



NUCLEOELECTRICA ARGENTINA S.A.

REGULATIONS FOR THE ACQUISITION AND CONTRACT OF GOODS AND SERVICES

Revision: 04

Approved by Minutes of the Board of Directors N° 846

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Date: 2021.01.22
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REGULATION FOR THE ACQUISITION AND CONTRACT OF GOODS AND SERVICES FOR NUCLEOELECTRICA ARGENTINA

**CHAPTER I
GENERAL PROVISIONS**

ARTICLE 1 – SCOPE OF APPLICATION. The provisions of this Regulation shall apply to all the contracting procedures carried out by **NUCLEOELECTRICA ARGENTINA** (hereinafter **NASA**), with the exception of the procedures established by the Petty Cash Regime.

When it is necessary to establish, with a special or general nature for certain contracts, conditions other than those indicated here, the modification shall be authorized by **NASA** Board of Directors.

Participation in any of the contracting procedures carried out by **NASA** in accordance with the provisions of these Regulations, will imply on the part of the interested party the full acceptance and submission to its terms. For this purpose, **NASA** will make these Regulations available to the interested parties when they so request.

ARTICLE 2 – GOVERNING LAWS AND STANDARDS. **NASA** will govern its purchases and contracting of goods and services by the provisions of these Regulations. The contracts entered between **NASA** and whoever is awarded in accordance with the selection procedures regulated herein shall be governed by private law.

ARTICLE 3 – EXCLUDED CONTRACTS. Contracts that are signed with foreign States, with entities of international public law, or with multilateral credit institutions, which are financed totally or partially with resources from those organizations, are excluded, without prejudice to the supplementary application of the provisions of these Regulations.

ARTICLE 4 – ACQUISITION AND CONTRACTING PLAN. Each area, department and/or management will issue its Annual Procurement and Contracting Plan adjusted to the nature of its activities.

Planning and execution shall comply with the appropriations assigned in **NASA's** budget corresponding to the fiscal year during which they are carried out.

The Annual Procurement and Contracting Plan for each of the aforementioned sectors will be submitted by the General Management to **NASA's** Board of Directors for approval.

This will be updated annually, including all those acquisitions or contracts that - persisting in need - remain to be carried out from the previous fiscal year.

ARTICLE 5 – COMPETENT AUTHORITIES. The following actions will require approval by the Board of Directors:

- a) The Request for Order.
- b) The selection procedure to be used and the Request for Offer.
- c) The statement that the call has been declared void or failed.
- d) The evaluation Report of the offers.
- e) The application, exceptions or forgiveness of penalties to the bidders or contractors.
- f) Awarding and signing the Purchase Order or Contract.
- g) Cancel a contracting procedure.
- h) The revocation of the pertinent acts of the contracting procedure.
- i) The suspension, resolution or termination of the Purchase Order or Contract.
- j) Direct Contracting for reasons of opportunity, merit or convenience.

The Board will be empowered to delegate one or more of the powers referred to in the Area or **NASA's** officer that it deems appropriate, depending on their interests and needs.

The competent authority to whom the aforementioned powers are delegated, will be responsible for his participation in the acquisition and/or contracting process.

ARTICLE 6 – INTEGRATED MANAGEMENT SYSTEM. Contracting works and/or services and/or acquisition of supplies will be carried out through the Integrated Management System, which will be used to monitor and control the management of Purchases and Contracts.

The Board of Directors will be the competent authority to determine any modification of the Integrated Management System, thus allowing its constant adjustment to current procedures and jurisdictions, meeting **NASA's** needs, in order to achieve efficient, effective and transparent management.

CHAPTER II
TRANSPARENCY IN MANAGING CONTRACTS

ARTICLE 7 - ANTICORRUPTION. It is **NASA**'s policy to require that bidders, suppliers, and contractors who engage in contracts with this Company observe the highest ethical standards during the procurement process and the execution of such contracts. For the purposes of compliance with this policy, the Board of Directors defines the following expressions as follows:

i) "**Corrupt Practice**" means the offer, supply, acceptance or request of anything of value or any conduct intended to influence the performance of a **NASA** officer or employee involved in any stage of the hiring process or the execution of the contract and with any level of responsibility. It is presumed that the performance of the practices defined herein is intended to ensure that said **NASA** officer or employee breaches the rules applicable to their function, the contracting procedure and/or the execution of the respective contract.

ii) "**Fraudulent Practice**" means a misrepresentation of the facts in order to influence a procurement process or the execution of a contract to the detriment of the execution of contracts; the expression includes collusive practices among bidders (previously or after the submission of bids) in order to establish bid prices at artificial and non-competitive levels, and deprive **NASA** of the advantages of free and open competition.

Therefore, it will be the determining cause of the rejection without further processing of the proposal or offer in any state of the tender or of the full resolution of the contract - without prejudice to the other corresponding actions that **NASA** will initiate before the competent authorities - when any of the aforementioned assumptions, is put into practice so that:

- a) **NASA** officers or employees with competence related to a tender or contract do or fail to do something related to their functions; or
- b) to assert the influence of their position before other **NASA** officer or employee with the competence described, so that they do or stop doing something related to their functions; or
- c) any purpose that may fall within the preceding definitions of "Corrupt Practices" and/or "Fraudulent Practices" is obtained.

Those who have committed such acts in the interest of the contractor, directly or indirectly, either as administrative representatives, partners, agents, managers, factors,

employees, contractors, business managers, trustees, or any other natural person or legal entity will be considered active subjects of this behaviour.

