant in an order's placement whose envelope with an application for participation a tender is to be opened or whose application for participation in a tender filed in the form of an electronic document is to be made accessible, availability of the data and documents provided for by the tender documentation, terms of implementation of a state or municipal contract, indicated in such application and constituting a criterion for assessment of applications for participation in the tender, shall be announced at the time of opening envelopes with applications for participation in the tender and providing access to the applications for participation in the tender filed in the form of electronic documents and shall be entered to the record of opening envelopes with applications for participation in the tender and of providing access to the applications for participation in the tender filed in the form of electronic documents. If upon termination of the time period for filing applications for participation in a tender only one application was filed or no applications for participation in a tender were filed, information about declaring the tender frustrated shall be entered into said record.

6. In the course of opening envelopes with applications for participation in a tender and of providing access to the applications for participation in the tender filed in the form of electronic documents information on the participants in an order's placement which have filed applications for participation in the tender, on availability of the documents and data provided for by tender documentation may be immediately placed on the official site.

7. Abrogated.

8. The record of opening envelopes with applications for participation in a tender and of provision of access to the applications for participation in the tender filed in the form of electronic documents shall be kept by the tender commission and shall be signed by all members of the tender commission who are present and by the customer or authorised body directly after opening envelopes with applications for participation in the tender and providing access to the applications for participation in the tender filed in the form of electronic documents. The said record shall be placed by the customer, authorised body or specialized organisation on the official site within a day following the day when such record was signed.

9. The customer, authorised body or specialised organisation shall be obliged to make a sound recording of opening envelopes with applications for participation in a tender and of providing access to the applications for participation in a tender filed in the form of electronic documents. Any participant in an order's placement which attends the opening of envelopes with applications for participation in a tender or provision of access to the applications for participation in the tender filed in the form of electronic documents shall be entitled to make sound recording or videotaping of the opening of such envelopes and providing access to such applications.

10. The envelopes with applications for participation in a tender received after terminating the acceptance of envelopes with applications for participation in a tender and of applications for participation in the tender filed in the form of electronic documents shall be opened (if on the envelope there is no postal address (if a legal entity) or data on the place of residence (if a natural person) of a participant in an order's placement) and access to the applications for participation in the tender filed in the form of electronic documents shall be provided, and on the same day such envelopes and such applications shall

be returned to participants in the order's placement. If the requirement has been established to secure an application for participation in a tender, the customer or authorised body shall be obliged to return the monetary funds entered to secure the application for participation in the tender to the said participants in the order's placement within five working days as of the date of signing the record of assessment and comparison of applications for participation in the tender.

Article 27. Procedure for Considering Applications for Participation in a Tender

1. The tender commission shall consider applications for participation in a tender as to their compliance with the requirements established by the tender documentation and as to the compliance of participants in an order's placement with the requirements established in conformity to Article 11 of this Federal Law. The time period for consideration of applications for participation in a tender may not exceed twenty days as of the date of the opening of envelopes with applications for participation in the tender and providing access to the applications for participation in the tender filed in the form of electronic documents.

2. On the basis of the results of considering applications for participation in a tender, the tender commission shall render a decision on admittance to the tender of a participant in the order's placement and on declaring the participant in the order's placement that has filed an application for participation in the tender, a tender participant or on the refusal to admit such participant in the order's placement to participation in the tender in the procedure and for the reasons that are provided for by Article 12 of this Federal Law, as well as the record of consideration of applications for participation in the tender shall be legalised to be kept by the tender commission and signed by all members of the tender commission attending the meeting and by the customer or authorised body on the finishing date of consideration of applications for participation in the tender. The record must contain data on the participants in an order's placement that have filed applications for participation in the tender, a decision concerning admittance of a participant in an order's placement to participation in the tender and on declaring him a participant of the tender or on the refusal to admit a participant in an order's placement to participation in the tender, such decision being substantiated and specifying the provisions of this Federal Law which a participant in the order's placement does not comply with, the provisions of tender documentation which this participant's application for participation in the tender does not comply with, the provisions of such applications which do not comply with the requirements of tender documentation, data on the decision of each member of the tender commission on admittance of a participant in an order's placement to participate in the tender or on the refusal to admit him to participate in the tender. The said record shall be inserted by the customer, authorised body or specialised organisation on the finishing date of consideration of applications for participation in the tender to the official site. Notices concerning decisions rendered by the tender commission at the latest on the day following the date of signing the said record shall be sent to the participants in the order's placement which have filed applications for participation in the tender and have been declared participants of the tender, as well as to the participants in the order's placement that have filed applications for participation in the tender and have not been admitted to participation therein.

3. Where the requirement to ensure an application for participation in a tender is established, the customer or authorised body shall be obliged to return the monetary funds entered to secure an application for participation in the tender to the participant, that has filed an application for participation in the tender and has not been admitted to participation therein, within five working days as of the date of signing the record specified in Part 2 of this Article.

4. If it was decided on the basis of the results of considering applications for participation in a tender to refuse to admit to participation in the tender all the participants in an order's placement that have filed applications for participation in the tender or to admit to participation in the tender and to declare a tender participant a participant in the order's placement that has filed an application for participation therein, the tender shall be declared frustrated. If tender documentation provides for two or more lots, the tender shall be only deemed frustrated in respect of the lot for which the decision to refuse admittance to participation therein is rendered in respect of all participants in an order's placement that have filed applications for participation in the tender for this lot or for which the decision on admittance to participation therein and on declaring a tender participant is rendered in respect of solely one participant in an order's placement that has filed an application for participation in the tender in respect of this lot. With this, the customer or authorised body shall be obliged, if the requirement to secure an application for participation in the tender is established, to return the monetary funds entered to secure an application for participation in the tender, to participants in an order's placement that have filed applications for participation in the tender within five working days as of the date of declaring the tender frustrated, except for the participant in the order's placement which has been declared the tender's participant. The monetary funds entered to secure an application for participation in the tender shall be returned to the said tender's participant within five working days as of the date of making a state or municipal contract with him.

5. If a tender is declared frustrated and solely one participant in an order's placement that has filed an application for participation in the order's placement is declared the tender participant, the

customer within three working days as of the date of signing the record provided for by Part 2 of this Article shall be obliged to transfer to such tender participant a draft contract drawn up by way of including the terms of the contract's implementation offered by such participant in the application for participation in the tender, to the draft contract attached to the tender documentation. With this, the state or municipal contract shall be made subject to the provisions of Part 4 of Article 29 of this Federal Law under the terms and at the price of the contract which are provided for by the application for participation in the tender and by the tender documentation, but the price of such contract may not exceed the initial (maximum) contract price (lot price) specified in a notice of holding an open tender. Such participant shall not be entitled to refuse to conclude a state or municipal contract. The monetary funds entered to secure an application for participation in the tender shall be returned to such tender participant within five working days as of the date of making a state or municipal contract with him. A state or municipal contract may be concluded at the earliest in ten days as of the date of inserting on the official site the record provided for by Part 2 of this Article or, when holding a closed tender, as of the date of signing the said record. Should such tender participant fail to present to the customer at the time provided for by tender documentation the signed contract, as well as the security of the contract's implementation, if the customer or authorised body has established the requirement to secure the contract's implementation, it shall be declared that such tender participant has evaded making a state or municipal contract. In the event of such participant's evasion of making a contract, the monetary funds entered to secure the application for participation in the tender shall not be returned.

Article 28. Assessment and Comparison of Applications for Participation in a Tender

1. The tender commission shall assess and compare the applications for participation in a tender filed by the participants in an order's placement declared to be the tender participants. The time period for assessment and comparison of such applications may not exceed ten days as of the date of signing the record indicated in Part 2 of Article 27 of this Federal Law.

2. Applications for participation in a tender shall be assessed and compared by the tender commission for the purpose of detecting the best terms of implementing a state or municipal contract in compliance with the criteria and in the procedure established by the tender documentation. The aggregate of such criteria has to amount to one hundred per cent.

3. If a notice of holding an open tender contains an indication that there are advantages for institutions and enterprises of the criminal executive system and (or) organisations of disabled persons, the tender commission, when assessing and comparing applications for participation in the tender, must take into account such advantages in favour of the applications for participation in the tender of the said participants in an order's placement.

4. To detect the best conditions for a contract's implementation offered in applications for participation in a tender the tender commission must assess and compare such applications on the basis of the contract's price (the price of the unit commodity in the event of placing an order to supply technical facilities for rehabilitation of disabled persons, to render educational services, services related to sanatorium-and-spa treatment and health improvement for meeting state or municipal needs, if tender documentation provides for the customer's right to conclude a contract with several participants in an order's placement; the price of spare parts for machines and spare parts and the price of the unit work or the unit service, if when holding a tender for the right to make a state or municipal contract for maintenance and/or repair of machines and equipment tender documentation provides for the initial (maximum) price of spare parts to the machines and equipment; the price of the unit service and unit work; the price of the unit service, if when holding a tender for the right to make a state or municipal contract for rendering communication services or legal aid tender documentation provides for the price of the unit service) and other criteria specified in the tender documentation. For this, the following may be deemed the criteria for assessing applications for participation in a tender apart from the contract's price:

- 1) functional characteristics (consumer properties) and qualitative characteristics of commodities;
- 1.1) quality of works, services and/or qualifications of the tender participant when placing an order to carry out works or render services;
- 2) outlays on operation of commodities;
- 3) outlays on technical maintenance of commodities;
- 4) time (time periods) for supplying goods, carrying out works and rendering services;
- 5) time for granting a guarantee of the quality of commodities, works or services;
- 6) extent of granting guarantees of the quality of commodities, works and services;
- 7) abrogated;
- 8) abrogated.

5. Abrogated from October 1, 2007.

6. It shall not be allowable to apply the criteria for assessing applications for participation in a tender, other than those provided for by Part 4 of this Article. For this, the value of the criteria cited in Items 1 and 1.1 of Part 4 of this Article may not constitute more than twenty per cent or, in the event of holding a tender for carrying out scientific research, development or engineering works, for carrying out

rescue works, restoration of cultural heritage items (historical and cultural monuments of the peoples of the Russian Federation, of museum pieces and museum collections included into the composition of the Museum Fund of the Russian Federation, documents of the Archival Fund of the Russian Federation, especially precious and rare documents within library stocks, for rendering medical services, for servicing an official site and ensuring the functioning of such site, the services of a specialized organisation for exercising the functions of an order's placement, - forty five per cent.

7. A procedure for assessing applications for participation in a tender shall be established by the Government of the Russian Federation. The Government of the Russian Federation, when establishing a procedure for assessing applications for participation in a tender, shall provide for the types of criteria from among those specified in Part 4 of this Article, their content and importance of such criteria depending on the types of commodities, works and services.

8. On the basis of the results of assessing and comparing applications for participation in a tender, the tender commission shall assign an ordinal number to each application for participation in the tender as the degree of expediency of the terms of a contract's implementation contained therein decreases, as compared to the other applications. The first number shall be assigned to the application for participation in a tender containing the best terms of the contract's implementation. Where several applications for participation in a tender contain similar terms of a contract's execution, a smaller ordinal number shall be awarded to the application for participation in the tender which was received before other applications for participation in the tender containing such terms.

9. The winner of a tender shall be declared the tender participant which has offered the best terms and conditions of the contract's implementation and to which application for participation in the tender the first number is assigned.

10. The tender commission shall keep the record of assessment and comparison of applications for participation in a tender that must contain data on the place, date and time of assessing and comparing such applications, on the tender participants whose applications for participation in the tender have been considered, on the procedure for assessment and comparison of applications for participation in a tender, on the decision concerning assignment of ordinal numbers to applications for participation in the tender rendered on the basis of the results of assessment and comparison of applications for participation in the tender, data on the decision of each commission member as to the assignment to applications for participation in the tender of values according to each stipulated criteria for assessment of applications for participation in the tender, as well as denominations (for legal entities), family names, first names, patronymics (for natural persons) and postal addresses of the tender participants whose applications for participation in the tender the first and the second numbers were assigned to. The record shall be signed by all members of the tender commission present and by the customer or authorised body within the day following the finishing date of assessment and comparison of applications for participation in the tender. The record shall be drawn up in two copies, one of them to be kept by the customer or authorised body. The customer or authorised body within three working days as of the date of signing the record shall transfer to the tender winner one copy of the record and a draft contract which is drawn up by way of including the conditions of the contract's implementation offered by the tender winner in the application for participation in the tender, into the draft contract attached to the tender documentation.

11. The record of assessment and comparison of applications for participation in a tender shall be inserted on an official site and published in an official publication by the customer, authorised body or specialised organisation accordingly within a day following the date of signing the said record. When holding a tender for the right to conclude a state or municipal contract which provides for supply of commodities, carrying out of works and rendering of services to meet the needs of a constituent entity of the Russian Federation or municipal needs, the said record shall be likewise published by the customer, authorized body or specialized organisation in an official publication within five working days as of the date of signing the said record.

12. Where the requirement to secure applications for participation in a tender is established, the customer or authorised body shall be obliged to return within five working days as of the date of signing the record of assessment and comparison of applications for participation in a tender the monetary funds entered to secure an application for participation in the tender, to the tender participants which have participated in the tender but have failed to win it, except for a tender participant whose application for participation in the tender the second number was assigned to and whose monetary funds entered to secure an application for participation in the tender are to be returned in the procedure provided for by Part 5 of Article 29 of this Federal Law.

13. Any tender participant after inserting the record of assessment and comparison of applications for participation in a tender shall be entitled to send to the customer or authorised body a request in writing, including in the form of an electronic document, for explanation of the tender results. The customer or authorised body within two working days as of the date of receiving such request shall be obliged to present the appropriate explanations to the tender participant in writing or in the form of an electronic document.

14. Any tender participant shall be entitled to complain about the tender results in the procedure provided for by Chapter 8 of this Federal Law.

15. Records drawn up in the course of a tender, applications for participation in a tender, tender documentation, amendments made to the tender documentation, the sound recording of opening envelopes with applications for participation in the tender and providing access to the applications filed in the form of electronic documents shall be kept by the customer or authorised body within at least three years.

Article 29. Making a State or Municipal Contract on the Basis of the Results of a Tender

1. If the tender winner or the tender participant whose application for participation in the tender has been awarded the second number within the time period provided for by the tender documentation does not present to the customer the signed contract transferred thereto in compliance with Part 10 of Article 28 of this Federal Law or Part 2 of this Article, as well as the security of the contract's implementation, if the customer or authorised body has established the requirement to secure the contract's implementation, it shall be declared that the tender winner has evaded making a state or municipal contract.

1.1. A state or municipal contract may be made at the earliest in ten days as of the date of insertion on an official site of the record of assessment and comparison of applications for participation in a tender, or as of the date of signing the record of assessment and comparison of applications for participation in a tender, if a non-public tender is held.

2. If it is declared that the tender winner has evaded making a state or municipal contract, the customer shall be entitled to make a claim with court for forcing the tender winner to make the contract, as well as for repair of the damages caused by the evasion to make the contract, or to make a state or a municipal contract with the tender participant whose application for participation in the tender the second number has been assigned to. The customer is obliged to conclude a contract with the tender participant whose application for participation in the tender was assigned the second number in the event of the refusal to conclude a contract with the tender winner, where it is provided for by Part 3 of Article 9 of this Federal Law. With this, making a state or municipal contract shall be obligatory for the tender participant whose application the second number has been assigned to. If the tender winner or the tender participant whose application for participation in the tender the second number is assigned to evades making a contract, the monetary funds entered by them to secure the applications for participation in the tender shall not be returned. Where the participant, whose application for participation in a tender has been awarded the second number, avoids concluding a contract, the customer is entitled to file a claim in court to force such participant to conclude the contract, as well as for reimbursement of costs caused by the avoidance of concluding the contract, or to render a decision on declaring the tender frustrated. If the customer refuses to make a contract with the tender winner and with the tender participant whose application for participation in the tender the second number was assigned, the tender shall be declared frustrated.

3. A state or municipal contract shall be made under the terms and conditions indicated in the application for participation in the tender filed by the tender participant which the contract is made with, and in the tender documentation. When concluding a state or municipal contract, the price of such contract may not exceed the initial (maximum) contract price (lot price) specified in a notice of holding a public tender. Where a contract is made with a natural person, the state or municipal customer, if not otherwise provided for by tender documentation, reduces the contract price offered by such person by the amount of the tax payments connected with payment for the contract, except for individual businessmen and other persons engaged in private practice.

3.1. If when placing an order to supply technical facilities for rehabilitation of disabled persons and services of sanatorium-and-spa treatment and health improvement for meeting state or municipal needs the tender winner cannot execute the order in full and tender documentation provides for the customer's right to conclude the contract with several participants in the order's placement, the customer is entitled to conclude the contract with the tender participants whose applications for participation in the tender have been assigned the next ordinal numbers in the increasing order under the terms which are provided for by Part 3 of this Article to the extent which is offered in such applications for participation in the tender. Such participants in the order's placement are not entitled to refuse to conclude a state or municipal contract. For this, the contract price may not exceed an amount proportionate to the price of such contract depending on the quantity of supplied commodities and the extent of services for whose supply and rendering the contract has been concluded. The total price of the contracts made on the basis of the results of placing an order to supply technical facilities for rehabilitation of disabled persons and services of sanatorium-and-spa treatment and health improvement for meeting state or municipal needs may not exceed the initial (maximum) price of the contract (price of the lot) cited in the tender documentation.

