



General Conditions

Governing Invitations to Tender and Tenders

1. Invitations to Tender

- 1.1 As a general rule invitations to tender shall be issued only to manufacturers or contractors established in the territory of Member States. Invitations to tender are issued in the form of selective invitations. In establishing lists of firms to be approached, ESO may seek advice from the relevant authorities and professional associations of the Member States.

2. Offers or Tenders

- 2.1 Every offer shall be dated and signed by the bidder or his duly authorized agent.
- 2.2 Above his signature the bidder shall insert a form of commitment showing without any possible ambiguity that he is expressing his intention to submit a bid. An offer shall commit the bidder for a period of one hundred and twenty calendar days from the closing date for the dispatch of bids, as specified in the invitation to tender. The bidder shall be debarred during that period from modifying the prices or conditions of the offer.
- 2.3 Bids in reply to an invitation to tender issued by ESO shall conform strictly to the forms prescribed therein. Any offer which has been altered or left incomplete may be rejected without further reason. Where the invitation to tender provides for several elements, headings or lots, the bidder shall submit a separate price for each. He may indicate what price reduction he would agree to if he were awarded the whole or part of the order. He may also specify that compliance with the prices quoted shall be subject to his receiving the whole or part of the order.
- 2.4 All clauses of the bid, and particularly those concerning the proposed prices, shall be clearly legible and any erasure or addition shall be confirmed and initialed by the bidder, failing which the bid or offer will not be taken into consideration.
- 2.5 ESO reserves the right to place orders for goods in the manner appropriate to its aims in each particular case and to award separate contracts for each element, heading or lot with such suppliers as it sees fit, even where the said supplier may not be the lowest bidder. ESO may also decide not to accept any offer. A bidder whose offer has not been accepted may in no circumstances either raise any objection or claim any compensation whatsoever.
- 2.6 If several bidders desire to submit a single joint or collective offer for all or part of a contract, they shall in their bid appoint a duly accredited agent to negotiate on their behalf with ESO and shall delegate to the said agent such authority that, in negotiating with him alone, ESO shall be deemed to negotiate collectively with all the bidders. Nevertheless, ESO shall retain all its rights in relation to each of the suppliers. ESO shall be entitled, before accepting such an offer, to require that the bidders be bound to ESO jointly and severally.
- 2.7 The submission of a tender shall be deemed to be an implicit acknowledgement by the bidder that he is in a position to fulfil every obligation, without exception, under the contract which may be concluded with him and that he is in possession of all the necessary information to that effect.

- 2.8 All offers or tenders shall be dispatched, at the latest, by the closing date stipulated in the invitation to tender. Accordingly all communications shall be sent by registered mail and by post only, the postmark providing the sole proof of the dispatch of the documents in due time. Any offer dispatched after the closing date stipulated in the invitation to tender may be rejected.
- 2.9 The documents of the invitation to tender shall give the names of the persons to be approached at ESO for technical and administrative questions, and the address to which offers are to be sent.

3. Prices

- 3.1 Prices shall be quoted in EURO.
- 3.2 Unless otherwise stated, prices shall at all times be deemed to be net, firm and not subject to revision. Supplies for the use of ESO are exempt from customs duty. With regard to taxes and levies, there are special arrangements for ESO and the contractor is required to become conversant with such arrangements. Accordingly prices shall be quoted net and free of tax. Where value added tax (VAT) is applicable, this tax shall be shown clearly on the invoice. Save in respect of possible exemption from VAT arising from the special fiscal conditions which apply to ESO, the contractor shall in no way be released from his obligation to pay any taxes which may normally be due.
- 3.3 If ESO accepts price revision clauses, the conditions applicable to such clauses shall be laid down in special conditions of the invitation to tender.
- 3.4 The indices used in price revision formulae must be those of official governmental publications. Information from private sources shall be accepted only when data from such official sources are not available. The consequence of applying price revision formulae shall in any case be limited to the increase in prices which has effectively taken place.
- 3.5 The supplier shall bear the cost of insurance cover for loss and damages in respect of personnel, materials and goods in course of manufacture, construction and testing.

4. Late Delivery

Every sale to ESO may be subject to a penalty for late delivery. The amount of this penalty shall vary in accordance with the value of the goods and shall be specified in the contract.

5. Applicable Law and Arbitration

Any dispute between ESO and a bidder shall be settled by arbitration in accordance with the clause drawn up by ESO. ESO contracts are subject to the regulations adopted by ESO by virtue of its international status and subsidiarily to German law.