The consequences of the illegal behaviour will occur even when they have been carried out in an attempted degree.

On the other hand, NASA Board of Directors will declare the company involved indefinitely ineligible to participate in new contractor selection procedures and/or the awarding or signing of new contracts.

CHAPTER III SELECTION PROCEDURES

ARTICLE 8 – SELECTION OF SUPPLIERS. The selection of the co-contracting supplier may be carried out in accordance with the following procedures, as defined in these Regulations:

- a) Public Tender
- b) Private Bidding
- c) Call for Bids
- d) Quote Comparison
- e) Direct Contracting

The Board of Directors will be empowered to establish other selection procedures that complement or replace those provided for in these Regulations, depending on **NASA**'s interests and needs.

ARTICLE 9 – PUBLIC TENDER. In the cases of Public Bidding, **NASA** will invite FOUR (4) preferably qualified suppliers of the category object of the contracting, with a TEN (10) day notice to the date of opening offers. The call shall be published in the Official Bulletin for a term of one day, TEN (10) days in advance. Likewise, said public tender will be published on **NASA** Supplier Portal. Once the evaluation of the offers has been carried out, the result of the evaluation will be published in the Official Bulletin or in the Suppliers Portal.

ARTICLE 10 – PRIVATE BIDDING AND CALL FOR. For these procedures, NASA will invite potential suppliers, preferably qualified, from the area being contracted to present their offers, issuing invitations to FOUR (4) suppliers in the cases of Private Bidding, and to THREE (3) for a Call for Bids.

Said invitations will be sent FIVE (5) and THREE (3) days in advance for Private Bids and Call for Bids respectively.

The number of suppliers to be invited, as well as the terms indicated above, will be considered minimum, and the Board of Directors may modify them when it is deemed appropriate.

ARTICLE 11 - PROCUREMENT THROUGH QUOTE COMPARISON PROCEDURE.

NASA sectors designated to manage the contracts will be those who receive the proposals. All the offers that have been received will be added to the digital file in the order in which they are received, and the formal act of opening the digital offers may be exempted. Thus, it should be understood that the day and time set for the submission of offers will only have a mere administrative effect.

Invitations shall be sent to at least three suppliers in the field and at least two days in advance, except for those contracts where the Board of Directors establishes other conditions.

ARTICLE 12 – DIRECT CONTRACTING. Direct contracting without a competitive process (a single source) will be applicable in the following circumstances:

a) For urgency reasons: The urgency shall respond to objective circumstances and its magnitude shall be such that it prevents the performance of the other selection procedures in a timely manner.

b) For reasons of opportunity, merit or convenience: In exceptional cases and by decision of **NASA's** OPERATIONS GENERAL MANAGER, depending on **NASA's** interests and line of business. Said reasons shall be duly substantiated by the requesting area.

c) There is only one supplier or has the exclusivity for the provision of an item or the provision of a service and when there are no suitable substitutes. The brand does not in itself constitute grounds for exclusiveness, unless there are no suitable substitutes. In all cases, the determination that there are no suitable substitutes shall be based on the corresponding technical reports, in which the reasons for the convenience are expressly stated. This section includes the acquisition of bibliographic material in the country or abroad from publishers or individuals or legal entities specialized in the matter.

d) Standardization of equipment or spare parts: For compatibility with existing equipment, additional purchases from the original supplier or brand can be justified. In order to justify such purchases, the original equipment shall be appropriate for the requirements, the number of new items shall generally be smaller than the existing number, the price shall

be reasonable, and the advantages of installing equipment from another brand or source shall have been considered and rejected on acceptable grounds.

e) The contractor responsible for the design of a process requires the purchase of critical elements from a supplier as a condition of its performance guarantee.

f) An existing contract for the construction of works, the supply of goods or the provision of a service, awarded in accordance with the procedures provided in these Regulations, may be extended to include additional works, goods or services of a similar nature. In such cases, it shall be justified that no advantage could be obtained with a new competitive process and that the prices of the extended contract are reasonable. When the possibility of an extension is expected, stipulations should be included in the original contract.

g) Purchases and locations that need to be made in foreign countries, provided that it is not possible to carry out a bidding process in them. All other contracts mentioned in these Regulations are considered included in this section when it is not possible to carry out the tender in foreign countries.

h) Repairing equipment, instruments, vehicles or engines: This section will include repairing equipment, instruments, vehicles or engines, whose dismantling, transfer or prior examination is essential to determine the necessary repair and will be more expensive if adopted other selection procedure.

i) Contracts between **NASA** and public agencies or in which the State has participation and with the protected production workshops provided for in Article 12 of Law No. 22,431: In these cases, the subcontracting of the main object of the contract will be expressly prohibited.

j) When there is a notorious shortage in the local market of the goods to be acquired: a circumstance that shall be accredited, in each case.

k) The acquisition of real estate will require the appraisal of three (3) real estate companies, and based on them, the Board of Directors will determine a reference price. The price that is ultimately paid for the property in question shall correspond to the reference price, and the differences between the two shall be justified.

In the case of purchases of real estate at public auction, the Board will require prior fixing of the maximum price to be paid in the operation.

l) The purchase of perishable products and elements intended to promote the country's economic activities or to satisfy health needs: The perishable nature does not justify, by

itself, direct contracting. Only the existence of unpredictable circumstances makes this procedure appropriate.

m) The recovery or development of the capacities of national suppliers.