4. If the customer or authorised body establishes the requirement to secure implementation of a state or municipal contract, the state or municipal contract shall be only made after granting by the tender

participant which the contract is to be made with, an irrevocable guarantee, insurance of liability under the contract or putting monetary funds in pledge to the customer, in particular in the form of a contribution (deposit), in the amount of security of the contract's implementation specified in a notice of holding a public tender. The way of securing implementation of the contract from among those enumerated in this Part shall be independently selected by such tender participant. If the tender winner or the tender participant which a contract is made with is a budget institution and the customer or authorised body has established the requirement to secure the contract's implementation, it shall not be required to secure the contract's implementation.

5. If the requirements have been established to secure an application for participation in a tender, the monetary funds entered to secure an application for participation in the tender shall be returned to the tender winner within five working days as of the date of making a state or municipal contract with him. The monetary funds entered to secure an application for participation in a tender shall be returned to the tender participant whose application for participation in the tender the second number has been assigned to within five days as of the date of making a state or municipal contract with the tender winner or with such tender participant.

Article 30. Specifics of Holding a Closed Tender

1. A closed tender shall be held by approbation of the federal executive body authorised to exercise control in respect of orders' placement. The conduct of a closed tender shall be coordinated in the procedure established by the federal executive body charged with normative legal regulation in respect of orders' placement. With this, the time periods for such coordination must not exceed ten working days as of the date of receiving an application for coordination of the conduct of a closed tender.

2. When conducting a closed tender, the provisions of this Federal Law concerning the conduct of a public tender subject to the provisions of this Article shall apply.

3. Neither the notice of holding a closed tender, tender documentation and amendments to be made to the tender documentation nor the explanations concerning the tender documentation shall be subject to publication in mass media and in the Internet. The customer or authorised body at the latest thirty days before the date of opening envelopes with applications for participation in a tender shall send invitations in writing to take part in a closed tender to the persons which comply with the requirements provided for by this Federal Law, are admitted to the data constituting a state secret and can supply the commodities, carry out the works and render the services that are the subject of the tender. The said invitations must contain the data provided for by Part 4 of Article 21 of this Federal Law.

3.1. Envelopes with applications for participation in a non-public tender may be opened before the date specified in the tender documentation, if all the persons, to which invitations to participate in the non-public tender have been sent, give their consent in writing to this.

3.2. The customer or an authorised body at latest thirty days before the date of opening envelopes with applications for participation in a tender shall send to the federal executive body authorized to exercise control in respect of orders' placement all the invitations cited in Part 3 of this Article.

4. When holding a closed tender, it shall neither be allowable to file applications for participation in the tender in the form of electronic documents, not to provide the tender documentation and amendments made thereto, nor to send requests for explaining the provisions of the tender documentation and to give such explanations, in the form of electronic documents. Explanations as to the provisions of the tender documentation must be brought in writing by the customer or authorised body to the knowledge of all persons to which the tender documentation is provided indicating the subject of a request and not indicating the participant in the order's placement which the request has been received from.

4.1. The record of opening envelopes with applications for participation in a closed tender and the record of consideration of applications for participation in a closed tender shall be drawn up in two copies. The customer or authorized body at the latest on the day following the date when the appropriate record was signed shall send to the federal executive body authorized to exercise control in respect of orders' placement one copy of such record, as well as sending copies of such record to the participants in the order's placement that have filed applications for participation in the tender.

4.2. The record of assessment and comparison of applications for participation in a closed tender shall be drawn up in three copies. The customer or authorized body at the latest on the day following the date when the record was signed shall send to the federal executive body authorised to exercise control in respect of orders' placement one copy of such record, as well as sending copies of such record to the tender participants.

5. Records drawn up in the course of holding a closed tender, as well as the data obtained in the course of holding a closed tender, shall not be subject to publication in mass media and insertion to the Internet.

6. When holding a closed tender, sound recording video taping shall not be allowable.

Article 31. Effects of Declaring a Tender Frustrated

1. If a tender is declared frustrated and a state or municipal contract is not made with the sole tender participant or with the participant in an order's placement which has filed the only application for participation in the tender (where there are such participants), the customer or authorised body shall be entitled to declare the repeated conduct of the tender or to send the documents concerning the conduct of the tender and declaring it frustrated to the federal executive body (when placing orders to supply commodities, carry out works and render services for meeting federal needs), to the executive body of a constituent entity of the Russian Federation (when placing orders to supply commodities, carry out works and render services for meeting the needs of the constituent entity of the Russian Federation or for meeting the needs of a municipal establishment) which are authorised to exercise control in respect of orders' placement. The customer by approbation of the said body may decide on placing an order with a single supplier (performer, contractor). With this, a state or municipal contract must be made with the single supplier (performer, contractor) under the terms and conditions provided for by the tender documentation, the price of the contract made must not exceed the initial (maximum) contact price (lot price) specified in a notice of holding a public tender or in an invitation to participate in a closed tender. If a tender is declared frustrated in compliance with Part 2 of Article 29 of this Federal Law and a contract is made with the sole supplier (performer, contractor), such contract has to be made subject to the terms and conditions specified in the application for participation in the tender to which the first number has been awarded and in tender documentation and the price of the contract made must not exceed the contract price specified in such application. A procedure for coordination of probable making of a state or municipal contract with a single supplier (performer, contractor) shall be established by the federal executive body charged with normative legal regulation in respect of order placement. With this, the time period for such coordination must not exceed ten working days as of the date of receiving an application for coordination of probable making of a state or municipal contract with a single supplier (performer, contractor).

2. In the event of announcing a repeated conduct of a tender, the customer or authorised body shall be entitled to change the terms and conditions thereof.

Chapter 2.1. Specifics of Placing Orders by Holding a Public Tender for the Right to Conclude a State or Municipal Contract for Creating a Work of Literature or Art, for Performance, Financing Distribution or Demonstration of a National Film

Article 31.1. Specifics of Placing Orders by Holding a Public Tender for the Right to Conclude a State or Municipal Contract for Creating a Work of Literature or Art, for Performance, Financing Distribution or Demonstration of a National Film

1. An order to create a work of literature or art, for performance, financing distribution or demonstration of a national film shall be placed by holding a public tender (for the purposes of this article hereinafter also referred to as a public tender).

2. In compliance with this chapter an order for creation of the following works of literature and art shall be placed by holding a public tender:

- 1) works of literature, except for computer programmes;
- 2) dramatics and musical dramatics, scenario works;
- 3) choreographical works with a text and without such;
- 4) pieces of music with a text and without such;
- 5) audiovisual works;
- 6) artworks, sculpture, graphics and design works, graphic stories, comic strips and other works of fugirative arts;
- 7) works of arts and crafts and of scenographic arts;
- 8) architectural designs, town-planning design works and landscape architecture works;
- 9) photographic works and works made using methods which are similar to photography;
- 10) derivative works;
- 11) composite works (except for databases) representing the result of creative work as regards the selection or arrangement of materials.

3. For the purposes of this Federal Law an architectural design, town-planning design work and landscape architecture works mean the external and internal appearance of an object, its spacing, design and functional arrangement recorded in the form of diagrams or model, or described in some other way, except for design documentation.

4. When holding a public tender, the provisions of this Federal Law on holding a public tender shall apply subject to the provisions of this chapter.

5. The provisions of this chapter shall not apply when an order is placed for making computer programmes and data bases.

Article 31.2. A Notice of Holding a Public Tender

1. A notice of holding a public tender shall be inserted on an official site by the customer, authorized body or specialized organisation at least twenty days before the date when envelopes with applications for participation in a tender are to be opened and access to applications for participation in a tender filed in the form of electronic documents is to be provided, if an order for financing distribution or demonstration of a national film is placed, and at least sixty days before the date of the said opening of envelopes and provisions of access, if an order to create a work of literature or arts is placed.

2. A notice of holding a public tender must contain the following data:

- 1) form of sales;
- 2) name, location, postal and e-mail addresses, contact telephone number of the customer, authorised body or specialized organisation;
- 3) subject-matter of the state or municipal contract;
- 4) initial (maximum) price of the contract (price of the lot);
- 5) time period for creation of the work of literature or art, time period and place for creation of a performance;
- 6) time period, place and procedure for submission of tender documentation, official site where tender documentation is placed;
- 7) place, procedure, starting and end dates for filing applications for participation in the tender.

The end date for filing applications for participation in a tender shall be fixed in compliance with Part 5 of Article 31.4 of this Federal Law.

3. The customer or authorized body are entitled to send invitations to take part in a public tender to persons who are capable of creating works of literature and art, or the performance which are the subject-matter of the contract. The persons, whom the said invitations have been sent to shall participate in the tender under the same terms and conditions as those for other participants in the order's placement.

Article 31.3. Contents of Tender Documentation When Holding a Public Tender

1. Tender documentation must contain the requirements established by the customer or authorised body for the work of literature or arts, for the performance or national film whose creation or the distribution or financing the demonstration of which is the subject-matter of a state or municipal contract.

2. Tender documentation along with the data provided for by Items from 4.1 to 4.3, 6, 7, 11, 12, 15 and 16 of Part 4 of Article 22 of this Federal Law must contain the following:

1) requirements for the content, form and composition of an application for participation in the tender, in particular of an application filed in the form of an electronic document and instructions for completion thereof;

2) the time period for creation of a work of literature or arts, time period and place for creation of a performance;

3) terms of financing distribution or demonstration of a national film;

4) requirements for a description by participants in the order's placement of a work of literature or art, a performance or a cinema project, if the subject-matter of a state or municipal contract is accordingly the creation of the work of literature or art, a performance, financing of distribution or demonstration of a national film and/or requirements for presentation of projects (outlines, models, drawings, images etc.) of the said works (hereinafter for the purposes of this article referred to as a draft work), for demonstration of part of a performance, for presentation of a cinema project;

5) criteria for assessment of applications for participation in the tender established in compliance with Part 3 of Article 31.6 of this Federal Law;

6) procedure, place, starting and end dates of the time period for filing applications for participation in the tender in compliance with Part 5 of Article 31.4 of this Federal Law, as well as procedure, place and time for presenting draft works of literature and arts, demonstration of a part of a performance, form of such draft works, procedure, place and time for presenting a cinema project, if the requirement to present such draft works of literature or art, of cinema projects, or the requirement to demonstrate a part of a performance are established in compliance with Item 4 of this Part. For this draft works of literature and art, as well as cinema projects, shall be presented by participants in an order's placement concurrently with filing an application for participation in the tender. Any time between the end date of the time period for filing applications for participation in a tender and the end date of consideration of such applications may be fixed for demonstration of a part of a performance. Tender documentation may stipulate the requirement for a repeated demonstration of a part of a performance at any time between the starting day and end day of assessment and comparison of applications for participation in a tender;

7) the procedure and time for withdrawal of applications for participation in a tender and procedure for amending such applications. For this the time for withdrawal of applications for participation

in a tender and time for amending applications for participation in a tender shall be established in compliance with Part 6 of Article 31.4 of this Federal Law;

8) the place, procedure, date and time for opening envelopes with applications for participation in a tender and provision of access to applications for participation in a tender filed in the form of electronic documents.

3. The customer or authorized body are entitled to provide in tender documentation for the possibility of the customer concluding state and municipal contracts for creating works of literature or arts with several participants in an order's placement, if an order is placed for creation of two or more works of literature and art.

4. A draft state or municipal contract (if a tender is held for several lots - a draft contract in respect of each lot), which is an integral part of tender documentation, must be attached to the tender documentation.

Article 31.4. Specifics of Filing Applications for Participation in a Public Tender

1. An application for participation in a tender must comply with the requirements established by tender documentation.

2. An application for participation in a tender, along with the documents provided for by Item 1, Subitems (a) and (b) of Item 3 of Part 3 of Article 25 of this Federal Law must contain a description of the work of literature or art, the performance and national film whose creation, or whose distribution or demonstration's financing are the subject-matter of a state or municipal contract, if the requirement to describe such work, performance or a national film is provided for by tender documentation.

3. It is not allowable to demand of a participant in an order's placement any other documents, except for those specified in compliance with Part 2 of this Article.

4. Where several individuals are planning to create a work of literature or arts or performance which are the subject-matter of a contract by way of their joint creative work, the said individuals shall file a single application for participation in the tender and shall be deemed a single participant in the order's placement.

5. The acceptance of applications for participation in a tender shall be terminated at the earliest one day before the date of opening envelopes with such applications and providing access to applications for participation in a tender filed in the form of electronic documents.

6. A participant in an order's placement that has filed an application for participation in a tender is entitled to change this application at any time before the end date for acceptance of applications for participation in the tender or to withdraw it before the time of opening by the tender commission of envelopes with applications for participation in the tender and provision of access to applications for participation in the tender filed in electronic form.

7. If upon termination of the time period for filing applications for participation in a tender only one application for participation in the tender was filed, the envelope with the said application shall be opened or access to the application for participation in the tender filed in the form of an electronic document shall be provided, and the said application, as well as the presented draft work of literature or art, the cinema project, the demonstration of a part of a performance, if the requirement to present such drafts, the cinema project or to demonstrate a part of the performance is established by the tender documentation, shall be considered in the procedure established by Articles 31.5 and 31.6 of this Federal Law. If the said application and a draft work of literature or art, a cinema project, a demonstration of a part of a performance complies with the requirements and terms provided for by tender documentation, the customer within three working days as of the date of considering the application for participation in the tender is entitled to transfer to the participant in the order's placement that has filed the only application for participation in the tender, a draft contract to be drawn up by including the terms for the contract's execution proposed by such participant in the application for participation in the tender to the draft contract attached to the tender documentation. For this, a state or municipal contract shall be made with the participant in the order's placement that filed the said application under the terms and with the price of the contract which are provided for by the application for participation in the tender and tender documentation but the price of such contract may not exceed the initial (maximum) price of the contract (price of the lot) cited in a notice of holding a public tender. The participant in an order's placement that filed said application has no right to refuse to conclude a state or municipal contract.

Article 31.5. Specifics of Opening Envelopes with Applications for Participation in a Tender and of Providing Access to Applications for Participation in a Tender Filed in the Form of Electronic Documents and Specifics of Consideration of Such Applications and Presented Draft Works of Literature or Arts, Cinema Projects and of a Demonstration of a Part of a Performance

1. The tender commission shall open envelopes with applications for participation in a tender and provide access to applications for participation in a tender filed in the form of electronic documents which were received by the customer or by the authorized body at the time established by the tender documentation.

2. The tender commission shall consider applications for participation in a tender, as well as presented draft works of literature or arts, cinema projects, demonstrations of parts of performance, if the requirement to present such draft works of literature or art, cinema projects, demonstrations of parts of performance is established by the tender documentation (for the purposes of this article hereinafter referred to as consideration of an application for participation in a tender) as to their compliance and the compliance of participants in the order's placement with the requirements established by tender documentation.

3. If a tender is declared frustrated and only one participant in an order's placement which has filed an application for participation in the tender is declared to be a tender participant, the customer, within three working days as of the date of signing the record of consideration of applications for participation in the tender, is entitled to transfer to such tender participant a draft contract to be drawn up by including the terms of the contract's execution proposed by such participant in the application for participation in the tender to the draft contract attached to the tender documentation. For this, a state or municipal contract shall be made under the terms and with the price of the contract provided for by the application for participation in the tender and tender documentation but the price of such contract may not exceed the initial (maximum) price of the contract (price of the lot) cited in a notice of holding a public tender. Such tender participant has no right to refuse to conclude a state or municipal contract.

Article 31.6. Specifics of Assessment and Comparison of Applications for Participation in a Tender, of Presented Draft Works of Literature or Art, Cinema Projects, Demonstration of a Part of a Performance

1. The tender commission shall assess and compare applications for participation in a tender filed by participants in an order's placement which are declared to be tender participants, as well as the draft works of literature or art, cinema projects, demonstrations of parts of a performance presented by such participants, if the requirement to present such draft works of literature or art, cinema projects, demonstrations of parts of a performance is established by the tender documentation (for the purposes of this chapter hereinafter referred to as assessment and comparison of applications for participation in a tender). The time period for assessment and comparison of such applications may not exceed sixty days as of the date of signing the record of considering applications for participation in the tender.

2. Applications for participation in a tender shall be assessed and compared by the tender commission for the purpose of detecting better terms for execution of a state or municipal contract in compliance with the criteria established by tender documentation.

3. The customer or authorized body are entitled to establish the following criteria for assessment of applications for participation in a tender:

1) artistic and cultural importance of a work of literature or art, of a performance or national film whose creation or whose distribution or demonstration's financing is the subject-matter of a state or municipal contract;

2) qualitative characteristics of a work of literature or arts, quality of performance;

3) time of creating a work of literature or arts, time and place of creating a performance;

4) qualifications of tender participants, working experience in the appropriate field of literature or arts;

5) contract price.

4. It shall not be allowable to use any other criteria for assessment of applications for participation in a tender, except for those provided for by tender documentation. For this, the aggregate of the criteria cited in Items 1, 2 and 4 of Part 3 of this Article may not exceed forty five per cent.

5. An ordinal number shall be assigned to each application for participation in a tender as compared to other applications on the basis of the results of assessment and comparison of applications for participation in the tender subject to decrease in the degree of profitability of the terms of a contract's execution contained therein. The first number shall be assigned to the application for participation which contains the best terms of the contract's execution. If tender documentation provides for the customer's right to conclude state or municipal contracts for creation of works of literature or art with several participants in an order's placement, the tender commission is entitled to assign the first number to several applications for participation in the tender. For this, the quantity of applications for participation in a tender, to which the first number is assigned, must not exceed the quantity of works of literature or arts for whose creation the order is placed.

Article 31.7. Effects of Declaring a Public Tender Frustrated

If a public tender is declared frustrated and a state or municipal contract has not been made with the only tender participant or with the participant in the order's placement that has filed the only application for participation in the tender (if any), the customer or authorised body is entitled to declare a repeated tender. For this, the customer or authorized body are entitled to change the tender's terms.