The reasons that allow direct contracting under this Article shall be duly substantiated by the requesting sector or the corresponding organic unit, and approved by the competent authority that authorizes the procedure.

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ARTICLE 13 – CRITERIA TO CHOOSE THE PROCEDURE. The choice of the selection procedure, as well as the manner of the call, will be determined by one or more of the following circumstances, without prejudice to others not expressly provided for:

- a) Characteristics of the goods, services or works to be contracted.
- b) Estimated amount of the contract.
- c) Marketing conditions and market configuration.
- d) Reasons for the urgency or emergency.
- e) Reasons of opportunity, merit or convenience
- f) Recovery or development of national suppliers

In all cases, the most appropriate and convenient procedure shall be used, in accordance with **NASA's** interests, and non-compliance will lead to the responsibility of the intervening officers. Said breach could also lead to revoke the acts that do not conform to its provisions and the subsequent procedures that have been carried out.

ARTICLE 14 - CLUSTERING. The goods and services to be contracted that are of a similar or equal nature and/or provided by suppliers of the same commercial category, shall be clustered into a single purchase. In the cases that the same call covers a considerable number of units and in order to stimulate the participation of Small and Medium-size Companies, when drawing up the Bidding Terms and Conditions, the total quantity may be distributed per lot or combination of lots, which may include lines and items as appropriate. Elements or equipment that do not make up an indivisible functional unit may not be included in the same line for reasons of operation, adaptation, assembly, style and/or similar characteristics that require inclusion.

For the clustering of the Order Requests to be treated as Major Contracts, according to the amounts established by the Board of Directors, the following guidelines shall be considered:

- a) The number of positions of the Order Requests to be clustered per file shall be fewer than FIFTY (50).

b) The amount of each position shall be greater than TWENTY PERCENT (20%) of the maximum amount established for a Quote Comparison.

If any of the positions does not meet these conditions, it cannot be clustered.

ARTICLE 15 – PROHIBITION OF SPLITTING. Save for the exceptions mentioned in Article 14, a contract may not be split to avoid the application of the maximum amounts set by the Board of Directors for the different selection procedures.

It will be presumed that there is duplication for a contract of goods or services belonging to the same commercial category when a new call is made within a period of THREE (3) months from the first call.

The officers who have authorized and approved the respective procedures in breaching what is mentioned in the previous paragraph will be responsible.

ARTICLE 16 – ESTIMATED AMOUNT OF THE CONTRACT. For the choice of the selection procedure, referred to in subsection b) of Article 13, the total amount net of taxes in which the awards are estimated will be considered, including the planned extension options and in full agreement with the amounts established by the Board of Directors in force at the start of the contract.

The estimated amount provided for contracting will be the one determined by the purchasing procedure to be used based on current regulations. Said amount will determine the pertinent budget provided. This will be set based on the best information available at the time of starting the management.

Regardless of the estimated amount of the contract, a Direct Contract may be carried out when some of the cases provided for in the paragraphs of Article 12 of these Regulations are constituted.

ARTICLE 17 – TERMS. All the terms established in these regulations will be computed in business days, unless expressly provided otherwise.

CHAPTER IV

COMMON PROVISIONS TO THE SELECTION PROCEDURES

ARTICLE 18 – BASIC PROCEDURE. The procedure established in this Chapter will be applicable, as pertinent, to all kinds of selection procedures, whatever the chosen modality, provided that it is not otherwise provided in the specific rules contained in these Regulations for each of them.

ARTICLE 19 - COMMUNICATION. All communication between **NASA** and the bidders or suppliers, either in the course of the selection procedure or during the execution of the contract, shall be carried out by email, trying to save costs and speed up the procedures. Publication on **NASA's** Internet Site is also envisaged as a means of dissemination. If it is intended to notify by this means, it shall be stated in the Bidding Documents and General Conditions, indicating the address of said Internet site, so that the interested parties can make the necessary provisions.

ARTICLE 20 – REVOKING THE PROCEDURE. The verification that specifications or clauses have been formulated in a call for contracting the fulfilment of which is only feasible by a specific interested party or bidder, in such a way that it favours particular situations, will give rise to the immediate revocation of the procedure, whatever the state, process in which it is, and the initiation of written proceedings.

In this case, a new call may be made, by the same selection procedure, and the bidders of the previous call shall be invited, in addition to the new interested parties, after having previously carried out the corresponding analysis and/or rectification of the issues that motivated the revocation.

ARTICLE 21 – NASA's FACULTY. The Board of Directors or the officer to whom such power has been delegated, at their sole discretion, may terminate the contracting procedure at any time prior to the completion of the contract, without any indemnity whatsoever in favour of the interested parties or bidders.

ARTICLE 22 – FORMALITIES OF THE OFFER. The offers will be drawn up in Spanish. In the event that the bidder is a foreigner and does not have local representation, he may present his offer in English, as long as he agrees to the translation of his offer made by **NASA**.

The offers will be presented through the portal with username and password. Until this functionality is implemented, they may be sent digitally to the email boxes listed in the Request for Offer and/or in the Bidding Terms and Conditions, Invitation Letter or presented physically by ticket desk. The Offers, in accordance with the provisions of the respective Specifications, will be accepted until the day and time set in the call. The offers shall be signed by the bidder or his legal representative who shall certify amendments and erasers, if any.