Chapter 3. Placement of an Order by Way of Holding an Auction

Article 32. Auction for the Right to Make a State or Municipal Contract

1. For the purposes of this Federal Law, an action for the right to make a state or municipal contract shall mean the sales declared to be won by the person which offers the lowest price of a state or municipal contract, except as established by Parts 6.1 and 6.2 of Article 37 of this Federal Law.

2. An auction may be public or closed. The customer or authorised body shall only be entitled to place an order by way of holding a closed tender in the event of placing an order to supply commodities, carry out works and render services, data on which constitute a state secret, provided that such data are contained in the auction documentation or in a draft state contract.

3. If the initial (maximum) price of a state or municipal contract (lot price) does not exceed one million roubles, an open auction may be held in the electronic form on an Internet site in the procedure established by Article 41 of this Federal Law.

4. It shall not be allowable to recover from participants in an order's placement payment for participation in an auction, except for payment for provision of documentation concerning the auction where it is provided for by this Federal Law.

5. The customer or authorised body may establish the requirement to enter monetary funds for the purpose of securing an application for participation in an auction (hereinafter also referred to as the requirement to secure an application for participation in an auction). With this, the rate of security of an application for participation in an auction must constitute five per cent of the initial (maximum) contract price (lot price). If a customer or authorised body establishes the requirements to secure an application for participation in an auction, such requirement shall equally extend to all participants in an order's placement and shall be stated in a notice of holding a public auction and in an invitation to participate in a closed auction. When holding an auction in an electronic form, the requirements of ensuring an application for participation in an auction shall not be established.

6. When holding an auction, any talks of the customer, authorised body, specialised organisation or auction commission with a participant in an order's placement shall not be allowable. Should the said provision be broken, an auction may be declared invalid on the basis of a claim made by a person concerned in the procedure provided for by the legislation of the Russian Federation.

Article 33. Notice of Holding a Public Auction

1. A notice of holding a public auction shall be published by the customer, authorised body and specialised organisation in the official media or placed on the official site at least 20 days before the finishing date for filing applications for participation in the auction.

2. A notice of holding an open auction shall be published and inserted in the procedure provided for by Parts 2 and 3 of Article 21 of this Federal Law.

3. In a notice of holding a public auction, in addition to the data provided for by Items 1, 2, 4, 5 and 12 of Part 4 of Article 21 of this Federal Law, the following information must be likewise shown:

1) the time, place and procedure for providing documentation on the auction, official site on which the auction documentation is placed, rate of, procedure and time for entering the payment collected by the customer or authorised body for provision of the documentation concerning the auction where such payment is established;

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

3) abrogated;

4) abrogated;

5) the place, date and time of holding the auction;

6) abrogated;

7) abrogated;

3.1. The customer or authorized body is entitled to render a decision on amending a notice of holding a public auction at the latest five days before the end date of the period for filing applications for participation in the auction. It shall not be allowable to change the subject of the auction. Within five working days and within one day as of the date of rendering said decision such amendments shall be published in an official publication or inserted on an official site by the customer, authorized body or specialized organisation in the procedure established for publishing notices on holding a public auction in an official publication or inserting them on an official site. For this, the time period for filing applications for participation in an auction shall be extended so that such period is equal to at least fifteen days from the date of publishing the amendments made to a notice on holding a public auction in an official publication and inserting them on an official site and up to the end date for filing applications for participation in the tender.

4. The customer or authorised body that has officially published or inserted to the official site a notice of holding a public auction shall be entitled to refuse to hold it at latest ten days before the finishing date for filing applications for participation in the auction. A notice concerning the refusal to hold a public tender shall be published and inserted by the customer, authorised body and specialised organisation accordingly within five working days and two days as of the date of deciding to refuse to hold the public auction in the procedure established for publishing and inserting to the official site a notice of holding the

public auction. Within two working days as of the date of rendering the said decision, the customer or authorised body shall be obliged to send the appropriate notices to all the participants in an order's placement that have filed applications for participation in the auction. Where the requirement to secure an application for participation in an auction is established, the customer or authorised body shall return to participants in the order's placement the monetary funds entered to secure such applications within five working days as of the date of deciding on the refusal to hold the public auction.

Article 34. Auction Documentation

1. Auction documentation shall be devised by a customer, authorised body or specialised organisation and shall be endorsed by the customer or authorised body.

2. Auction documentation must contain the requirements established by a customer or authorised body with respect to the quality and technical parameters of commodities, works and services, requirements with respect to their safety, requirements with respect to functional characteristics (consumer properties) of commodities, to the size, packing and shipping of commodities, requirements with respect to the results of works and other indices connected with establishing the compliance of the commodities to be supplied, the works to be carried out and the services to be rendered with the customer's needs. In the event of holding an auction for the right to conclude a contract for supplying printed products, heraldic symbols, official symbols, marks of distinction, badges of rank, decorations, uniform, identification symbols and identification cards, souvenirs, auction documentation may contain the requirement in respect of the compliance of supplied commodities to the model or maquette of the commodities or the three-dimensional image of the commodities for whose supply an order is placed.

2.1. It is not allowable to include into auction documentation (in particular in the form of requirements for quality, specifications of commodities, works or services, of requirements for functional features (consumer properties) of commodities) requirements for a participant in the order's placement (in particular requirements for qualifications of a participant in an order's placement, including that concerning the working experience of a participant in an order's placement), as well as requirements for his business reputation, requirements in respect of availability for a participant in an order's placement of production capacities, engineering equipment, labour, financial and other resources which are necessary for manufacture of the commodity which is the subject of the contract, for carrying out works or rendering services which constitute the subject of the contract, except when the possibility of establishing such requirements for a participant in an order's placement is provided for by this Federal Law.

3. Auction documentation may contain an indication of trademarks and service marks that must be accompanied by the words "or equivalent", except when commodities are incompatible and bear other trademarks and when it is necessary to ensure interaction of such commodities with the commodities used by the customer. The commodities' equivalence shall be determined in compliance with the requirements established in conformity to Part 2 of this Article.

3.1. Auction documentation may not contain an indication of service marks, firm's names, patents, utility models, industrial designs, name of a commodity's origin or producer's name, as well as requirements for a commodity, producer thereof, information, works or services, if such requirements entail limitation of the number of participants in an order's placement.

3.2. In the event of holding an auction for the right to make a contract for supply of printed matter, the auction documentation may contain an indication of the name of a printed matter, of the author (if any), and the words "or equivalent" shall not be used in this case.

4. Auction documentation, in addition to the data provided for by Items 2 - 4, 4.2 - 7 and 10 of Part 4 of Article 22 of this Federal Law, must contain the following data:

1) in compliance with Parts 2 and 3 of Article 35 of this Federal Law the requirements for the contents, composition and form of an application for participation in the auction, including applications filed in the form of an electronic document and instructions as to filling it out;

1.1) a three-dimensional image of the commodity for whose supply an order is placed, if the auction documentation contains the requirement as to the compliance of the supplied commodity to the three-dimensional image of the commodity for whose supply the order is placed;

1.2) a three-dimensional image of the commodity for whose supply an order is placed, as well as the place, starting and end dates, procedure for, and time-table of, inspection by participants in an order's placement of a model or maquette of the commodity for whose supply the order is placed, if the auction documentation contains the requirements for compliance of the commodity to be supplied with the model or maquette of the commodity for whose supply the order is placed and such model or maquette cannot be attached to the auction documentation;

2) the procedure, place, starting and finishing dates for filing applications for participation in the auction. The starting date of the time period for filing applications for participation in the auction shall be deemed the day following the day when a notice of holding the auction was published in an official publication or was inserted on an official site. The end date of the time period for filing applications for participation in the tender shall be fixed in compliance with Part 6 of Article 35 of this Federal Law;

3) the procedure and time for withdrawal of applications for participation in the auction. For this, the time period for withdrawal of applications for participation in an auction shall be established in compliance with Part 10 of Article 335 of this Federal Law;

4) the form of, procedure for, starting and finishing dates of giving to participants in an order's placement explanations concerning the provisions of auction documentation in compliance with Part 8 of this Article;

4.1) the initial (maximum) contract price (lot price), as well as the total initial (maximum) price of spare parts for machines and equipment, if, when holding an auction for the right to make a state or municipal contract for maintenance and/or repair of the machines and equipment, the customer or authorized body cannot determine the required quantity of spare parts for the machines and equipment and the required extent of services and/or works; the initial (maximum) price of a unit service, if when holding an auction for the right to make a state or municipal contract for rendering communication services or legal aid the customer or authorized body cannot determine the required extent of such services;

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

4.3) the place, date and time of starting consideration of applications for participation in the auction;

4.4) the place, date and time of holding the auction;

4.5) price of the unit service and/or of the unit work, if, when holding an auction for the right to conclude a state or municipal contract for maintenance and/or repair of machines and equipment the customer or authorized body cannot determine the required quantity of spare parts for the machines and equipment and the required extent of services and/or works;

5) a list of spare parts for machines and equipment indicating the total initial (maximum) price of spare parts for the machines and equipment contained in such list, if when holding an auction for the right to conclude a state or municipal contract for maintenance and/or repair of the machines and equipment it is impossible to determine the required quantity of spare parts for the machines and equipment and the required extent of services and/or works;

6) the time period within which the auction winner must sign a draft state or municipal contract. The said time period must constitute at least ten days as of the date of signing the record of the auction;

7) the possibility for the customer to change the quantity of the commodities to be supplied under the contract in compliance with Part 6 of Article 9 of this Federal Law;

8) the amount of security for an application for participation in an auction, the time of, and procedure for, paying monetary funds to secure such application, requisites of the account for remittance of said monetary funds, if the customer or authorized body demands security for an application for participation in an auction;

9) the amount of security for execution of a state or municipal contract, time period and procedure for its granting, if the customer or authorized body demands security for execution of the contract. The amount of security for execution of a contract may not exceed thirty per cent of the initial (maximum) contract price (lot price) specified in a notice of holding a public auction. If the initial (maximum) contract price (lot price) exceeds fifty million roubles, the customer or authorized body is obliged to set up the demand to secure execution of the contract by an amount from ten to thirty per cent of the initial (maximum) contract price (lot price), this not being less than the amount of an advance payment (if the contract provides for making an advance payment), or, if the rate of an advance payment exceeds thirty per cent of the initial (maximum) price of a contract, in the amount of at most twenty per cent of the rate of the advance payment but not less than the rate of the advance payment;

10) the customer's potential to increase the quantity of supplied commodities when making a contract in compliance with Part 6.5 of Article 9 of this Federal Law.

4.1. Where auction documentation contains the requirement for compliance of commodities to be supplied with a model or maquette of the commodities for whose supply an order is placed, such commodities' model or maquette may be attached to the auction documentation. In this case, the said commodities' model or maquette shall be an integral part of the auction documentation.

5. A draft state or municipal contract must be attached to the auction documentation (in the event of holding an auction for several lots - a draft contract in respect of each lot), which is an integral part of the auction documentation.

5.1. In the event of the rendering by the customer or authorized body of a decision to inspect a model or maquette of the commodities for whose supply an order is placed, the customer, authorized body or specialised organisation shall arrange in compliance with the dates, time and timetable cited in the auction documentation an inspection by participants in the order's placement of said commodities' model or maquette. The said inspection shall be held on a free-of-charge basis. Such inspection shall be conducted at least on each of the five working days as of the date of placing a notice of holding an auction on the official site but at latest two working days before the date when envelopes with applications for participation in a tender are opened.

6. The data contained in the auction documentation must comply with the data indicated in a notice of holding a public auction.

7. Auction documentation shall be presented in the procedure established by Article 23 of this Federal Law.

8. The provisions of auction documentation shall be explained and amendments shall be made thereto in compliance with Article 24 of this Federal Law subject to the specifics established by Part 9 of this Article.

9. The customer or authorised body are entitled at their own initiative or in compliance with the request of a participant in an order's placement to decide on making amendments to auction documentation at the latest five days before the end date of filing applications for participation in the auction. Within five working days and within one day as of the date of rendering a decision on amending auction documentation such amendments accordingly shall be published in an official publication and shall be inserted on an official site by the customer, authorised body or specialised organisation in the procedure established for publication in an official publication and insertion on an official site of a notice on holding a public auction. Such amendments shall be sent within two working days as of the date of rendering the said decision by registered mail or in the form of electronic documents to all participants in an order's placement to which the auction documentation has been provided. In doing this, the time period for filing applications for participation in an auction may be prolonged so that such period is equal to at least fifteen days from the date of publication of the amendments made to auction documentation in an official publication or their insertion on an official site up to the end date of filing applications for participation in the auction.

Article 35. Procedure for Filing Applications for Participation in an Auction

1. To participate in an auction, a participant in an order's placement shall file an application for participation in the auction at the time specified at the time and according to the form which are established by auction documentation.

2. An application for participation in an auction must contain the following:

1) data and documents concerning the participant in the order's placement that has filed such application:

a) firm's name (name), information concerning organisational-and-legal form, location, postal address (in respect of a legal entity), family name, first name, patronymic, passport data, information on the place of residence (in respect of a natural person), contact telephone number;

b) an excerpt received at the earliest six months before the date of inserting on an official site a notice of holding a public auction from the Comprehensive State Register of legal entities or a notary-attested copy of such an excerpt (for a legal entity), an excerpt from the Comprehensive State Register of individual entrepreneurs or a notary-attested copy of such an excerpt (for an individual entrepreneur) an excerpt received at earliest six months before the date of inserting on an official site a notice of holding a public auction, copies of the documents certifying the identity (for other natural persons), a properly certified and attested translation into Russian of documents proving the state registration of a legal entity or natural person as an individual businessman in compliance with the legislation of the appropriate state (for foreign persons) received at the earliest six months before the date when a notice of holding a public tender was inserted to an official site;

c) the document proving the authority of a person to act on behalf of a participant in the order's placement;

2) the data concerning the functional characteristics (consumer properties) and qualitative characteristics of commodities, the quality of works or services. In the instances provided for by auction documentation, also copies of the documents proving the compliance of commodities, works and services with the requirements established in compliance with the legislation of the Russian Federation, if requirements are established under the legislation of the Russian Federation with respect to such commodities, works and services. With this, it is not allowable to demand submission of the said documents, if under the legislation of the Russian Federation such documents are to be transferred together with the commodities;

3) the documents proving the compliance of a participant in an order's placement with established requirements and terms of admittance to participation in the auction or copies of such documents:

a) the documents that prove the entry of monetary funds to secure an application for participation in the auction, if auction documentation contains an indication of the requirements to secure such application;

b) the copies of the documents proving the compliance of a participant in an order's placement with the requirements established by Item 1 of Part 1 of Article 11 of this Federal Law, if requirements are established under the legislation of the Russian Federation with respect to the persons engaged in supplying commodities, carrying out works and rendering services and such commodities, works and services constitute the subject of the tender;

c) the documents proving compliance of a participant in an order's placement with the requirement established in conformity to Item 1 of Part 2 of Article 11 of this Federal Law, if such requirement is established by a customer or authorised body;

d) the copies of the documents proving the compliance of a participant in the order's placement with the requirement established in compliance with Part 3 of Article 11 of this Federal Law, if such requirement is established by the Government of the Russian Federation;

e) a copy of the permit to put a capital construction object into operation, a copy of the acceptance certificate of a capital construction object except when the builder is the person engaged in the construction works - provided that the customer or authorized body has established the requirement provided for by Part 2.1 of Article 11 of this Federal Law.

3. It is not allowable to demand of a participant in an order's placement other things, except for the documents and data provided for by Part 2 of this Article.

4. A participant in an order's placement shall file an application for participation in an auction in writing or in the form of an electronic document. Upon receiving an application for participation in a auction filed in the form of an electronic document, the customer or authorised body shall be obliged to confirm its receipt in writing or by an electronic document within one working day as of the date of receiving such application.

5. A participant in an order's placement shall be only entitled to file one application in respect of each subject of the auction (lot).

6. The acceptance of applications for participation in a auction shall be finished on the day of considering applications for participation in the auction directly before the start of considering applications for participation in the auction indicated in a notice of holding a public auction.

7. Each application for participation in an auction received at the time specified in a notice of holding a public auction shall be registered by the customer, authorised body or specialized organisation. Upon the request of a participant in an order's placement that has filed an application for participation in an auction, the customer or authorised body shall issue a receipt proving such application's coming in, indicating the date and time of receiving it.

8. Abrogated.

See text of Part 8 of Article 35

9. The applications for participation in an auction received after termination of the applications' acceptance shall not be considered and shall be returned to the participants in the order's placement which have filed such applications on the same day. Where the requirement to secure an application for participation in an auction is established, the authorised body shall be obliged to return the monetary funds entered to secure an application for participation in the auction to the said participants in the order's placement within five working days as of the date of signing the auction record.

10. A participant in an order's placement that has filed an application for participation in an auction shall be entitled to withdraw such application for participation in the auction at any time before the day and time of starting the consideration of applications for participation in the auction. Where the requirements to secure an application for participation in an auction is established, the customer or authorised body shall be obliged to return the monetary funds entered to secure an application for participation in the auction to the said participant in the order placement within five working days as of the date of receiving by the customer or authorised body a notice of the withdrawal of the application for participation in the auction.

11. If before the expiry of the time period for filing applications for participation in an auction only one application for participation in the auction is filed or no applications for participation in the auction are filed, the auction shall be declared frustrated. If auction documentation provides for two and more lots, the auction shall only be deemed frustrated in respect of those lots for which solely one application for participation in the auction has been filed or no applications for participation in the auction have been filed.

12. If before the expiry of the time period for filing applications for participation in a tender only one application for participation in the tender is filed, the said application shall be considered in the procedure established by Article 36 of this Federal Law. If the said application complies with all the requirements and terms provided for by auction documentation, the customer within three working days as of the date of considering an application for participation in the auction shall be obliged to transfer to the participant in the order's placement that has filed the only application for participation in the auction a draft contract attached to the auction documentation. With this, a state or municipal contract shall be made subject to the provisions of Part 4 of Article 38 of this Federal Law under the terms provided for by the auction documentation and at the initial (maximum) contract price (lot price) specified in a notice of holding a public auction or at the contract price (the price of a lot) coordinated with the participant in an order's placement which have filed the said application and not exceeding the initial (maximum) contract price. A participant in an order's placement that has filed the said application shall not be entitled to refuse to make a state or municipal contract. The monetary funds entered to secure an application for participation in an auction shall be returned to the participant in the order's placement within five working

days as of the date of making a state or municipal contract with him. If such participant in the order's placement fails to submit to the customer at the time provided for by auction documentation the signed contract, as well as the security of implementation of the contract in the event of establishing by the customer or authorised body the requirement to secure the implementation of the contract, it shall be declared that such participant in the order's placement evades making a state or municipal contract. If a participant in an order's placement evades making the contract, the monetary funds entered to secure the application for participation in the tender shall not be returned.

Article 36. Procedure for Considering Applications for Participation in an Auction

1. The auction commission shall consider applications for participation in an auction as to their compliance with the requirements established by auction documentation and as to the compliance of participants in an order's placement with the requirements established in compliance with Article 11 of this Federal Law.

2. A time period for consideration of applications for participation in an auction may not exceed five working days as of the finishing date for filing applications for participation in the auction.

2.1. In the event of establishing the fact that one participant in an order's placement has filed two and more applications for participation in a auction in respect of the same lot and the applications previously filed by such participant have not been withdrawn, all applications of such participant for participation in the auction filed in respect of this lot shall not be considered and shall be returned to such participant.

3. On the basis of the results of considering applications for participation in an auction, the auction commission shall render a decision on admittance to participation in the auction of a participant in the order's placement and on declaring the participant in the order's placement that has filed an application for participation in the auction, an auction participant or on the refusal to admit such participant in the order's placement to participation in the auction in the procedure and for the reasons that are provided for by Article 12 of this Federal Law, as well as the record of consideration of applications for participation in auction shall be legalised to be kept by the auction commission and signed by all members of the auction commission attending the meeting and by the customer or authorised body on the finishing date of consideration of applications for participation in the auction. The record must contain data on the participants in an order's placement that have filed applications for participation in the auction, a decision concerning admittance of a participant in an order's placement to participation in the auction and on declaring him a participant of the auction or on the refusal to admit a participant in an order's placement to participation in the auction, such decision being substantiated and with an indication of the provisions of this Federal Law which the participant in the order's placement does not comply with, of the provisions of the auction documentation which the application of this participant in the order's placement does not comply with, of the provisions of such application for participation which do not comply with the requirements of the auction documentation, data on the decision of each member of the auction commission on the admittance of the participant in the order's placement to participation in the auction or on the refusal to admit him to participate in the auction. The said record shall be placed by the customer, authorised body or specialised organisation on the finishing date of consideration of applications for participation in the auction on the official site. Notices concerning decisions rendered by the auction commission at the latest on the day following the date of signing the said record shall be sent to the participants in the order's placement which have filed applications for participation in the auction and have been declared participants of the auction, as well as to the participants in the order's placement which have filed applications for participation in the auction and have not been admitted to participation therein. Where upon termination of the time period for filing applications for participation in an auction solely one application for participation in the auction was filed or no applications for participation in the auction were filed, information on declaring the auction frustrated shall be entered into the said record.

4. Where the requirement to ensure an application for participation in a tender is established, the customer or authorised body shall be obliged to return the monetary funds entered to secure an application for participation in an auction to the participant that has filed an application for participation in the auction, and has not been admitted to participation therein, within five working days as of the date of signing the record specified in Part 3 of this Article.

5. If it was decided on the basis of the results of considering applications for participation in an auction to refuse to admit to participation in the auction all participants in an order's placement that have filed applications for participation in the auction, or to declare a tender participant solely one participant in the order's placement that has filed an application for participation in the auction, the auction shall be declared frustrated. If auction documentation provides for two or more lots, the auction shall be only deemed frustrated in respect of the lot for which the decision to refuse admittance to participation therein is rendered in respect of all participants in an order's placement that have filed applications for participation in the auction for this lot or for which the decision on admittance to participation therein and on accepting an auction participant is rendered in respect of solely one participant in an order's placement that has filed an application for participation in the auction in respect of this lot. For this, the customer or

authorised body shall be obliged, if the requirement to secure an application for participation in the auction is established, to return the monetary funds entered to ensure an application of participation in the auction, to the participants in the order's placement that have filed applications for participation in the auction and have not been admitted to participation therein, in the procedure provided for by Part 4 of this Article, except for the participant in the order's placement which has been declared the auction participant. The monetary funds entered to secure an application for participation in the auction shall be returned to the said auction participant within five working days as of the date of making a state or municipal contract with him.

6. If an auction is declared frustrated and solely one participant in an order placement that has filed an application for participation in the auction is declared to be the auction participant, the customer within three working days as of the date of signing the record of considering applications for participation in the auction shall be obliged to transfer to such auction participant a draft contract attached to the auction documentation. With this, the state or municipal contract shall be made subject to the provisions of Part 4 of Article 38 of this Federal Law under the terms provided for by the auction documentation and at the initial (maximum) contract price (lot price) specified in a notice of holding the auction or at the contract price (the price of the lot) coordinated with the participant in an order's placement which has filed the said application and not exceeding the initial (maximum) contract price. Such participant shall not be entitled to refuse to conclude a state or municipal contract. The monetary funds entered to secure an application for participation in the auction shall be returned to such auction participant within five working days as of the date of making a state or municipal contract with him. A state or municipal contract may be concluded at the earliest in ten working days as of the date of inserting on the official site the record of consideration of applications for participation in an auction or when holding a closed auction as of the date of signing a record of considering applications for participation in the auction. Should such auction participant fail to present to the customer at the time provided for by auction documentation the signed contract, as well as the security of the contract's implementation, if the customer or authorised body has established the requirement to secure the contract's implementation, it shall be declared that such tender participant has evaded making a state or municipal contract. In the event of such participant's evasion of making a contract, the monetary funds entered to secure the application for participation in the tender shall not be returned.

Article 37. Procedure for Holding an Auction

1. The participants in an order's placement declared to be participants in an auction may only take part in the auction. A customer or authorised body shall be obliged to provide auction participants with an opportunity to participate in the auction directly or through their representatives.

2. An auction shall be held by the customer or authorised body in the presence of members of the auction commission, auction participants or their representatives.

3. Abrogated from October 1, 2007.

See text of Part 3 of Article 37

4. An auction shall be held by way of reducing the initial (maximum) contract price (lot price) specified in a notice of holding a public auction by "an auction step".

4.1. Where auction documentation specifies the initial (maximum) price of spare parts for machines and equipment (when placing an order to maintain and/or repair machines or equipment), the initial (maximum) price of the unit service (when placing an order to render communications services or legal aid), the auction shall be held by way of reducing the total initial (maximum) price of the spare parts for machines and equipment provided for by the list cited in Item 5 of Part 4 of Article 34 of this Federal Law and the initial price of the unit service specified in the auction documentation by the "auction step". "The auction step" shall be established at the rate of five per cent of the total initial (maximum) price of spare parts for machines and for equipment and of the initial price of the unit service and shall be changed in the procedure provided for by Part 5 of this Article.

5. "An auction step" shall be established in the amount of five per cent of the initial contract price specified in a notice of holding the auction. If after announcing the last bid for the contract three times none of the auction participants declares its intent to bid for a lower contract price, the auctioneer shall be obliged to reduce "the auction step" by at least 0.5 per cent of the initial (maximum) contract price (lot price).

5.1. An auctioneer shall be elected from among members of the auction commission by way of open vote of the auction commission's members by a majority of vote.

5.2. An auction shall be held in the following procedure:

1) the auction commission directly before starting the auction shall register the auction participants that appeared at the auction or representatives thereof. When an auction is held in respect of several lots, the auction commission before the start of each lot shall register the auction participants (or their representatives) that have filed applications in respect of such lot and have appeared at the auction. Numbered cards (hereinafter referred to as cards) shall be issued to the auction participants or representative thereof, when registered;

2) the auction shall start with the auctioneer's announcing the start of the auction (lot), the number of the lot (when holding an auction in respect of several lots), the subject of the contract and the initial (maximum) price of the contract where it is provided for by Part 4.1 of this Article, the total initial (maximum) price of spare parts for machines and equipment, the initial price of the unit service (for the purposes of this part hereinafter referred to as the initial (maximum) contract price), "the action step", names of the auction participants that did not appear at the auction, presence of penal institutions and enterprises and/or organisations of disabled persons, if the auction documentation provides for privileges for such auction participants, and then the auctioneer shall suggest that the auction participants announce their bids for the contract;

3) an auction participant after the auctioneer declaring the initial (maximum) price of the contract (the price of the lot) and the contract price reduced in compliance with "the auction step" in the procedure established by Part 5 of this Article shall raise this card, if he agrees to conclude the contract at the declared price;

4) the auctioneer shall pronounce the card number of the auction participant who was the first to raise the card after declaring by the auctioneer the initial (maximum) price of the contract (the price of the lot) and the price of the contract reduced in compliance with "the auction step", as well as the new contract price reduced in compliance with "the auction step", in the procedure established by Part 5 of this Article and "the auction step" in compliance with which the price is reduced;

5) the auction shall be deemed finished, if after declaring by the auctioneer the price of the contract three times none of the auction participants raises his card. In this case, the auctioneer shall declare the end of the auction (lot), the last and the last but one bid for the contract, the card number and name of the auction winner and the auction participant with the last but one bid for the contract price.

6. As the winner of an auction shall be deemed the person that has offered the lowest contract price, except as established by Parts 6.1 and 6.2 of this Article.

6.1. If, when holding an auction for the right to conclude a contract for rendering services of opening and keeping bank accounts and making settlements on these accounts, the contract price is reduced to zero, an auction shall be held for the sale of the right to conclude a state or municipal contract. In this case, the auction winner shall be deemed the person who offered the highest price for the right to conclude the state or municipal contract.

6.2. In the event of holding an auction in compliance with Part 4.1 of this Article, as the auction winner shall be deemed the person that has offered the lowest total price for the spare parts for machines and equipment provided for by the list cited in Item 5 of Part 4 of Article 34 of this Federal Law and the lowest price for the unit service. Before concluding a state or municipal contract for maintenance and/or repair of machines and equipment the auction winner shall determine the price of each spare part for the machines and equipment provided for in the list of spare parts for the machines and for the equipment contained in the auction documentation and, in doing this, the total price of spare parts for the machines and equipment must not exceed the total price of spare parts for the machines and equipment offered by the auction winner.

7. When holding an auction, a customer or authorised body shall be obliged without fail to make a sound recording and to keep a record thereof that must contain data on the place, date and time of holding the auction, on the auction participants, on the initial (maximum) contract price (lot price), on the last and the last but one bids for the contract price, name and location (for legal entities), family name, first name, patronymic, place of residence (for a natural person) of the auction winner and of the person that was the last but one to bid for the contract price. The record shall be signed by the customer, authorised body and by all auction commission members present on the day of holding the auction. The record shall be drawn up in two copies, one of them to be kept by the customer or authorised body. The customer or authorised body within three working days as of the date of signing the record shall deliver to the auction winner one copy thereof and a draft contract to be drawn up by way of including the contract price offered by the auction winner to the draft contract attached to the auction documentation.

8. The auction record shall be inserted on an official site by the customer, authorised body or specialised organisation within one day following the date of signing the said record. When holding an auction for the right to conclude a state or municipal contract which provides for supplying commodities, carrying out works and rendering services to meet the needs of a constituent entity of the Russian Federation or municipal needs, the said record shall likewise be published by the customer, authorized body or specialized organisation in an official publication within five working days as of the date of signing said record.

9. Any auction participant shall be entitled to make its sound recording and videotaping.

10. Any auction participant inserting the auction record shall be entitled to send to the customer or authorised body in writing, including in the form of an electronic document, a request to explain the auction's outcome. The customer or authorised body within two working days as of the date of receiving such request in writing or in the form of a electronic document shall be obliged to give such auction participants the appropriate explanations.

11. Where the requirements is established to secure an application for participation in an auction, the customer or authorised body within five working days as of the date of signing the record of the auction shall be obliged to return the monetary funds entered to secure applications for participation in the auction to the auction participants that have participated in the auction but have failed to win it, except for the auction participant which was the last but one to bid for the contract price. The monetary funds entered to secure an application for participation in an auction by the auction participant which was the last but one to bid for the contract price shall be returned to such auction participant within five working days as of the date of signing a state or municipal contract with the auction winner or with such auction participant. If one participant in an order's placement is concurrently the auction winner and the auction participant that has made the last but one bid for the contract price and the said auction participant evades concluding the contract as the auction winner, the monetary funds entered by the said participant to secure the application for participation in the auction shall not be returned.

12. If only one participant has participated in an auction or if, because there are no bids for the contract providing for a lower contract price than the initial (maximum) contract price (lot price), "the auction step" has been reduced under Part 5 of this Article to the minimum rate and after announcing three times the offered initial contract price no bids for the contract providing for a lower contract price have been received, the auction shall be declared frustrated. Where auction documentation provides for two and more lots, a decision to declare the auction frustrated shall be rendered separately in respect of each lot.

13. If there was only one auction participant, the customer within three working days as of the date of signing the record specified in Part 7 of this Article shall be obliged to transfer to the sole auction participant the draft contract attached to the auction documentation. With this, a state or municipal contract shall be made subject to the provisions of Part 4 of Article 38 of this Federal Law under the terms and conditions provided for by the auction documentation at the the initial (maximum) contract price (lot's price) indicated in a notice of holding a public auction or at the contract price not exceeding the initial (maximum) contract price (the price of a lot). The sole auction participant shall not be entitled to refuse making a state or municipal contract. The monetary funds entered to secure the application for participation in an auction shall be returned to such auction participant within 5 working days as of the date of making a state or municipal contract with him. If such auction participant fails to submit to the customer at the time provided for by auction documentation a signed contract, as well as a security of implementation of the contract in the event of establishing by the customer or authorised body the requirement to secure the implementation of the contract, it shall be declared that such participant in the order's placement evades making a state or municipal contract. If a participant in an order's placement evades making the contract, the monetary funds entered to secure the application for participation in the tender shall not be returned.

14. Any auction participant shall be entitled to complain against the auction outcome in the procedure provided for by Chapter 8 of this Federal Law.

15. The records drawn up in the course of an auction, applications for participation in the auction, auction documentation, amendments made to auction documentation and explanations concerning auction documentation, as well as the sound recording of the auction shall be kept by the customer or authorised body for at least three years.

Article 38. Making a State or Municipal Contract on the Basis of the Outcome of an Auction

1. If the auction winner or the auction participant that has filed the last but one bid for the contract's price within the time period provided for by the auction documentation does not present to the customer the signed contract transferred thereto in compliance with Part 7 of Article 37 of this Federal Law or Part 2 of this Article, as well as the security of the contract's implementation, if the customer or authorised body has established the requirement to secure the contract's implementation, it shall be declared that the auction winner has evaded making a state or municipal contract. The auction winner shall be also deemed as evading conclusion of a contract, if the auction was held in compliance with Part 6.1 of Article 37 of this Federal Law and the said participant did not pay when due the price of the right to concluding the contract.

1.1. A state or municipal contract may be made at earliest in ten working days as of the date of inserting the auction record on an official site, or as of the date of signing the auction record, if a non-public auction is held.

2. If it is declared that the tender winner has evaded making a state or municipal contract, the customer shall be entitled to file a claim in court to force the auction winner to conclude the contract, as well as for repair of the damages caused by the evasion in making the contract, or to make a state or a municipal contract with the auction participant that was the last but one to bid for the contract. The customer is also entitled to conclude the contract with the auction participant that has made the last but one bid for the contract price, in the event of declining to conclude the contract with the auction winner where this is provided for by Part 3 of Article 9 of this Federal Law. For this, making a state or municipal contract shall be obligatory for the auction participant that was the last but one to bid for the contract. If

the auction winner or the auction participant with which a contract is to be made in the event of the auction winner's evasion of making the contract, evades concluding the contract the monetary funds entered by them to secure the applications for participation in the auction shall not be returned. Where the auction participant, who has filed the last but one bid for the contract price, avoids concluding a contract, the customer is entitled to file a claim in court to force such participant to conclude the contract, as well as for reimbursement for damage caused by the avoidance of concluding the contract, or to render a decision on declaring the auction frustrated. If the customer has refused under Part 3 of Article 9 of this Federal Law to conclude a contract with the auction winner and with the auction participant that has made the last but one bid for the auction price, the auction shall be declared frustrated.

3. A state or municipal contract shall be made under the terms and conditions indicated in a notice of holding a public auction and auction documentation at the price offered by the auction winner, or, in the event of making a state or municipal contract with the auction participant that was the last but one to bid for the contract, at the price offered by such participant. If a notice of holding a public tender provides for any advantages with respect to institutions, enterprises of the criminal execution system and (or) to organisations of disabled persons and such institution, enterprise or organisation is declared to be the auction winner, a state or municipal contract upon request of the said auction participant shall be made at the price offered by the said auction participants subject to the advantages concerning the contract price but at most at the initial (maximum) contract price (lot price) specified in the notice of holding the public auction. If a state or municipal contract is concluded with a natural person, the state or municipal customer, if not otherwise provided for by the auction documentation, reduces the price of the contract offered by such persons by the amount of the tax payments connected with payment for such contract, except for individual businessmen and other persons engaged in private practice.