The mere presentation of the offer by the bidder will constitute a sworn statement of full acceptance of all the conditions established in the Bidding Terms and Conditions, as well as the provisions of these **NASA** Regulations in force on the date of the call, and submission to its terms. Consequently, the presentation of said documents along with the offer will not be necessary.

ARTICLE 23 – CONTENT OF THE OFFER. The offer shall specify all the information required in the Bidding Terms and Conditions and General and Particular Conditions of contracting.

ARTICLE 24 – VALIDITY OF THE OFFER. The bidders shall maintain the offers for the term established in the Bidding Terms and Conditions, counted from the date of the Opening Act. In the cases of Direct Contracts, the term will be computed from the date of its presentation. If they do not reliably express their wish not to maintain the offer with a minimum of TEN (10) days before the expiration of the term, it will be considered automatically extended for a period equal to the initial one, and so on, except that the Bidding Terms and Conditions provide otherwise.

ARTICLE 25 – OPENING OF OFFERS. Whenever applicable, on the day and time indicated to hold the event, only in the presence of **NASA** sector officers who are managing the contracting, as well as **NASA** authorities who decide to participate, the offers will be opened.

The act of opening all the processes will be carried out digitally.

In the case of Public Tenders, until the functionality of the portal is implemented to present offers with username and password, the opening act will be in person with the offers that have been received through the mailbox or by closed envelope.

As of the time set as the term for the receipt of offers, no others may be received, even when the opening act has not started.

If the day designated for the opening of the offers becomes non-business, the act will take place the following business day at the same time.

No offer presented on time, by those bidders who were invited by **NASA** to submit a quotation, as well as those submitted by any bidder interested in participating, may be rejected in the Opening Act.

ARTICLE 26 – OPENING MINUTES. The Opening Minutes of the bids shall include:

- a) Order number assigned to each order.
- b) Name of the bidders.
- c) Amounts of the offers.

- d) Minute number.
- e) File number.
- f) Purpose of the contract.
- g) Selection procedure.
- h) Date and time

CHAPTER V

EVALUATION OF OFFERS

ARTICLE 27 – EVALUATION OF OFFERS. The evaluation of bids will be carried out by the authority designated for this purpose, who will issue an Evaluation Report with the award recommendation, which will not be binding. Said report will provide the competent authority with the grounds for awarding and issuing the Purchase Order or Contract. The Report will not be applicable in the contracts carried out through a Quote Comparison and/or Direct Contracting.

The general guidelines for the evaluation of the offers, without prejudice to others not expressly provided for in this Article, will be the following:

- a) Amount of the quotation.
- b) Characteristics of the quoted goods or service.
- c) Economic convenience.
- d) Recovery and/or development of national suppliers.
- e) Assessment and competitive comparison

In the case of the purchase of an item or the contracting of a standardized service or one of common use whose technical characteristics can be unequivocally specified and identified, the most convenient offer will be understood, in principle, the one with the lowest price.

A limit may be placed on the number or total value of the contracts that can be awarded to the same bidder.

In all cases, the bid assessment area will notify all those suppliers that have submitted an offer the result of the assessment carried out. Only in the case of Public Bids, interested parties who wish to contest the same may do so within three (3) days of being notified. During that term, the file will be made available to the bidders to take views.

In order to make the contest, the bidder shall previously make a deposit in the name of **NASA** equivalent to FIVE PERCENT (5%) of the amount of its offer. Said amount will be returned to the bidder if the contest is successful, remaining the property of **NASA** otherwise.

ARTICLE 28 – IMPROVEMENT OF PRICES AND/OR CONTRACTUAL CONDITIONS.

At **NASA**'s sole discretion, by virtue of the nature of the contract, the bidder whose offer is the most convenient will be asked to formulate an improvement in prices and/or the contractual conditions within the period set, by sending it to the email that it is indicated in the request for improvement.

This methodology will also be applicable in those cases in which there is equality in the prices offered. It will be considered that there is equality in prices when there is a difference lower than FIVE PERCENT (5%) between the best offers of two or more bidders. These proposals will be opened in accordance with the provisions of the corresponding selection procedure.

Silence on the part of the bidder invited to improve his offer will be considered as a manifestation of the maintenance of his original offer.

ARTICLE 29 – RECOVERY AND DEVELOPMENT OF NATIONAL SUPPLIERS AND

CONTRACTORS. At the time of the comparison of the offers, the provisions of Law 27437 corresponding to the ARGENTINE PURCHASE AND DEVELOPMENT OF SUPPLIERS and/or any other National Law on the matter shall apply.

ARTICLE 30 – LEGAL OPINION. In accordance with the provisions of the corresponding Board Resolution, after the award recommendation, the Legal and Corporate Affairs Management shall intervene to issue its legal opinion.

ARTICLE 31 – AWARD NOTICE. Once **NASA** has internally adopted a decision regarding the Award of the call and before the expiration of the validity period of the respective Offer, **NASA** will notify the Awardee that his offer has been accepted (Notice of Award).

From now on, the Bidder will be bound to comply with the object of the contract and constitute the Performance Guarantee when applicable, as well as to comply with the services provided for by **NASA** from the time established for that in the Bidding Documents.

NASA will immediately notify each of the unsuccessful Bidders that their Bid has not been accepted and will release the respective Bid Security.