4. If the customer or authorised body establishes the requirement to secure implementation of a state or municipal contract, the state or municipal contract shall be only made after granting by the tender winner or the auction participant with which the contract is to be made in the event of the auction winner's evasion of concluding the contract, an irrevocable bank guarantee, insurance of liability under the contract or putting monetary funds in pledge to the customer, including in the form of a contribution (deposit) in the amount of security of the contract's implementation specified in the notice of holding the public auction. The way of securing implementation of the contract from among those enumerated in this Part shall be independently selected by such auction participant. If the auction winner or the auction participant with which a contract is made with is a budget institution and the customer or authorised body has established the requirement to secure the contract's implementation, it shall not be required to secure the contract's implementation.

5. If the requirement has been established to secure an application for participation in an auction, the monetary funds entered to secure an application for participation in the auction shall be returned to the auction winner within five working days as of the date of making a state or municipal contract with him. The monetary funds entered to secure an application for participation in an auction shall be returned to the auction participant with which a contract is to be made, in the event of the auction winner's evasion of making a contract, within five days as of the date of making a state or municipal contract with the auction winner or with such auction participant.

Article 39. Specifics of Holding a Closed Auction

1. A closed auction shall be held by approbation of the federal executive body authorised to exercise control in respect of order placement. The conduct of a closed auction shall be coordinated in the procedure established by the federal executive body charged with normative legal regulation in respect of orders' placement. With this, the time periods for such coordination must not exceed ten working days as of the date of receiving an application for coordination of the conduct of a closed auction.

2. When conducting a closed auction, the provisions of this Federal Law concerning the conduct of a public auction shall apply, subject to the provisions of this Article.

3. A notice of holding a closed auction, auction documentation and amendments to be made to the auction documentation, as well as explanations concerning the auction documentation shall not be subject to publication in the mass media and on the Internet. The customer or authorised body at the latest twenty days before the finishing date for filing applications for participation in an auction shall send invitations in writing to take part in a closed auction to the persons which comply with the requirements provided for by this Federal Law, are admitted to the data constituting a state secret and can supply the commodities, carry out the works and render the services that are the subject of the auction. The said invitations must contain the data provided for by Part 3 of Article 33 of this Federal Law.

3.1. The customer or authorized body at the latest twenty days before the end of the time period for filing applications for participation in an auction shall send to the federal executive body authorized to exercise control in respect of orders' placement all invitations cited in Part 3 of this Article.

4. When holding a closed auction, it shall neither be allowable to file applications for participation in the auction in the form of electronic documents, nor to provide the auction documentation and amendments made thereto, to send requests for explaining the provisions of the auction documentation

and to give such explanations in the form of electronic documents. Explanations as to the provisions of the auction documentation must be brought in writing by the customer or authorised body to the knowledge of all persons which the auction documentation is provided to, indicating the subject of the request and not indicating the participant in the order's placement which the request has been received from.

4.1. A record of considering applications for participation in a closed auction shall be drawn up in two copies. The customer or authorized body at the latest on the day following the date when said record was signed shall send to the federal executive body authorised to exercise control in respect of orders' placement one copy of the record, as well as sending copies of the record to the participants in the order's placement that have filed applications for participation in the auction.

4.2. The record of an auction shall be drawn up in three copies. The customer or authorised body at the latest on the day following the date when the said record was signed shall send one copy of the record to the federal executive body authorised to exercise control in respect of orders' placement.

5. Records drawn up in the course of holding a closed auction, as well as the data obtained in the course of holding a closed auction, shall not be subject to publication in mass media and placing on the Internet.

6. When holding a closed auction, sound recording and videotaping shall not be allowable.

Article 40. Effects of Declaring an Auction Frustrated

1. If an auction is declared frustrated and a state or municipal contract is not made with the sole auction participant or with the participant in an order's placement which has filed the only application for participation in the auction (where there are such participants), the customer or authorised body shall be entitled to announce the repeated conduct of an auction, or to send the documents concerning the conduct of the auction and declaring it frustrated to the federal executive body (when placing orders to supply commodities, carry out works and render services for meeting federal needs), to the executive body of a constituent entity of the Russian Federation (when placing orders to supply commodities, carry out works and render services for meeting the needs of the constituent entity of the Russian Federation or for meeting the needs of a municipal entity) which are authorised to exercise control in respect of orders' placement. The customer by approbation of the said body may decide on placing an order with a single supplier (performer, contractor). With this, a state or municipal contract must be made with the single supplier (performer, contractor) under the terms and conditions provided for by the auction documentation, the price of the contract made must not exceed the initial (maximum) contract price (lot price) specified in a notice of holding a public auction. A procedure for coordination of probable making of a state or municipal contract with a single supplier (performer, contractor) shall be established by the federal executive body charged with normative legal regulation in respect of orders' placement. With this, the time period for such coordination must not exceed ten working days as of the date of receiving an application for coordination of the probable making of a state or municipal contract with the single supplier (performer, contractor). If an auction is declared frustrated in compliance with Part 2 of Article 38 of this Federal Law and a contract is made with the only supplier (performer, contractor), such contract shall be made under the terms provided for by the auction documentation and the price of such contract must not exceed the lowest contract price offered while holding the auction.

2. In the event of declaring the repeated conduct of an auction, the customer or authorised body shall be entitled to change the auction terms and conditions.

Article 41. Procedure for Holding a Public Auction in an Electronic Form

1. A notice of holding a public auction in an electronic form shall be published and inserted in the procedure established by Parts 1 and 2 of Article 33 of this Federal law at the latest ten days before the date of holding the auction.

2. In a notice on holding a public auction in electronic form to be published in an official publication the data provided for by Items 1, 2, 4 and 5 of Part 4 of Article 21, Item 2 of Part 3 of Article 33 of this Federal Law shall be cited, as well as data on the official site where such notice is inserted. A notice on holding a public auction in electronic form inserted on an official site, in addition to the data provided for by Items 1, 2, 4 and 5 of Part 4 of Article 21, Items 3, 4 and 4.2 - 7 of Part 4 of Article 22, Item 2 of Part 3 of Article 33, Items 6 and 9 of Part 4 of Article 34 of this Federal Law, shall be likewise specify the Internet site where such auction is to be held, the date and starting time of registration of the auction participants on this site, the procedure for their registration on this site, the date and starting time of such auction. The data cited in a notice on holding a public tender which is to be inserted on the official site have to correspond to the data cited in a notice of holding the public auction in an electronic form published in an official publication. When holding a public auction in electronic form, the auction documentation shall not be prepared.

3. The admittance to participation in a public auction held in an electronic form on the internet site specified in Part 2 of this Article shall be provided free-of-charge.

4. A procedure for using the Internet site where public auctions in an electronic form are held and requirements with respect to engineering, software, linguistic, legal and organisational means ensuring the use of the said sites, as well as to the systems ensuring the conduct of public tenders in an electronic form, shall be established by the Government of the Russian Federation.

5. A customer shall ensure the reliability of the software used for the conduct of a public tender in an electronic form and equal admittance of participants in an order's placement to participation in the auction.

6. To participate in a public tender held in an electronic form, the participants in an order's placement must register on the Internet site in the procedure specified in a notice of holding a public auction in an electronic form. A participant in an order's placement shall be entitled to register on the said site at any time as of the starting date and time of registration indicated in a notice of holding a public auction in an electronic form up to the end of the public auction.

7. Bids for the contract price in an electronic form shall be submitted by the auction participants registered in compliance with Part 6 of this Article as of the starting date and time of an auction indicated in the notice of holding a public auction. When holding a public auction in an electronic form, "the auction step" shall not be established.

8. The following must be shown on the Internet site as of the starting date and time of an auction:

- 1) the subject and terms of the contract;
- 2) the initial (maximum) contract price (lot price);
- 3) the procedure for registration of participants in the public auction;
- 4) in the real-time mode the last and last but one bids for the contract price and the time of receiving the said bids, except when the contract price equal to the contract price indicated in the last but one bid or a higher one is indicated in the last bid.

9. An auction shall be deemed finished if within one hour as of the time of placing the last bid for the contract price on the Internet site no bids for a lower contract price are received. If several bids indicate the same lowest contract price, as the auction winner shall be declared the auction participant whose bid for the contract price has been received earliest. Information as to the end of an auction must be promptly placed on such site.

10. Within one hour as of the finishing time of an auction held on the Internet site in an electronic form a decision shall be placed on the said site to declare an auction participant to be the auction winner, information on the contract price, on the last and last but one bid for the contract price, denomination (for a legal entity), family name, first name, patronymic (for a natural person) of the auction winner and the auction participant that has made the bid for the contract price equal to the price thereof offered by the auction winner or, where there is not such participant, of the auction participant that was the last but one to bid for the contract price.

11. The auction results shall be legalized by the record thereof specifying the place, date and time of holding the auction, the list of the auction participants, the initial (maximum) contract price (lot price), the last and the last but one bids for the contract price, the name and location (if legal entities), family name, first name, patronymic and place of residence (if natural persons) of the auction winner and the auction participant that filed a bid for the contract price, equal to the price offered by the auction winner, or the last but one bid for the contract price. The record shall be signed by the customer or authorized body on the day of holding the auction. The record shall be drawn up in two copies, one of them to be kept by the customer or authorized body. The said record shall be inserted on an official site within a day following the day of signing said record. The customer or authorized body, within three working days as of the date of signing the record, shall deliver to the auction winner one copy of the record and a draft contract to be drawn up by way of including therein the terms of execution of this contract provided for by the notice of holding the public auction in electronic form and the price of this contract offered by the auction winner.

12. If the auction winner at the time indicated in a notice of holding a public auction fails to present to the customer the signed contract, as well as the security of the contract's implementation, where the customer or authorised body has established the requirement to secure the contract's implementation, it shall be declared that the auction winner evades making a state or municipal contract.

13. If it is declared that the auction winner evades making a state or municipal contract, the customer shall be entitled to do the following:

- 1) to make a claim with court for forcing the auction winner to make the contract, as well as for repair of the damage caused by the evasion to make it;
- 2) to make a state or municipal contract with the auction participant that has bid for the contract price equal to the contract price bid by the auction winner;
- 3) to announce the conduct of a repeated auction.

14. A state or municipal contract shall be made subject to the requirements of Part 4 of Article 38 of this Federal Law under the terms specified in a notice of holding the auction at the price bid by the auction winner or by the auction participant which has bid for the contract price equal to the price bid by

the auction winner and with which a contract is to be made in the event of the auction winner's evasion of making the contract.

15. An auction shall be declared frustrated if there is only one auction participant or if within one hour as of the auction starting time there are no bids for a lower contract price. In this instance, the customer or authorised body shall be entitled to announce holding a repeated auction or placing the order by way of a call for bids, if the contract price is five hundred thousand roubles at most.

Chapter 4. Placement of Orders by Way of a Call for Bids

Article 42. Call for Bids

1. A call for bids shall mean the way of placing an order when information concerning the needs in commodities, works or services for meeting state or municipal needs is delivered to an unlimited circle of persons by way of inserting to the official site a notice of the call for bids, and as the winner of the call for bids shall be declared the participant in an order's placement bidding for the lowest contract price.

2. A customer or authorised body shall be entitled to place an order by way of a call for bids of prices of the commodities, works or services which are not accordingly manufactured, carried out or rendered on the basis of specific applications of a customer or authorised body and for which there is an active market, subject to the provisions of Part 3 of this Article, if the price of a state or municipal contract does not exceed five hundred thousand roubles, except for the instance provided for by Parts 5 and 6 of this Article and Chapter 5 of this Federal Law.

3. A customer or authorised body shall not be entitled to place by way of a call for bids an order to supply commodities of the same name, to carry out works of the same name or render services of the same name to the amount exceeding five hundred thousand roubles within a quarter.

4. In the event of violating the provision specified in Part 3 of this Article, a state or municipal contract may be declared invalid by court on the basis of a claim made by a person concerned or of the federal executive body, the executive body of a constituent entity of the Russian Federation or the local self-government body authorised to exercise control in respect of order placement.

5. A customer shall be entitled to place an order by way of a call for bids of the prices of commodities, works or services that are not accordingly manufactured, carried out and rendered on the basis of specific applications of a customer and for which there is an active market, for ensuring its activities on the territory of the foreign state where the customer is located, with foreign suppliers (performers, contractors), regardless of the price of a state or municipal contract.

6. The customer is entitled to place an order to supply foodstuffs, means required for rendering emergency medical aid or immediate medical aid, medicines, fuel which are necessary for normal life to citizens and whose unavailability can interrupt normal life, by way of making a claim for bids regardless of the contract price as established by Part 8.2 of Article 9 of this Federal Law, as well as if the federal executive body the executive body of a constituent entity of the Russian Federation or a local self-government body authorized to exercise control in respect of orders' placement have issued an order to reverse the results of sales and the decision has been rendered on probable placement of the order for supply of such commodities by making a call for bids. The said decision shall be rendered by the federal executive body, the executive body of a constituent entity of the Russian Federation or a local self-government body authorized to exercise control in respect of orders' placement on the basis of the customer's application for a term of ten working days at most as of the date of issuance of said order. A contract for supply of the said commodities may be made for a term not exceeding the time period required for holding sales for the right to conclude a state or municipal contract for supply of such commodities. When concluding the said contract, the quantity of commodities to be supplied may not exceed the quantity of the commodities required for support of normal life of citizens within the said time period.

7. It is not allowable to recover payment from a participant in an order's placement for participation in a call for bids.

Article 43. Requirements with Respect to a Call for Bids

A call for bids must contain the following data:

- 1) customer's denomination, its postal address and e-mail address (if any);
- 2) source of the order's financing;
- 3) form of a bid, including the one to be filed in the form of an electronic document;
- 4) denomination, characteristics, specifications and quantity of the commodities to be supplied, denomination of the works to be carried out and of the services to be rendered. For this, it is necessary to cited the requirements established by the customer or authorised body for the quality and technological characteristics of commodities, works and services, requirements for their safety, requirements for the functional features (consumer properties) of commodities, requirements for the dimensions, packing and shipment of commodities, requirements for working results and other indices connected with determining

the compliance of supplied commodities, carried out works and rendered services with the customer's needs;

5) place of delivery of the commodities to be supplied, place of carrying out the works and place of rendering services;

6) time of supplying commodities, carrying out works and rendering services;

7) information concerning the outlays included (not included) into the price of commodities, works and services, including outlays on transportation, insurance, paying customs duties, taxes, fees and making other obligatory payments;

8) maximum contract price determined by a customer or authorised body as a result of studying the market of required commodities, works and services;

9) place for filing bids, time for their filing, including the finishing date and time for filing bids;

10) time and terms of payment for supplying commodities, carrying out works and rendering services;

11) time period for signing by the winner of the call for bids a state or municipal contract as of the date of signing a record of consideration and assessment of bids.

Article 44. Requirements for a Bid

A bid must contain the following data:

1) denomination, location (for a legal entity) or family name, first name, patronymic, location (for a natural person), bank requisite elements of a participant in an order's placement;

2) taxpayer identification number;

3) denomination and characteristics of commodities to be supplied in the event of making a call for bids for the prices of the commodities in respect of whose supply an order is placed;

4) consent of a participant in an order's placement to follow the contractual terms and conditions cited in a notice of a call for bids;

5) price of a commodity, work or service indicating data on the outlays included or not included therein (outlays on transportation, insurance, payment of customs duties, taxes, fees and making other obligatory payments).

Article 45. Procedure for Making a Call for Bids

1. The customer or authorised body are obliged to insert on an official site a notice of making a call for bids and a draft contract to be made on the basis of the results of making such call at least seven working days before the date of expiry of the time period for filing quotation bids, or at least four working days before the date of expiry of said time period, if an order is to be placed for supplying commodities, carrying out works or rendering services in the amount of up to two hundred and fifty thousand roubles, and also as provided for by Part 6 of Article 42 of this Federal Law.

2. A notice of conducting a call for bids must contain the data provided for by Article 43 of this Federal Law and be accessible for familiarization therewith within the whole period of filing bids on a free-of-charge basis. A notice of conducting a call for bids may contain an indication of trademarks which must be accompanied by the words "or equivalent", except when commodities are incompatible and bear other trademarks and when it is necessary to ensure interaction of such commodities with the commodities used by the customer. The commodities' equivalence shall be determined in compliance with the requirements and indices established on the basis of Item 4 of Article 43 of this Federal Law. A notice of making a call for bids may not contain service marks, firm's names, patents, utility models, industrial designs, name of a commodity's origin or producer's name, as well as requirements for a commodity, producer thereof, information, works or services, if such requirements can entail limitation of the number of participants in an order's placement.

3. A customer or authorised body shall be entitled, concurrently with placing a notice of making a call for bids, to send the call for bids to the persons engaged in supplying the commodities, carrying out works and rendering the services provided for by the notice of making the call for bids.

4. Abrogated.

5. In the instance provided for by Part 5 of Article 42 of this Federal Law, the customer also shall be obliged to send a call for bids to the persons that can supply the commodities, carry out the works and render the services provided for by the call for bids, proceeding from the necessity of receiving bids from at least three such persons.

6. A call for bids may be sent with the use of any communication means, in particular in an electronic form.

Article 46. Procedure for Filing Bids

1. Any participant in an order's placement, including a participant in an order's placement to whom a call for bids has not been sent shall only be entitled to file one bid whose amending shall not be allowed.

2. An application for a call for bids shall be filed by a participant in an order's placement to the customer or authorised body in writing or in the form of an electronic document at the time specified in a notice of making the call for bids. In the event of filing a bid in the form of an electronic document, a customer or authorised body shall be obliged to send on the same date to the participant in an order's placement that has filed such application a confirmation of receiving such application in writing or in the form of an electronic document.

3. A bid filed at the time specified in a notice of making a call for bids shall be registered by the customer or authorised body. Upon request of a participant in an order's placement that has filed a bid the customer or authorised body shall issue a receipt proving, that the bid has come in, with an indication of the date and time of receiving it.

4. A customer, authorised body or bidding commission, as well as a participant in an order's placement, shall not be allowed to hold talks in respect of the bid filed by it.

5. The bids filed after the finishing date of the time period for filing bids indicated in a notice of making a call for bids shall not be considered and shall be returned to the participants in an order's placement which have filed such applications on the day of receiving them. When placing an order by way of making a call for bids in compliance with Part 8.2 of Article 9 of this Federal Law, the bid filed by a participant in an order's placement in respect of which the claim has been lodged for dissolution of the contract with him shall be also subject to return.

6. If after the finishing date of the time period for filing bids only one bid is filed, the customer or authorised body shall extend the time period for filing bids by four working days and within one working day after the finishing day of the time period for filing bids shall insert to the official site a notice of extending the time period for filing such bids. With this, a customer or authorised body shall be obliged to send a call for bids to at least three participants that can supply required goods, carry out required works or render required services. A bid filed at the time specified in a notice of extending the time period for filing bids shall be considered in the procedure established for consideration of the bids filed at the time specified in a notice of making a call for bids. If after the end date of the time period for filing bids indicated in a notice on extending the time period for filing bids no bids are additionally filed and the only bid that has been filed complies with the requirements established in a notice on making a call for bids and contains an offer for the contract price that does not exceed the price cited in the notice of making a call for bids, the customer shall be obliged to make a state or municipal contract with the participant in the order's placement that has filed such bid under the terms and conditions provided for by the notice on making the call for bids and at the price offered by such participant in the order's placement in the bid.

7. If no bids are filed, a customer or authorised body shall be entitled to make a repeated placement of the order by way off making a call for bids. With this, a customer or authorised body shall be entitled to change the terms and conditions of the contract.

8. If, when repeatedly placing an order by making a call for bids, no bids were filed, the customer or authorised body is entitled to repeatedly place the order by making a call for bids or to send the documents in respect of the calls for bids made or in respect of the absence of bids accordingly to the federal executive body (when placing orders to supply commodities, carry out works or render services to meet federal needs), the executive power body of a constituent entity of the Russian Federation (when placing orders to supply commodities, carry out works and render services for meeting the needs of a constituent entity of the Russian Federation or to meet the needs of a municipal establishment) which are authorised to exercise control over orders' placement. With the approbation of such body, the customer may decide to place an order with a single supplier (performer or contractor). In so doing, a state or municipal contract shall be made with a single supplier (performer, contractor) under the terms and conditions provided for by a notice on making a repeated call for bids, and the price of the contract made shall not exceed the maximum contract price specified in the notice of making the repeated call for bids. The procedure for coordination of the possibility of making a state contract with a single supplier (performer or customer) shall be established by the federal executive body charged with normative legal regulation of orders' placement. With this, the time period for such coordination shall not exceed ten working days as of the date of receiving an application for coordination of the possibility of making a state or municipal contract with a single supplier (performer or contractor) accordingly by the federal executive power body, the executive body of a constituent entity of the Russian Federation authorized to exercise control over orders' placement.

Article 47. Consideration and Assessment of Bids

1. The bidding commission within one working day following the finishing date for filing bids shall consider bids as to their compliance with the requirements established by a notice of making a call for bids and shall assess the bids.

2. The winner of a call for bids shall be declared the participant in an order's placement that has filed the bid complying with all the requirements established in a notice of making the call for bids and in which the lowest price of commodities, works and services is indicated. When several participants in an

order's placement bid for the lowest price of commodities, works and services, the winner of the call for bids shall be declared the participant in the order's placement whose bid is received before those of other participants in the order's placement.

3. The bidding commission shall not consider and reject bids if they do not comply with the requirements established in a notice of making a call for bids or if the price of commodities, works and services offered in bids exceeds the maximum price indicated in a notice of making a call for bids. Deviations of bids for other reasons shall not be allowable.

4. The results of consideration and assessment of bids shall be legalised in the form of a record containing data on the customer, essential terms and conditions of the contract, all participants in the order's placement which have filed bids, on rejected bids with the substantiation of the rejection, a bid for the lowest price of commodities, works and services, data on the winner of a call for bids, on the participant in an order's placement which has offered in the bid the same price as the winner of a call for bids or on the participant in an order's placement whose bid for the contract price contains the best terms and conditions as to the contract price after those offered by the winner of the call for bids. The record of consideration and assessment of bids shall be signed by all members of the bidding commission attending the meeting thereof and by the customer or authorised body, shall be placed on the official site on the day of signing it. The record of consideration and assessment of bids shall be drawn up in two copies, one of them to be kept by the customer or authorised body. The customer or authorised body within two working days as of the date of signing the said record shall transfer to the winner of the call for bids one copy of the record and a draft contract drawn up by way of including thereto the terms of the contract's implementation provided for by a notice of making the call for bids and the price offered by the winner of the call for bids in the bid thereof.

5. Any participant in an order's placement that has filed a bid shall be entitled after insertion on an official site of the record of consideration and assessment of bids to send in writing, in particular in the form of an electronic form, to the customer or authorised body a request for explanation of the outcome of consideration and assessment of bids. The customer or authorised body within two working days as of the date of receiving such request shall be obliged to give to said participant the appropriate explanations in writing or in the form of an electronic document.

6. If the winner of a call for bids does not present a signed contract to the customer at the time indicated in a notice of making a call for bids, it shall be declared that such winner has evaded making a state or municipal contract.

7. If it is declared that the winner of a call for bids has evaded making a state or municipal contract, the customer shall be entitled to make a claim with court for forcing the winner of the call for bids to make a contract, as well as to repair for the damages caused by the evasion of making the contract, or to make a state or municipal contract with the participant in the order's placement that has offered the same contract price as the winner of the call for bids or, where there is no such participant in the order's placement, with the participant in the order's placement whose bid for the contract price contains the best terms in respect of the contract price after those offered by the winner of the call for bids, if the contract price does not exceed the contract price indicated in a notice of making a call for bids. If the winner of a call for bids declared as evading the conclusion of a contract and the participant in an order's placement whose bid for the contract price contains the best terms as to the contract price after those offered by the winner of the call for bids are the persons which can influence each other's activities, the customer shall not be entitled to make a state or municipal contract with the said participant in the order's placement. In this instance, the customer or authorised body shall be entitled to place the order once more by way of a call for bids.

7.1. A state or municipal contract may be concluded at the earliest in five days as of the date of inserting on an official site the record of consideration and assessment of bids and at the latest in twenty days as of the date of signing said record.

8. A state or municipal contract shall be made under the terms and conditions provided for by a notice of making a call for bids at the price offered in the winner's bid or in the bid of the participant in the order's placement with which the contract is to be made, if the winner of the call for bids evades making the contract.

9. If the bidding commission rejects all bids, the customer or authorised body shall be entitled to place an order by way of a call for bids once again. With this, the authorised body shall be entitled to change the terms of the contract's implementation.

Chapter 5. Placement of an Order by Way of a Call for Bids for the Purpose of Rendering Humanitarian Aid or of Liquidation of the Consequences of Emergency Situations of Natural or Man-Made Character

Article 48. Purpose of Preliminary Selection of Participants in an Order's Placement

1. For the purpose of rendering humanitarian aid or liquidation of the consequences of emergency situations of natural or man-made character, an authorised body shall preliminary select the

participants in an order's placement whose qualifications comply with the demands raised and which can within the shortest time possible to supply necessary commodities, to carry out works and render services without a pre-payment and (or) with a delay in payment (hereinafter referred to as preliminary selection). On the basis of the results of preliminary selection shall be drawn up a list of suppliers, including preliminary selected participants in an order's placement, for the purpose of placing with them the order to supply the said commodities, carry out works or render services for meeting state or municipal needs by way of making a call for bids.

2. The list of suppliers indicated in Part 1 of this Article shall be subject to annual updating by way of preliminary selection. If before the date of effecting preliminary selection at least one participant in an order's placement remains in the list of suppliers, the list of suppliers shall be subject to updating at latest in forty five days as of the date of excluding from such list the last but one participant in the order's placement.

3. A list of the commodities, works and services required for rendering humanitarian aid or liquidation of the consequences of emergency situations of natural or man-made character shall be established by the Government of the Russian Federation. Where there is a need for the commodities, works and services which are not provided for by such list, orders to supply such commodities, carry out such works and render such services shall be placed in compliance with this Federal Law. With this, if as a result of an act of God there is a need for commodities, works and services that are not provided for by such list, and the use of other ways of order placement is inexpedient because of the loss of time, the order shall be placed with a single supplier (performer, contractor) in compliance with Item 6 of Part 2 of Article 55 of this Federal Law.

4. The preliminary selection shall be effected in the procedure established by this Chapter.

Article 49. Notice of Effecting Preliminary Selection

1. A customer or authorised body at the latest thirty days before the date of expiry of the time period for submission of applications for participation in preliminary selection shall publish in the official print and insert to the official site a notice of effecting the preliminary selection.

2. A customer or authorised body shall be likewise entitled to publish a notice of effecting the preliminary selection in any mass medium, in particular in an electronic form, provided that such publication is not carried out instead of the publication and insertion provided for by Part 1 of this Article.

3. A notice of effecting the preliminary selection must contain the following data:

- 1) denomination, location, postal address, e-mail address and contact telephone number of the customer or authorised body;
- 2) source of the order's financing;
- 3) subject of the state or municipal contract, brief descriptions of commodities, works and services the supply, carrying out and rendering of which is the subject of the contract;
- 4) abrogated;
- 5) necessity of supplying commodities, carrying out works and rendering services within the shortest time possible without a pre-payment and (or) a delay in payment;
- 6) requirements with respect to participants in an order's placement provided for in compliance with Article 50 of this Federal Law;
- 7) form of an application for participation in the preliminary selection;
- 8) place, procedure for, and time of filing applications for participation in the preliminary selection;
- 9) place, date and time of the preliminary selection.

Article 50. Requirements with Respect to a Participant in an Order's Placement as Regards Participation in the Preliminary Selection

1. The participants in an order's placement complying with the requirements provided for by Part 1 and Item 2 of Part 2 of Article 11 of this Federal Law shall be admitted to participation in the preliminary selection.

2. A customer or authorised body shall not be entitled to advance any additional requirements with respect to participants in an order's placement, except for the requirements specified in Part 1 of this Article.

Article 51. Procedure for Presenting Applications for Participation in the Preliminary Selection

1. Applications for participation in the preliminary selection shall be presented at the time and according to the form indicated in a notice of carrying out the preliminary selection.

2. An application for participation in the preliminary selection must contain the following:

- 1) data and documents concerning the participant in an order's placement that has presented such application:
 - a) firm's name (denomination), data on organisational-and-legal form, location, postal address, contact telephone number (for a legal entity), family name, first name, patronymic, passport data, information on the place of residence, contact telephone number (for a natural person);

b) an excerpt received at earliest six months before the date when a notice of holding a public tender was inserted on an official site from the Comprehensive State Register of legal entities or a notary-attested copy of such an excerpt (for a legal entity); an excerpt from the Comprehensive State Register of individual entrepreneurs or a notary-attested copy of such an excerpt (for an individual entrepreneur) received at the earliest six months before the date when a notice of holding a public tender was inserted to an official site, a properly attested translation into Russian of the documents proving the state registration of a legal entity or the state registration of a natural person as an individual businessman in compliance with the legislation of the appropriate state (for a foreign person) received at earliest six months before the date when a notice of holding a public tender was inserted to an official site;

c) document proving the authority of the person to act on behalf of a participant in an order's placement;

2) data on the functional characteristics (consumer properties) and qualitative characteristics of commodities, works and services;

3) copies of the documents proving the compliance of a participant in an order's placement with the requirement established by Item 1 of Part 1 of Article 11 of this Federal Law, if requirements are established by the laws of the Russian Federation with respect to the persons engaged in supplying commodities, carrying out works and rendering services and such commodities, works and services constitute the subject of the preliminary selection.

3. It shall not be allowable to demand of a participant in an order's placement other documents, except for those provided for by Part 2 of this Article.

4. Applications for participation in the preliminary selection filed upon expiry of the time period for filing such applications shall not be accepted and shall not be considered by the customer or authorised body.

5. Each application for participation in the preliminary selection filed at the time specified in a notice of carrying out the preliminary selection shall be registered by the customer or authorised body. Upon the request of the participant in an order's placement that has filed such application, the customer or authorised body shall issue a receipt proving such application's coming in with an indication of the date and time of receiving it.

Article 52. Procedure for Carrying Out the Preliminary Selection

1. The bidding commission within ten days as of the date of expiry of the time period for presenting applications for participation in the preliminary selection shall be obliged to consider the presented bids. The bidding commission shall be entitled to demand of the participants in order placement submission within a reasonable time period explanations of provisions of the documents presented by them and explanations of provisions of applications for participation in the preliminary selection. With this, it shall not be allowable to amend applications for participation in the preliminary selection. The bidding commission shall not be entitled to advance additional requirements with respect to participants in an order's placement, as regards the establishment of authenticity of the documents, apart from the requirements established by Part 1 of Article 50 of this Federal Law and other federal laws. It shall not be allowable to change the requirements with respect to participants in an order's placement provided for by the notice of carrying out the preliminary selection.

2. The bidding commission on the basis of the results of considering applications for participation in the preliminary selection shall draw up a list of suppliers and shall decide on the inclusion of, or on the refusal to include, a participant in an order's placement into a list of suppliers.

3. A decision to deny the inclusion of a participant in an order's placement in a list of suppliers shall be rendered if:

1) the participant in the order's placement does not comply with the requirements established by Part 1 of Article 50 of this Federal Law;

2) the documents specified by Part 2 of Article 51 of this Federal Law are not presented in full or wittingly false data are presented;

3) the application for participation in the preliminary selection does not comply with the requirements established by a notice of carrying out the preliminary selection;

4) the participant in an order's placement has been excluded from the list of suppliers which was composed on the basis of the results of the preliminary selection preceding the preliminary selection being carried out.

4. The refusal to include a participant in an order's placement into a list of suppliers for reasons other than those specified in Part 3 of this Article shall not be allowable. With this, the customer, authorised body or bidding commission shall independently check the compliance of the participant in an order's placement with the requirements provided for by Items 2-4 of Part 1 and Item 2 of Part 2 of Article 11 of this Federal Law and shall not be entitled to place upon the participants in an order's placement the duty of proving their compliance with the said requirements.

5. The preliminary selection shall be carried out subject to the provisions of Parts 3-6 of Article 12 of this Federal Law.

6. The results of considering applications for participation in the preliminary selection shall be legalised in the form of a record to be kept by the bidding commission and signed by all members of the bidding commission present and by the customer or authorised body on the day of expiry of the time period for consideration of the documents. The record must contain data on the participants in an order's placement which have filed applications for participation in the preliminary selection and on the decision rendered in respect of the said persons.

The record on the day of expiry of the time period for consideration of applications for participation in the preliminary selection shall be placed on the official site by the customer or authorised body. The customer or authorised body on the following day after the date of signing the record shall send a notice concerning the rendered decisions to the participants in an order's placement which have filed applications or participation in the preliminary selection.

7. A decision of the bidding commission to deny the inclusion of a participant in an order's placement into a list of suppliers may be complained against by such participant in the procedure provided for by this Federal Law.

8. A customer or authorised body shall draw up a list of suppliers in which shall be included the participants in an order's placement in respect of which the decision to include them in the list of suppliers specified in Part 1 of Article 48 of this Federal Law has been rendered. Lists of suppliers shall be drawn up in compliance with the types of commodities, works and services which accordingly can be supplied, carried out and rendered by such participants.

9. In the event of establishing the unreliability of the data contained in the documents provided for by Part 2 of Article 51 of this Federal Law, the customer or authorised body shall be entitled to exclude from the list of suppliers specified in Part 1 of Article 48 of this Federal Law, the participant in an order's placement that has submitted such documents.

Article 53. Specifics of Placing an Order by Way of a Call for Bids for the Purpose of Rendering Humanitarian Aid or Liquidation of Emergency Situations of Natural or Man-Made Character

1. An order shall be placed by way of a call for bids for the purpose of rendering humanitarian aid or liquidation of the consequences of an emergency situation of a natural or man-made character without limiting the price of a state or municipal contract.

2. For the purposes of this Federal Law, humanitarian aid shall mean commodities, works or services supplied, carried out or rendered on a gratuitous basis by the Russian Federation for foreign states, their federal or municipal establishments, international and foreign institutions or non-profit organisations, as well as for foreign natural persons, for the purpose of rendering medical and social aid to poor and socially unprotected groups of the population, as well as to those which have suffered from natural disasters and other emergency situations, for the liquidation of consequences of natural disasters and of other emergency situations.

3. Where it is necessary to render humanitarian aid or to liquidate the consequences of an emergency situation of natural or man-made character, a customer shall send a call for bids to all participants in an order's placement that can supply necessary commodities, carry out works and render services in compliance with the list indicated in Part 1 of Article 48 of this Federal Law.

4. A call for bids may be sent using any communication means, in particular in an electronic form.

5. A call for bids and the bid must comply with the requirements established by Articles 43 and 44 of this Federal Law subject to the specifics established by Part 6 of this Article.

6. In the call for bids shall be specified the quantity of commodities and the volume of works or services required for rendering humanitarian aid or liquidation of the consequences of an emergency situation of natural or man-made character. The maximum contract price shall not be shown in the call for bids. In the bid a participant in an order's placement shall indicate the quantity of commodities, the volume of works or services which he accordingly can supply, carry out or render at the time indicated in a call for bids.