CHAPTER VI

IMPROVEMENT OF THE CONTRACT

ARTICLE 32 – PURCHASE ORDER. Contracts for the acquisition of goods or contracting of works and services will be perfected with the notification of the purchase order. Notwithstanding this, the competent authority to approve the contract may provide in the terms of the contracting that a contract may be signed with the successful tenderer, the text of which will form part of the base documentation of the Selection Procedure. Within the period of validity of the offer, the notification to the successful bidder, the receipt of the corresponding guarantees and the signing of the respective Order and/or Contract will be issued.

The Purchase Order will be issued by the competent authority, the contracting manager, who shall notify the successful bidder.

ARTICLE 33 – OTHER CONTRACTS. NASA may, due to the characteristics of the service or supply to be contracted, sign contracts without the use of a Bidding Form. Thus, any other contract apart from those indicated in Article 32 will be perfected through the signing of the respective instruments between NASA and the successful bidder(s).

ARTICLE 34 – ORDER OF PRIORITY. All the documents that make up the contract will be considered as mutually explanatory. In the event of discrepancies, the following order of priority will be followed:

- a) The provisions of these Regulations.
- b) The Terms and General Conditions.
- c) The Bidding Terms and Conditions and Particular Conditions.
- d) The Purchase Order and/or the Contract, as appropriate.
- e) The Offer and, if applicable, the samples that have been accompanied

All the documents mentioned above are part of and regulate the Purchase Order and/or Contract.

CHAPTER VII –

EXECUTION OF THE PURCHASE ORDER OR CONTRACT

ARTICLE 35 – DELIVERY. The successful bidders will comply with the provision in the form, term, or date, place and other conditions established in the Bidding Terms and Conditions. Delivery times will be computed in calendar days from the day following the date of receipt or subscription of the Purchase Order, or the opening of the respective documentary credit when that form of payment has been agreed, or compliance with the obligations of **NASA**, when so established.

ARTICLE 36 – PROVISIONAL RECEPTION. The receipt of the goods will be provisional and the receipts or remittances that are signed will be subject to final reception.

ARTICLE 37 – FINAL RECEPTION. For the purposes of final conformity, the provision shall be previously compared with the specifications of the order, with the master sample or with the one presented by the successful tenderer, and where appropriate with the results of the test that may be necessary to perform, in addition of what the particular clauses provide.

Final acceptance will be granted within the term established for this purpose in the Bidding Terms and Conditions and Particular Conditions or the Contract, which will be counted from the day following the date of delivery of the elements or services rendered. In the event of silence from **NASA** once this period has expired, the supplier may request reception.

ARTICLE 38 - BILLING. Suppliers shall send the corresponding billing, to the mailbox indicated by **NASA** for this purpose or through the Digital Platform that **NASA** implements for this purpose, who will manage the payment based on it, along with the documentation that it is processed internally and the corresponding certificates.

Everything related to the payment of invoices will be governed by the provisions of the Bidding Terms and Conditions.

ARTICLE 39 – PRICE READJUSTMENT. **NASA** may readjust the prices in Purchase Orders and or Contracts for services or provision of supplies, whose execution or delivery times are greater than SIX (6) months from the notification of the Purchase Order and/or signing the Contract. and this option has been provided for in the Bidding Documents and Particular Conditions. Price readjustment will be carried out only on those positions or unit prices in which the established conditions have occurred; readjustment on global amounts not being applicable.

It will be at the discretion of the General Operations Management, for duly founded reasons, and prior agreement of the Internal Audit Unit Management, to authorize the incorporation of

price readjustment clauses in those specifications that provide for the contracting of services and/or delivery of supplies of shorter terms than 6 months.

The readjustment of prices will be approved by issuing the corresponding contractual Addendum or extension Purchase Order as appropriate.

CHAPTER VIII

ACCIDENTAL CIRCUMSTANCES

ARTICLE 40 – SCOPE OF APPLICATION. The provisions of this chapter shall apply to Purchase Orders or Contracts, when their clauses do not contain provisions of this nature. In the event that these are provided, the rules of this chapter will be additionally applicable.

ARTICLE 41 – EXTENSION OF THE PERIOD FOR COMPLIANCE WITH PERFORMANCE. The supplier may request an extension of the term of performance of the service before its expiration, stating the reasons for the delay. The extension of the term will only be admissible when there are duly justified causes and/or **NASA's** needs admit the satisfaction of the provision after the term.

ARTICLE 42 – FORTUITOUS EVENT OR CASE OF FORCE MAJEURE. The penalties established in the respective Specifications and Contracts will not be applied when the breach of the obligation is based on a case of fortuitous event or force majeure duly documented by the interested party and accepted by **NASA**. The intervention of a fortuitous event or force majeure that prevents the fulfilment of the commitments contracted by the bidders or the successful bidders, shall be made known to **NASA** within THREE (3) days after it occurred. After this period, the fortuitous event or force majeure may not be invoked.

ARTICLE 43 – REVOKATION OR TERMINATION WITH NO LIABILITY FOR THE SUPPLIER. When **NASA** revokes or terminates a Contract or Purchase Order for reasons not attributable to the supplier, the latter shall have the right to be recognized for the expenses that it proves to have incurred as a result of the contract. No claim will be made for loss of earnings or interest on capital required for financing.

ARTICLE 44 – TERMINATION BEING THE SUPPLIER LIABLE FOR THE BREACH. Once the term of fulfilment of the contract or its extension has expired, without the goods being delivered or the services provided in accordance, **NASA** will terminate the contract without the need for judicial or extrajudicial demand, with loss of the guarantee of fulfilment of the contract, without prejudice the supplier shall be responsible for the damages endured by **NASA** as a result of the conclusion of a new contract with the same object. The termination

of the contract and the consequent loss of the guarantee of fulfilment of the contract may be total or partial, in the latter case affecting the part of the contract that has not been met.

ARTICLE 45 – TERMINATION BY AGREEMENT OF BOTH PARTIES. Whenever it is of interest to **NASA**, the competent authority for the award may terminate the Purchase Orders or Contracts in force by mutual consent between **NASA** and the supplier.

ARTICLE 46 - REINSTATEMENT OF THE CONTRACT. Before the expiration of the term of the extension that has been agreed, the successful tenderer may request the reinstatement of the Contract for the part not performed. This reinstatement may be agreed only once upon payment of a fine equivalent to ten percent (10%) of the value of the Contract to be reinstated. A reinstated contract shall be performed following the same terms and conditions stipulated in the bidding documents.

ARTICLE 47 – EXPENSES ON ACCOUNT OF THE SUPPLIER. When Bidding Terms and Conditions do not have any other provision in this regard, the following expenses will be borne by the supplier:

- a) Law Stamping
- b) Cost of dispatch, customs duties and services and other expenses incurred for any concept in the case of rejection of imported goods with delivery clauses in the country.
- c) Replacement of the destroyed samples, in order to determine if they conform in their composition or construction to what was contracted, if by this means defects or irregularities in the materials or their structure are verified. Otherwise, the relevant expenses will be borne by **NASA**.
- d) If the product had special packaging and it had to be returned, the freight and respective carriage, round trip, from the same place and by the same shipping means to be used for the return, will be paid by the bidder. In these cases, the value of each container and also the term of return shall be specified separately from the product if this is not established in the particular clauses. If the return of the containers does not occur within the deadlines established by one or the other party, the bidder may invoice them and initiate the process of their collection, at the prices stated in the offer, leaving this process without effect, if the return occurs in the meantime.
- e) Transportation to the final destination provided for in the Bidding Terms and Conditions.

ARTICLE 48 – OPTIONS IN FAVOUR OF NASA - NASA will have the right to:

- a) Increase the total awarded to THIRTY-FIVE PERCENT (35%) or decrease it to TEN PERCENT (10%) of its original value in either case, in the conditions and prices agreed and adapting the respective terms, by means of a founded resolution of the same authority that awarded the Contract. The increase or decrease may affect one, several or the total of the lines of the Purchase Order or the Contract, as long as the resulting total does not exceed the percentages provided in this subsection. **NASA** may authorize, for justified reasons, to increase the amounts of Purchase Orders or Contracts for amounts greater than THIRTY-FIVE PERCENT (35%).
- b) When, due to the nature of the provision, it is impossible to divide the units to deliver the exact contracted quantity, the deliveries may be accepted in more or less, as allowed by the fractional minimum. These differences will be increased or decreased by the corresponding billing amount, without any other requirement.
- c) Extend the provision of services with the modifications that have been introduced in accordance with subsection a) of this Article or without them, for a period equal to the contractual term up to a maximum of one year. **NASA** may make use of this option within a period of up to THREE (3) months after the end of the Purchase Order and/ or Contract.

ARTICLE 49 – COMPREHENSIVE REMEDY. NASA shall have the right to instruct the non-compliant bidder, successful bidder or supplier the cash deposit of the amount of the fine provided for in the respective Tender Documents or Contracts or of the lost guarantee, in the bank account that it indicates and within the term that for this purpose is set.

NASA may offset the amount of the fines with amounts owed or accrued in the same contract, in others or for any concept.

The execution of the guarantees or the initiation of the actions destined to obtain their collection, will take place without prejudice to the application of the corresponding fines, the provisions of the preceding paragraph or the actions that are exercised to obtain the comprehensive compensation for the damages that the breaches of the bidders or suppliers may have caused.

ARTICLE 50 – CONTRACT TRANSFERS. The contract or Purchase Order may not be transferred or assigned by the successful bidder without **NASA's** express prior authorization. If this is done, the Contract or Order may be fully terminated.

CHAPTER IX

CONTRACTING METHODS

ARTICLE 51 – MANNERS. The selection procedures included in these Regulations may be carried out in accordance with any of the following manners, or combinations between them, as long as the mandatory procedure to be followed is not expressly established.

- a) Open Purchase Order
- b) Turnkey Contract
- c) Framework Contract
- d) Competitive Bidding

CONTRACTS WITH OPEN PURCHASE ORDER

ARTICLE 52 - ORIGIN. Contracting with an open purchase order will be used when the quantity of goods or services has not been predetermined in the contract, in such a way that the requirements can be carried out according to the needs during the expected period of time and at the awarded unit price.

ARTICLE 53 – CASES OF APPLICATION. The open purchase order manner will be used when computerized purchases are made and in any other case in which the number of units of the goods or services to be acquired during the term of the contract cannot be determined with precision or with adequate approximation, from the beginning of the selection procedure.

ARTICLE 54 – MAXIMUM NUMBER OF UNITS OF THE GOODS OR SERVICE. NASA will determine, for each line, the maximum number of units that may be required during the term of the contract and the frequency in which supply requests will be made. The units of measure will be the usual ones in the market for the sale of the type of goods in question or for the provision of the respective service. The successful bidder shall supply up to the maximum number of units determined in the Bidding Terms and Conditions.