7. Each participant in an order's placement shall only be entitled to file one bid, whose amending shall not be allowed. Holding talks between a customer and a participant in an order's placement in respect of the bid shall not be allowed.

8. A bid may be filed using any communication means, in particular in the form of an electronic document. Upon receiving a bid in the form of an electronic document a customer shall be obliged to confirm the receipt of such bid in writing or in the form of an electronic document.

9. Each bid filed at the time established in a call for bids shall be registered by the customer. Upon the request of the participant in an order's placement that has filed a bid the customer shall issue a receipt that proves the coming in of the bid with an indication of the date and time of its coming in.

10. If at the time specified in a call for bids only one bid is filed, the customer shall make a state or municipal contract with the participant in an order's placement which has filed such bid under the terms specified in the call for bids in the quantity, volume and at the price offered in such bid.

11. If in the bid indicated in Part 10 of this Article there are no data on the quantity of commodities, volume of works or services demanded by the customer, or if upon the expiry of the time

period for filing bids no bids are filed, the customer shall be entitled to place an order with the sole supplier (performer, contractor) in compliance with Item 6 of Part 2 of Article 55 of this Federal Law.

12. If when carrying out a call for bids a participant in an order's placement fails twice to file a bid in response to the call for bids, such participant shall be excluded from the list of suppliers provided for by Part 1 of Article 48 of this Federal Law and may not participate in the preliminary selection to be carried out next year for updating the list of suppliers.

Article 54. Consideration and Assessment of Bids for the Purpose of Rendering Humanitarian Aid or Liquidation of Consequences of Emergency Situations of Natural or Man-Made Character

1. The bidding commission shall consider bids in the procedure established by Part 1 of Article 47 of this Federal Law subject to the specifics of this Article.

2. On the basis of the results of considering bids the bidding commission shall decide on the compliance or non-compliance of a bid with the requirements specified in a call for bids. With this, a decision on noncompliance of a bid with such requirements may not be rendered solely on the basis of non-compliance of the quantity of commodities, the volume of works and services indicated in a call for bids with the quantity of commodities, the volume of works and services specified in the bid.

3. On the basis of the results of the consideration and assessment of bids the bidding commission shall assign an ordinal number to each bid as the contract price offered in bids increases. With this, at first ordinal numbers shall be assigned to the bids in which at least thirty per cent of the quantity of commodities, the volume of works and services indicated in a notice of making the call for bids are provided for. The first number shall be assigned to the bids which provide for at least thirty per cent of the quantity of commodities, the volume of works and services specified in a notice of making a call for bids (if there are bids in which at least thirty per cent of the quantity of commodities, the volume of works or services specified in the call for bids are provided for) and which offer the lowest contract price. If the offered contract prices contained in bids coincide, the first number shall be assigned to the bid that has been received by the customer before the rest of the bids.

4. The results of the consideration and assessment of bids shall be legalised in the form of a record that must contain data on the customer, on the essential contract terms, a list of bids according to the ordinal numbers assigned to them, and data on all the participants in an order's placement that have filed bids. The record shall be signed by members of the bidding commission and by the customer on the day of consideration and assessment of bids and shall be placed on the official site. A customer shall be obliged within three days as of the date of signing the record of consideration and assessment of bids to send in writing or in the form of an electronic document to the winner of a call for bids, as well as to other participants in an order's placement, a notice of the results of consideration and assessment of the bids. As the winner of a call for bids shall be declared the participant in an order's placement whose bid the first number has been assigned to.

5. A state or municipal contract shall be made with the winner of a call for bids under the terms provided for by the call for bids to supply commodities, carry out works and render services in the quantity, volume and at the price offered by such bid.

6. If the winner of a call for bids is not able to execute an order in full, the customer shall also place the order with the participant in the order's placement whose bid the next ordinal number in ascending order is assigned to, under the terms provided for by the call for bids to supply commodities, carry out works and render services in the quantity, volume and at the price that are offered in such bid.

7. If after making a contract in compliance with Parts 5 and 6 of this Article the quantity of commodities, volume of works or services under such contract is less than the quantity of commodities, the volume of works and services required by the customer, the customer shall place an order to supply the deficient part of the commodities, of the volume of works or services with a single supplier in compliance with Part 6 of Part 2 of Article 55 of this Federal Law.

Chapter 6. Placement of an Order with a Single Supplier (Performer, Contractor)

Article 55. Instances of Placing an order with a Single Supplier (Performer, Contractor)

1. Placement of an order with a single supplier (performer, contractor) shall mean the way of placing an order when a customer offers to make a state or municipal contract and in the case, provided for by Item 14 of Part 2 of this Article, a state or municipal contract, or any other civil law contract, to only one supplier (performer, contractor).

2. A customer shall place an order with a single supplier (performer, contractor), if:

1) supplying the commodities, carrying out the works and rendering the services pertain to the scope of activities of natural monopolies in compliance with Federal Law No. 147-FZ of August 17, 1995 on Natural Monopolies;

2) water supply, water removal, sewage, heat supply, gas supply services (except for the services related to the sale of liquefied gas) are rendered at the prices (tariffs) controlled in compliance with the legislation of the Russian Federation;

2.1) a contract for electric energy supply or electric energy purchase and sale is made with a guaranteeing supplier of electric energy;

3) cultural values are supplied, including museum articles and museum collections, as well as rare and precious editions, manuscripts, archival documents, including copies of historical, artistic or other cultural value intended for replenishment of the state museum, library and archival stocks, cinematographic stock, photo stock and other similar stocks;

4) works aimed at maintaining mobilisation capacity in the Russian Federation are being carried out;

5) a need has arisen for the works or services whose performance or provision can be effectuated exclusively by executive governmental bodies in accordance with their powers or by the state institutions which are controlled by them, state unitary enterprises whose respective authority is established by normative legal acts of the Russian Federation and normative legal acts of a constituent entity of the Russian Federation. For this the customer, at the latest in one working day as of the date of concluding a contract, is obliged to notify the federal executive body (when placing an order to supply commodities, carry out works and render services to meet federal needs), the executive body of a constituent entity of the Russian Federation (when placing orders to supply commodities, carry out works and render services to meet the needs of a constituent entity of the Russian Federation or to meet the needs of a municipal establishment) which are authorized to exercise control in respect of orders' placement. A copy of the contract concluded in compliance with this item shall be attached to the notice;

6) there is a need for certain commodities, works or services as a result of an act of God or the need for urgent medical aid and in view of this the application of other time-consuming ways of order placement is inexpedient. The customer is entitled to conclude under this item a contract for supplying commodities, carrying out works and rendering services in the number and to the extent required for liquidation of consequences of an act of God or rendering of urgent medical aid. For this the customer, at the latest within three working days as of the date of concluding a contract, is obliged to send a notice to the federal executive body (when placing an order to supply commodities, carry out works and render services for meeting federal needs), the executive body of a constituent entity of the Russian Federation (when placing an order to supply commodities, to carry out works and render services for meeting the needs of a constituent entity of the Russian Federation) or a local self-government body (when placing an order to supply commodities, carry out works and render services for meeting the needs of a municipal establishment) authorised to exercise control in respect of orders' placement. A copy of the report in respect of an inspection of an accident or a copy of the document proving the circumstance serving as a basis for concluding a contract in compliance with this item, as well as a copy of the contract made must be attached to said notice;

7) commodities are manufactured, works are carried out and services are rendered by institutions and enterprises of the criminal execution system in the instances provided for by the Government of the Russian Federation;

8) only one application for participation in a tender, one application for participation in an auction or one bid is submitted in compliance with Part 12 of Article 25, Part 7 of Article 31.4, Part 12 of Article 35, Part 6 of Article 46, Part 10 of Article 53 of this Federal Law;

9) only one participant in an order's placement that has filed an application for participation in a tender or an application for participation in an auction is declared a tender participant or auction participant in compliance with Part 5 of Article 27, Part 3 of Article 31.5, Part 6 of Article 36 of this Federal Law;

10) there is only one auction participant in compliance with Part 13 of Article 37, Part 14 of Article 41 of this Federal Law;

11) a tender or auction is declared frustrated or a state or municipal contract is not made in compliance with Part 1 of Article 31 and Part 1 of Article 40 of this Federal Law;

12) an order for rendering communication services for the needs of the country's defence, state security and the ensurance of law and order in accordance with the procedure stipulated in Article 55.1 of the present Federal Law;

13) when placing the order repeatedly by making a call for bids, no bids were filed in compliance with Part 8 of Article 46 of this Federal Law;

14) commodities are supplied, works are carried out or services are rendered to meet the state or municipal needs for an amount not exceeding the limit for settlements in cash in the Russian Federation between legal entities within a single transaction established by the Central Bank of the Russian Federation; for this, the customer is entitled to place orders to supply commodities of the same name, to carry out works of the same name and to render services of the same name within a quarter in compliance with this item for an amount not exceeding the said limit for settlements in cash. On the basis of such orders' placement state or municipal contracts may be concluded, as well as other civil law contracts in compliance with the Civil Code of the Russian Federation;

15) the customer, authorised body or specialized organisation must publish in an official publication a notice on holding a public tender, a notice of holding a public auction, a record of assessment and comparison of applications for participation in a tender or the record of an auction;

16) an order is being placed for supply of Russian armaments and military equipment, which have no analogues in Russia and which are made by a sole manufacturer, with the supplier of such armaments and military equipment included into the register of sole participants of such armaments and military equipment. A procedure for keeping the register of sole suppliers of such armaments and equipment and the procedure for price formation with respect to such armaments and equipment shall be established by the Government of the Russian Federation. A state contract for supply of such Russian armaments and military equipment shall be made at the price fixed in compliance with the said procedure for its formation;

17) orders to supply commodities, carry out works and render services to meet state needs are placed with the supplier (performer or contractor) appointed by a decree or order of the President of the Russian Federation;

18) orders are placed to acquire works of literature and art of certain authors (except when cinema projects are acquired for distribution), performances of specific performers, phonograms of producers to meet state or municipal needs, where exclusive rights to such works, performances and phonograms are possessed by a single person;

19) orders are placed to supply journals and electronic publications of certain authors, to render services related to the provision of access to electronic publications for maintaining the activities of state and municipal educational establishments, state and municipal libraries, governmental scientific organisations with the editors of such journals and electronic publications, if the said editors enjoy exclusive rights to the use of publications;

20) an order is placed to visit a zoological garden, theatre, cinema, concert, circus, museum, exhibition or a sporting event;

21) an order is placed to render services to several state or municipal customers related to participation in an event held to meet state or municipal needs and the customer arranging such event is chosen as the supplier (executor, contractor) in the procedure provided for by this Federal Law;

22) an order is placed to render teacher's services by natural persons.

Article 55.1. Specifics in the Placement of an Order for Rendering Communications Services for the Needs of the Country's Defence, State Security and the Ensurance of Law and Order with an Only Executor

1. If not a single quotation application is filed, or if the tender or auction is recognized as not having taken place and the state contract for rendering communication services for the needs of the country's defence, state security and the ensurance of law and order is not concluded in conformity with the twelfth part of Article 25, the fifth part of Article 27, the first part of Article 31, the twelfth part of Article 35, the sixth part of Article 36, the thirteenth part of Article 37 and the first part of Article 40 of the present Federal Law, the federal executive power body, into whose jurisdiction are put special-purpose communication networks intended for the needs of the country's defence, state security and the ensurance of law and order, and which comes out as the state customer, shall have the right to repeatedly place the order by an enquiry for the quotations, to carry out a repeated tender or auction or to turn to the Government of the Russian Federation with a presentation for imposing upon the communication operator the duties involved in rendering communication services for the needs of the country's defence, state security and the ensurance of law and order.

2. On the ground of the representation, mentioned in the first part of the present Article and agreed with the federal executive power body in the area of communication, the duty to render communication services for the needs of the country's defence, state security and the ensurance of law and order is imposed by the Decision of the Government of the Russian Federation upon the communication operator, possessing a licence for the performance of activity in the area of rendering communication services and disposing of the technical possibility to provide the declared communication services. The state contract shall in this case be concluded with the said communication operator on the terms envisaged in the tender documentation, in the documentation on the auction or in the notification on making an inquiry for quotations; the price of the concluded contract shall not exceed the initial (maximum) contract price indicated in the notification on holding an open tender, in the invitation to take part in the closed tender, in the notification on holding an open auction, in the invitation to take part in the closed auction, or in the notification on making an inquiry for quotations.

3. The communication operator, mentioned in the second part of the present Article, has no right to reject the duty for rendering communication services, imposed upon him, for the needs of the country's defence, state security and the ensurance of law and order.

Chapter 7. Placement of an Order to Supply Exchange Commodities for Meeting State or Municipal Needs at Commodity Exchanges

Article 56. Placement of an Order to Supply Exchange Commodities for Meeting State or Municipal Needs at Commodity Exchanges

1. Orders to supply exchange commodities for meeting state or municipal needs to the amount exceeding five million roubles shall be placed at commodity exchanges.

2. A procedure for placing orders to supply exchange commodities for meeting state or municipal needs at commodity exchanges shall be established by the Government of the Russian Federation.

3. The subject of a state or municipal contract made by a customer with a participant in exchange trade in the course of exchange sales shall be supplies of exchange commodities. The specifics of making a state or municipal contract in the course of exchange sales shall be determined by the Civil Code of the Russian Federation, the legislation of the Russian Federation concerning commodity exchanges and exchange trade and the requirements with respect to making state or municipal contracts established by this Federal Law.

Chapter 8. Ensuring Protection of the Rights and Legitimate Interests of Participants in Order Placement

Article 57. Complaining against Actions (Omission to Act) of a Customer, Authorised Body, Specialised Organisation, Tender, Auction or Bidding Commissions

1. Any participant in an order's placement shall be entitled to complain judicially, as well as in the procedure provided for by this Chapter, against actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions if such actions (omission to act) violate the rights and legitimate interests of the participant in the order's placement. Complaining against actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions in the procedure provided for by this Chapter shall not be an obstacle to appealing judicially against the actions (omission to act) of the customer, authorised body, specialised organisation, tender, auction or bidding commission.

2. Complaining against actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commission in the procedure provided for by this Chapter shall be allowable at any time of an order's placement but at the latest in ten days as of the date of insertion on an official site of the record of assessment and comparison of applications for participation in a tender, the record of an auction, the record of consideration and assessment of bids, as well as the record of consideration of applications for participation in a tender or the record of consideration of applications for participation in an auction in the event of declaring a tender or auction frustrated, when holding a closed tender or a closed auction - as of the date of signing the appropriate record. At this, if appealed actions (failure to act) are made after the start of accordingly opening envelopes with applications for participation in a tender, consideration of applications or participation in an auction and consideration of bids, such actions (failure to act) may be only appealed against by a participant in an order's placement that has filed accordingly an application for participation in a tender, application for participation in an auction or a bid. Upon the expiry of the said time period actions (omission to act) of a customer, authorised body, tender, auction or bidding commission shall be only appealed against judicially.

3. Placement of an order can be declared invalid on the basis of a claim made by a person concerned or on the basis of a claim made by the federal executive body, the executive body of a constituent entity of the Russian Federation or the local self-government body authorised to exercise control in respect of orders' placement, solely by court.

4. A participant in an order's placement shall be entitled to file a complaint in writing, in particular in the form of an electronic document or by means of facsimile telegraph, against the actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commission, while supplying commodities, carrying out works and rendering services for meeting federal needs, with the federal executive body authorised to exercise control in respect of order placement.

5. A participant in an order's placement shall be entitled to file in writing an complaint against the actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commission, while placing an order for meeting the needs of a constituent entity of the Russian Federation, with the federal executive body authorised to exercise control in respect of order placement or with the executive body of a constituent entity of the Russian Federation authorised to exercise control in respect of orders' placement. A participant in an order placement shall be entitled to file in writing an complaint against the actions (omission to act) of a customer, authorised body, specialized organisation, tender, auction or bidding commission while placing an order for meeting municipal needs, with the federal executive body authorized to exercise control in respect of orders' placement, with the executive body of a constituent entity of the Russian Federation authorised to exercise control in respect of orders' placement or with the local self-government body authorised to exercise control in respect of orders' placement.

6. When filing a complaint against actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commission in compliance with Parts 4 and 5 of this Article, a participant in an order's placement shall send a copy of the complaint accordingly to the customer, authorised body, specialised organisation, tender, auction or bidding commissions whose actions (omission to act) are complained against.

Article 58. Contents of a Complaint against the Actions (Omission to Act) of a Customer, Authorised Body, Specialised Organisation, Tender, Auction or Bidding Commissions

1. A complaint against the actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions must contain the following:

1) denomination, location, postal address, contact telephone number of the customer, authorised body, specialised organisation tender, auction or bidding commissions whose actions (omission to act) are complained against;

2) denomination, data on the location (for a legal entity), family name, first name, patronymic, data on the place of residence (for a natural person) of the participant in an order's placement that has filed the complaint, postal address, e-mail address, contact telephone and fax numbers;

3) reference to the order to be placed;

4) reference to the actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions complained against and reasons of the complaint.

2. The participant in an order's placement that has filed a complaint against actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions shall be obliged to attach thereto the documents proving the reasonableness of the complaint's arguments. In this instance, a complaint must contain a full list of the documents attached thereto.

3. A complaint against the actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions shall be signed by the participant in an order's placement filing such complaint or by a representative thereof. If the representative of a participant in an order's placement files a complaint, the letter of attorney or other document proving his authority to sign the complaint must be attached to the complaint.

Article 59. Return of a Complaint against Actions (Omission to Act) of a Customer, Authorised Body, Specialised Organisation, Tender, Auction or Bidding Commissions

1. A complaint against the actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions shall be returned to the participant in an order's placement in the following instances:

1) the complaint does not contain the data provided for by Part 1 of Article 58 of this Federal Law;

2) the complaint is not signed or is signed by the person whose authority is not proved by documents;

3) the complaint is filed upon expiry of the time period specified in Part 2 of Article 57 of this Federal Law;

4) a complaint against the same actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions is taken over by a court and a court decision in respect of it is rendered;

5) the complaint is filed in defiance of the requirements provided for by Parts 4 or 5 of Article 57 of this Federal Law;

6) the executive body of a constituent entity of the Russian Federation authorised to exercise control in respect of orders' placement establishes that an appeal against the same actions (failure to act) is filed, is being considered or a decision has been rendered in respect of it by the federal executive body authorized to exercise control in respect of orders' placement;

7) the local self government body authorised to exercise control in respect of orders' placement establishes that an appeal against the same actions (failure to act) is filed, is being considered or in respect of it a decision has been rendered by the federal executive body authorized to exercise control in respect of orders' placement or the executive body of a constituent entity of the Russian Federation authorized to exercise control in respect of orders' placement.

2. A decision to return a complaint against the actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions must be rendered at the latest in two working days as of the date of such complaint's coming in.

3. The bodies provided for by Parts 4 and 5 of Article 57 of this Federal Law shall be obliged on the day of rendering a decision to return a complaint to notify in writing the participant in an order's placement, that has filed the complaint, of the rendered decision indicating the reasons for the complaint's return.

4. A decision to return a complaint may be appealed against judicially.

Article 60. Consideration of a Complaint against the Actions (Omission to Act) of a Customer, Authorised Body, Specialised Organisation, Tender, Auction or Bidding Commissions

1. After filing a complaint against the actions (failure to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions and taking it over the federal executive body, the executive body of a constituent entity of the Russian Federation or local self-government body authorised to exercise control in respect of order placement shall insert within one day after the date of the complaint's receipt information about the complaint's receipt and about the content thereof, and shall send, when holding a closed tender or a closed auction, to all participants in the order's placement concerned a notice on receiving the complaint and of the contents thereof, as well as shall notify the participant in the order's placement that filed the complaint, the customer, authorised body, specialised organisation, tender, auction or bidding commissions, whose actions (failure to act) are complained against of the time and place of such complaint's consideration.

2. The participants in an order's placement whose rights and legitimate interests are directly infringed as a result of consideration of a complaint against actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions shall be entitled to send to the bodies indicated in Part 1 of this Article their appeal to the complaint and to participate personally or through representatives thereof in the consideration of the complaint. An appeal to a complaint must contain the data specified in Part 1 of Article 58 of this Federal Law. An appeal to a complaint shall be send to the body indicated in Part 1 of this Article at the latest two working days before the date of the complaint's consideration.

3. The bodies specified in Part 1 of this Article shall be obliged to consider a complaint on its merits and a rejoinder to the complaint within five working days as of the date of the complaint's coming in and to notify the participant in an order's placement that has filed the complaint and the persons that have filed the appeal to the complaint of the results of such consideration. With this, the said bodies shall be entitled to send to the customer, authorised body, specialised organisation, tender, auction or bidding commissions and to the participant in an order's placement that has filed the complaint a request for providing the data and documents required for the complaint's consideration. A complaint must be considered on its merits on the collective basis.

3.1. The customer, authorised body, specialized organisation, tender, auction or quotation commissions whose actions (failure to act) are appealed against are obliged to submit for consideration of an appeal on its merits tender documentation, auction documentation, a notice of making a call for bids, amendments to be made to tender documentation, auction documentation, applications for participation in a tender, applications for participation in an auction, bids, records of opening envelopes with applications for participation in a tender, records of consideration of applications for participation in a tender, records of consideration of applications for participation in an auction, records of consideration and assessment of bids, records of assessment and comparison of applications for participation in a tender, auction records, audio records, video records and other documents and data drawn up in the course of an order's placement.

3.2. A complaint in respect of the results of assessment of applications for participation in a tender on the basis of the criteria for assessment of applications for participation in a tender cited in Items 1 and 1.1 of Part 4 of Article 28, Items 1, 2 and 4 of Part 3 of Article 31.6 of this Federal Law shall not be considered.

4. The bodies indicated in Part 1 of this Article shall be entitled to suspend placement of an order pending consideration of a complaint against the actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions on its merits and to send to the customer, authorised body, specialised organisation, tender, auction or bidding commissions a demand in writing to suspend the order's placement pending consideration of the complaint on its merits to be followed by them without fail. In the event of rendering a decision on suspending an order's placement, a state or municipal contract may not be made prior to consideration of a complaint on its merits.

5. A customer shall not be entitled to make a state or municipal contract before consideration of a complaint against the actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions by the bodies indicated in Part 1 of this Article. With this, the time period established for making a contract shall be subject to extension by the time period for consideration of the complaint on its merits.

6. On the basis of the results of considering a complaint the bodies indicated in Part 1 of this Article shall decide on issuing the orders provided for by Article 17 of this Federal Law on committing other actions provided for by Part 9 of Article 17 of this Federal Law or on declaring a complaint of a participant in an order's placement unreasonable. A state or municipal contract may not be made prior to the time of execution of orders to eliminate violations of the legislation on orders' placement issued in compliance with Part 9 of Article 17 of this Federal Law.

7. If the federal executive body authorised to exercise control in respect of orders' placement, the executive body of a constituent entity of the Russian Federation or the local self-government body authorised to exercise control in respect of order placement have considered complaints against the

same actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions, it is the decision rendered by the federal executive body authorised to exercise control in respect of orders' placement that shall be executed.

8. The bodies indicated in Part 1 of this Article within three working days as of the date of rendering the decisions provided for by Part 6 of this Article shall send to the participant in an order's placement that has filed a complaint against actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions, to the participants in the order's placement that have sent an appeal to the complaint, as well as to the customer, authorised body, specialised organisation, tender, auction or bidding commissions whose actions (omission to act) are complained against a copy of the decision or of the order issued on the basis of the results of a complaint's consideration and shall insert on an official site data on the issued decision or order.

9. The decision rendered on the basis of the results of considering a complaint against the actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions may be complained against judicially within three months as of the date of its rendering.

Article 61. Withdrawal of a Complaint against the Actions (Omission to Act) of a Customer, Authorised Body, Specialised Organisation, Tender, Auction or Bidding Commissions

1. The participant in an order's placement that has filed a complaint against the actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions shall be entitled to withdraw it before rendering a decision on the merits of the complaint. The participant in an order's placement that has withdrawn the complaint filed by him shall not be entitled to file a repeated complaint against the same actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions in the procedure provided for by this Chapter.

2. The bodies indicated in Part 1 of Article 60 of this Federal Law within two working days as of the date of withdrawing an appeal against the actions (omission to act) of a customer, authorised body, specialised organisation, tender, auction or bidding commissions shall be obliged to send to the participants in an order's placement that have sent an appeal to the appeal specified in Part 2 of Article 60 of this Federal Law, as well as to the customer, authorised body, specialised organisation, tender, auction or bidding commissions whose actions (omission to act) are complained of a notice of the complaint's withdrawal.

Article 62. Liability for Violations of the Legislation of the Russian Federation and of Other Normative Legal Acts of the Russian Federation Concerning Orders' Placement

The persons guilty of violations of the legislation of the Russian Federation and of other normative legal acts of the Russian Federation concerning placement of orders to supply commodities, carry out works and render services for meeting state or municipal needs shall bear disciplinary, civil law, administrative and criminal liability in compliance with the legislation of the Russian Federation,

Chapter 9. Entry of this Federal Law into Force and Transitional Provisions

Article 63. Entry of this Federal Law into Force

This Federal Law shall enter into force as of January 1, 2006.

Article 64. The Effect of the Present Federal Law over Time

1. The present Federal Law is applicable to the relations connected to the placement of an order for the delivery of goods, performance of works, and provision of services for state or municipal need, such relations having come into being after the entry into force of the Federal Law. The relations connected to the placement of an order for the delivery of goods, performance of works, provision of services for state or municipal needs - such relations having come into being before the entry into force of the present Federal Law - shall be subject to the present Federal Law in as far as it concerns the rights and responsibilities that emerge after it comes into force.

2. If a notice of a forthcoming tender for the placement of an order for the delivery of goods, performance of works, provision of services for state or municipal needs is published before January 1, 2006 the tender shall be conducted and its results shall be summed up in the procedure that had been effective before the entry into force of the present Federal Law.

3. If a notice of holding a tender or an auction for placement of an order to supply commodities, carry out works or render services for meeting state or municipal needs is published prior to April 20, 2007, the provisions of Part 7.2 of Article 9, as well as of Item 15.2 of Part 4 of Article 22 and of Item 9 of Part 4 of Article 34 of this Federal Law, shall not apply to the relations which arise when placing such order, making a state or municipal contract on the basis of the results of placing such order and executing

the said contract, as regards the duty of the customer or authorised body to establish the requirement to secure the contract's execution.

4. As of January 1, 2008 information about orders' placement shall not be published in an official publication when placing orders to supply commodities, carry out works or render services to meet federal needs.

Article 65. Transitional Provisions

1. As of the date of this Federal Law's entry into force, Federal Law No. 97-FZ of May 6, 1999 on Tenders for Placement of Orders to Supply Commodities, Carry Out Works and Render Services for Meeting State or Municipal Needs (Sobranie Zakonodatelstva Rossiyskoy Federatsii, 1999, No. 19, Article 2302) shall be declared Invalidated.

2. As of the date of this Federal Law's entry into force, other federal laws adopted prior to its entry into force and providing for a procedure for placement of state or municipal orders to supply commodities, carry out works and render services for meeting state or municipal needs shall apply, in so far as they do not contravene this Federal Law.

3. Prior to establishing by the Government of the Russian Federation lists of the commodities, works and services for which orders to accordingly supply, carry out and render them are placed by way of holding an auction, a decision on the form of sales shall be rendered by a customer independently subject to the provisions of this Federal Law, laws and other normative legal acts of the constituent entities of the Russian Federation and normative legal acts of local self-government bodies, in so far as they do not contravene this Federal Law.

4. Prior to establishing by the Government of the Russian Federation a procedure for using official sites and of requirements with respect to engineering, software, linguistic, legal and organisational means of ensuring the use of the said sites, such procedure and requirements shall be established in compliance with this Federal Law by normative legal acts of the constituent entities of the Russian Federation.

5. Prior to establishing by the Government of the Russian Federation a procedure for keeping registers of contracts and requirements with respect to engineering, software, linguistic, legal and organisational means of ensuring the use of the official sites where the said registers are to be located, such procedure and requirements shall be established in compliance with this Federal Law by normative legal acts of the constituent entities of the Russian Federation.

6. Prior to establishing by the Government of the Russian Federation a procedure for keeping a register of unfair suppliers and requirements to engineering, software, linguistic, legal and organisational means to ensure keeping of a register of unfair suppliers, the executive bodies of the constituent entities of the Russian Federation shall be entitled to keep a register of unfair suppliers. With this, a procedure for keeping the register of unfair suppliers and requirements with respect to engineering, software, linguistic, legal and organisational means to ensure keeping the register of unfair suppliers shall be established in compliance with this Federal Law by the normative legal acts of the constituent entities of the Russian Federation. The data contained in the register of unfair suppliers kept by a constituent entity of the Russian Federation shall be subject to transfer on a gratuitous basis to the federal executive body authorised to exercise control in respect of order placement within thirty days after establishing by the Government of the Russian Federation a procedure for keeping a register of unfair suppliers and requirements with respect to engineering, software, linguistic, legal and organisational means to ensure keeping the register of unfair suppliers.

7. Prior to establishing by the Government of the Russian Federation a procedure for assessing applications for participation in a tender for placement of an order to supply certain types of commodities, to carry out certain types of works and render certain types of services for meeting state or municipal needs, a procedure for assessment of applications for participation in a tender shall be established by a customer in compliance with this Federal Law by the normative legal acts of the constituent entities of the Russian Federation and local self-government bodies, in so far as they do not contravene this Federal Law, or, in the absence of such normative legal acts of the constituent entities of the Russian Federation, independently in compliance with this Federal Law. With this, a customer in tender documentation must establish the criteria provided for by this Federal Law their content and importance.

8. Prior to establishing by the Government of the Russian Federation a procedure for using the Internet sites where public tenders in an electronic form are held and requirements with respect to engineering, software, linguistic, legal and organisational means of ensuring the use of the said sites, as well as to the systems which ensure the holding of public auctions in an electronic form, the said procedure and requirements shall be established in compliance with normative legal acts of the constituent entities of the Russian Federation and of local self-government bodies, in so far as they do not contravene this Federal Law, or, in the absence of such acts, independently.

9. The customer is entitled within three years as of the date of this Federal Law's entry into force to place with the sole performer an order for carrying out scientific research works or experimental development works, if these works are carried out on the basis of a state or municipal contract made

before the date of this Federal Law's entry into force, if such contract has not been dissolved in connection with a major breach by the performer of the terms and conditions of the contract and if the performance of these works is not yet completed on the date of this Federal Law's entry into force.

10. Before January 1, 2009 the customer, if it is provided for by auction documentation, by approbation of the supplier (executor, contractor) in the course of executing a contract for carrying out works for construction, reconstruction and overhaul of capital construction objects is entitled to change by at most ten per cent the volume of works provided for by the contract where there is a change in the need for the works in respect of which the contract is made or in the event of detecting a need for carrying out an additional volume of works which are not provided for by a contract but are connected with the works provided for by the contract. When carrying out an additional volume of such works, the customer by approbation of the supplier (executor, contractor) is entitled to change the initial contract price in proportion to the volume of such works but at most by ten per cent of this contract price, and the customer is obliged to modify the contract price in the said way when making appropriate amendments to the contract in connection with reduction of the need for carrying out such works.

11. Prior to January 1, 2010 the federal executive body, the executive body of a constituent entity of the Russian Federation and local self-government body authorised to maintain an official site are entitled to attract, on the basis of a contract concluded subject to the results of placing an order through holding sales, an organisation engaged in servicing and ensuring the functioning of the official site determined in the procedure established by Article 16 of this Federal Law. The said bodies shall be jointly liable for the harm inflicted upon a natural person or a legal entity as a result unlawful actions (failure to act) of such organisations made within the scope of authority transferred thereto by the said bodies on the basis of the contract. Such organisation may not be a participant in an order's placement, except when an order is placed by holding sales for rendering services of maintaining and ensuring the functioning of official sites.

12. Prior to July 1, 2008 control over observance by the editorial staff of the official publication selected by the Government of the Russian Federation of the legislation of the Russian Federation and other normative legal acts of the Russian Federation in respect of orders' placement shall be exercised in the procedure provided for by Article 17 of this Federal Law.

13. Prior to January 1, 2011 control over observance by the editorial staff of the official publication selected by the supreme executive body of a constituent entity of the Russian Federation and local authorities of the legislation of the Russian Federation and other normative legal acts of the Russian Federation in respect of orders' placement shall be exercised in the procedure provided for by Article 17 of this Federal Law.

14. Prior to January 1, 2010, control over observance by the executive body of a constituent entity of the Russian Federation, the local self-government body, the organisation engaged in servicing and ensuring the functioning of an official site of the constituent entity of the Russian Federation or of the municipal entity of the legislation of the Russian Federation and other normative legal acts of the Russian Federation in respect of orders' placement shall be exercised in the procedure provided for by Article 17 of this Federal Law.

15. When holding a tender for the right to conclude a contract for supplying commodities, carrying out works and rendering services to meet the needs of a constituent entity of the Russian Federation or municipal needs, in the record of assessment and comparison of applications for participation in a tender to be published before January 1, 2011 in an official publication shall be cited data on the place, date and time of carrying out the assessment and comparison of such applications, on the decision in respect of assigning ordinal numbers to applications for participation in a tender rendered on the basis of assessment and comparison of applications for participation in a tender, as well as denominations (for legal entities) or family names, first names and patronymics (for natural persons), and also postal addresses of the tender participants whose applications for participation in the tender the first and second numbers have been assigned to.

16. When holding an auction for the right to conclude a contract for supplying commodities, carrying out works and rendering services to meet the needs of a constituent entity of the Russian Federation or municipal needs, in the auction record to be published before January 1, 2011 in an official publication shall be cited data on the place, date and time of holding the auction, on the last and the last but one bids for the contract price, as well as denominations (for legal entities) or family names, first names and patronymics (for natural persons) and postal addresses of the auction winner and the participant thereof that has made the last but one bid for the contract price.

17. Prior to January 1, 2010 information about received complaints and about the contents thereof, about the decisions rendered on the basis of the results of consideration of complaints of participants in an order's placement, on orders issued by the federal executive body, executive bodies of constituent entities of the Russian Federation and local authorities authorized to exercise control in respect of orders' placement shall be inserted in the procedure provided for insertion of information about orders' placement accordingly on an official site of the Russian Federation, of a constituent entity of the Russian Federation or of a municipal formation.

18. Where under this Federal Law the customer or authorised body makes the requirement for participants in an order's placement provided for by Part 2.1 of Article 11 of this Federal Law, a participant in the order's placement is entitled for the purpose of proving his compliance with the requirement to present within the composition of a bid for participation in an auction in respect of a capital construction unit put into operation or accepted for operation prior to January 1, 2006 the documents proving the putting and acceptance of the capital construction unit for operation before January 1, 2006 and where necessary the documents proving the cost of such unit (state or municipal contract, payment and other documents proving the cost of the capital construction unit).

President of the Russian Federation

V. Putin

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