ARTICLE 55 – MAXIMUM AND MINIMUM NUMBER OF UNITS TO BE SUPPLIED PER ORDER. The bidder shall specify, for each line, the maximum number of units that the bidder is willing to provide at the time of receipt of each supply request. This amount may not be smaller than the minimum set by **NASA**.

ARTICLE 56 – DURATION OF THE CONTRACT. The duration of the contract executed in accordance with the open purchase order manner will be TWELVE (12) months. The Bidding

Documents and Particular Conditions may contemplate the option of extension in favour of **NASA**, for a period equal to the initial one. The verification of the reduction in the market price of the contracted goods or services may determine the termination of the contract at any time, with no liability of any of the parties, provided that the supplier does not agree to negotiate a new value.

TURNKEY CONTRACTING

ARTICLE 57 - ORIGIN. Turnkey contracting will be carried out when it is deemed convenient to **NASA's** interests to concentrate on a single supplier the responsibility for the comprehensive performance of a Project.

This manner will be applied when the contract has as its object the provision of elements or complex systems to be delivered installed; or when it includes, in addition to that provision, the provision of services related to the start-up, operation, coordination or functioning of said goods or systems with each other or with other existing ones, through the use of specific technologies.

The Bidding Documents and Special Conditions shall anticipate that the bidders provide information about the financing of the project, take charge of the provision of spare parts, offer guarantees of technical quality and appropriate validity, detail the maintenance work to be carried out and any other requirement that leads to the successful outcome of the contracting.

CONTRACTING UNDER A FRAMEWORK CONTRACT

ARTICLE 58 – ORIGIN. In order to achieve more convenient contractual conditions as well as the optimization of resources, **NASA** may enter into agreements with national or foreign individuals or legal entities that understand the provision of goods or services by the signatory entities.

These Agreements, due to their particular nature, will be approved by the Board of Directors, establishing the applicable legal-administrative framework for each case.

CONTRACTING THROUGH COMPETITIVE BIDDING

ARTICLE 59 - ORIGIN The Competitive Bidding will be held when, depending on the complexity of the object or the specific characteristics of the provision, the criteria for evaluating the offers is the analysis of the background of each of the bidders.

CHAPTER X

TERMS AND CONDITIONS

ARTICLE 60 – GENERAL TERMS AND CONDITIONS. They will be applicable to **NASA** contracts, with the exception of the provisions of Article 33, the Bidding Terms and Conditions and General Conditions approved by the Board of Directors. The Specifications will be displayed on the Company's website and will be made available to interested parties. They will not be applicable in the contracts carried out through Quote Comparison or Direct Contracting up to the maximum amount authorized by the Board of Directors.

ARTICLE 61 – TERMS AND SPECIAL CONDITIONS. The Board of Directors - or the authority to which it has delegated the competence to approve the selection procedure - will approve with the start of the selection procedure the Bidding Terms and Special Conditions, which shall contain the minimum requirements indicated in the Bidding Terms and General Conditions, and will include the Technical Specifications.

ARTICLE 62 – TECHNICAL SPECIFICATIONS. The standards and Technical Specifications mentioned in the documents of the respective selection procedure shall promote the widest possible competition, simultaneously ensuring full satisfaction of **NASA's** needs through the goods to be acquired or the works to be contracted. As far as possible, technical quality standards of national and international acceptance should be specified, to which the equipment, materials or workmanship shall conform. In all cases, it will be stipulated that equipment, materials and forms of execution that comply with other technical standards that are at least substantially equivalent to international standards will also be accepted. Technical specifications shall be based on characteristics of the goods or service to be contracted or relevant performance requirements, or on both criteria. Mention of trademarks, catalogue numbers, or similar classifications should be avoided. If it is necessary to mention a trademark or catalogue number of a particular manufacturer in order to clarify an otherwise incomplete specification, the words "or its equivalent" should be added after the reference. The specification shall allow the acceptance of offers for goods that have similar characteristics and that provide performance and quality at least equal to those specified.

They shall state clearly and unmistakably:

- a) The characteristics and species of the benefit.
- b) The quality required and, where appropriate, the quality standards that goods or services shall meet, as well as those that suppliers shall meet.
- c) If the elements shall be new, used or reconditioned.
- d) For the repair of devices, machines or engines, so-called legitimate spare parts may be requested.

Specifications should not be formulated whose compliance is only feasible for certain companies or products, nor should texts extracted from brochures, catalogues or information budgets be transcribed in detail.

ARTICLE 63 – COST OF BIDDING FORMS. The Bidding Terms and Conditions will be provided free of charge to all those suppliers invited to submit a bid, and to all interested bidders in the case of Public Tenders, except in those cases in which due to their characteristics the competent authority to approve the contracting determines that they are obtained after payment of a sum that will be established in the call, which shall be at least equivalent to the cost of reproduction and administrative expenses thereof. The amount paid in this regard will not be returned to the purchasers in any case.

ARTICLE 64 – TYPES OF GUARANTEES. In accordance with those established in the Tender Documents, the bidders or the successful bidders shall provide guarantees:

- a) For validity of the offer: FIVE PERCENT (5%) of the total value of the offer. In the case of trading with alternatives, the guarantee will be calculated on the highest proposed value. In the cases of bids and tenders with a fixed amount of contracting, the guarantee of validity of the offer will be established in the Bidding Terms and Conditions.
- b) For contract compliance: TEN PERCENT (10%) of the total value of the award.
- c) Counter-guarantee: for the equivalent of the amounts to be received by the successful tenderer as an advance in those contracts in which the Bidding Terms provide for it.
- d) Compensation Fund: for FIVE PERCENT (5%) of the value of each certificate of progress of work or in accordance with the certification manner established in the Specifications as long as the Specifications provide for the constitution of this guarantee and its replacement is envisaged.

ARTICLE 65 – WAYS OF GUARANTEE. The guarantees referred to in the preceding Article may be constituted in any of the following ways, or combinations of them, as established in the Bidding Terms and Conditions:

- a) By bank deposit in NASA's account.
- b) With a bank guarantee or other guarantee to **NASA's** satisfaction.
- c) With electronic surety insurance policies, issued by insurance entities authorized for this purpose by the INSURANCE SUPERINTENDENCE OF THE NATION, issued in favour of NUCLEOELÉCTRICA ARGENTINA S.A.

The choice of the form of guarantee, in principle, is at the option of the bidder or awardee.

For duly founded reasons, the General Operations Manager may define the form of guarantee in the Bidding Terms and Conditions.

All the guarantees, except for the validity of the offer, which shall cover the terms provided in the Specifications, will guarantee full compliance with the obligations contracted.

In those cases, where no guarantee is presented, and the bidder withdraws the offer out of the term established in the bidding terms and conditions, or the supplier breaches the contract, it will cause the suspension of the company for a term of 12 months, from the date that the non-compliance is determined; during this time, they will not be able to participate in **NASA's** competitive processes and they will not be able to be awarded contracts in which they have already been presented. In the cases of repetition, the suspension of the "eligible bidder/supplier" will be for a term of 24 months from the date that the non-compliance is determined; during this time, it will not be able to participate in the competitive processes of **NASA** and will not be awarded contract.

ARTICLE 66 – QUOTATIONS IN FOREIGN CURRENCY. When the quotation is made in foreign currency, the amount of the guarantee will be calculated on the basis of the selling exchange rate of the BANCO DE LA NACIÓN ARGENTINA in force at the close of the day prior to the date of constitution of the guarantee.

ARTICLE 67 – EXCEPTIONS TO THE OBLIGATION TO PRESENT GUARANTEES. It will not be necessary to present guarantees in the following cases:

- a) In the acquisition of periodic publications.
- b) In contracts between **NASA** and state entities included in the current National Public Administration Contracting Regime.
- c) When contracting advertising.
- d) At locations, when **NASA** acts as tenant.
- e) When the amount of the guarantee is not higher than that provided for in the Bidding Terms and Conditions for its presentation.
- f) When contracting artists or professionals.
- g) In case of fulfilment of the provision within the period of integration of the guarantee, except in the case of rejection. In these cases, the term for the integration of the guarantee will be counted from the reliable communication of the rejection and not from the notification of the purchase order. The rejected elements will remain in surety and cannot be withdrawn, without previously integrating the corresponding guarantee.

- h) In the cases of selection processes under the manner of Quote Comparison or Competitive Bidding, provided that the Specific Terms and Conditions do not establish an amount for them.
- i) The General Operations Manager may authorize exceptions based on **NASA's** interests and needs.

Notwithstanding the provisions, all bidders and awardees are bound to make effective the amounts of the guarantees at **NASA's** request, without being able to file any claim or compensation until after payment has been made.

ARTICLE 68 – INCREASE OF VALUES. **NASA** will not pay interest on deposits of securities granted as collateral, while those that accrue will belong to its depositors.

CHAPTER XI

SUPPLIERS

ARTICLE 69 – AUTHORIZED PEOPLE. Any natural or legal person with the capacity to be bound and who is not reached by the causes provided in the following Article may contract with **NASA**.

ARTICLE 70 – NON-AUTHORIZED PEOPLE. The following people will not be able to contract with **NASA**:

- a) Individuals or legal entities that are suspended or not authorized to contract with the **NATIONAL STATE** or **NASA**.
- b) The agents and officers of the **NATIONAL STATE** and the companies in which they have sufficient participation to form the social will.
- c) The bankrupt, restrained and insolvent, unless the latter present the corresponding judicial authorization or are complying with an approved preventive agreement and in the case of contracts where the financial capacity of the bankrupt bidder does not hinder the performance of the respective obligations.
- d) Those convicted of malicious crimes.
- e) People who are prosecuted for crimes against property, or against the **NATIONAL PUBLIC ADMINISTRATION** or against **NASA** or against public faith or for crimes included in the Inter-American Convention against Corruption, Law No. 24,759.

ARTICLE 71 – QUALIFICATION OF SUPPLIERS. The Suppliers Area will be responsible for managing the performance evaluations made to suppliers through **NASA** Reception Commissions.

On the other hand, this area will keep updated the documents that companies present to comply with the qualification and eligibility requirements established in the bidding documents and conditions, in order to have the documentation that is required in the framework of a contract, speeding up the contracting process.

The legal, accounting and financial documentation required for the qualification and eligibility of the bidder in the contracting processes will be evaluated preliminarily to verify that the formal aspects required for it are met.

When documentation is missing, or it has formal defects, the interested party will be asked to correct those documents that do not conform to what is required.

It will be the responsibility of each supplier to maintain an update of the necessary documentation for the aforementioned purposes.

ARTICLE 72 – DOCUMENTATION FOR QUALIFYING SUPPLIERS.

The documentation object of the supplier evaluation will be the one established in the General Terms and Conditions.