

CONTRACTUAL PENALTIES FOR VIOLATIONS IN WORK SAFETY, FIRE SAFETY, ELECTRICAL SAFETY, ENVIRONMENT AND WORK MANAGEMENT REQUIREMENTS

1. SCHWENK Latvija SIA (hereinafter – SCHWENK) has the right to withhold from the payment set in the Agreement to the _____ (hereinafter – the Contractor) the Contractual Penalty set in this Appendix to the Agreement or to request its payment from the Contractor for violations of work safety, fire safety, electrical safety, environment and/or work management requirements set in appropriate legislation and/or set by SCHWENK.
2. The Contractual Penalty is calculated for each separate violation or for each employee violating the requirements.
3. The Contractual Penalty is calculated for documented cases (in writing, photo, video).
4. The Contractual Penalty is also calculated for violations by subcontractors employed by the Contractor.
5. SCHWENK responsible employees shall assess the substance of the violation, its conditions, impact, and the offender’s attitude, and can change the amount of the contractual penalty – decrease (for maximum 50%) or increase (for maximum 100% if any of the violations create increased danger and/or serious threat to the life and health of people and/or to natural environment) it.
6. The offending employees receive individual disciplinary penalty in accordance with ‘Subcontractor Disciplinary Case Assessment Card’.
7. If losses have arisen to SCHWENK due to violations of work safety, fire safety, electrical safety, environment and/or work management requirements, they are calculated and recovered from the Contractor separately.

No	Description of the violation	Penalty, EUR
1	Violating traffic permit rules.	30,00
2	Lack of personal protective equipment (PPE) or its incorrect use, or failure to provide appropriate and high-quality PPE to employees.	50,00
3	The Contractor has not sent their employee to SCHWENK work safety briefing (receiving instructions) before the works are started or to repeated briefings if the term after the previous briefing has expired.	70,00
4	Violation of work safety, electrical safety and work management requirements.	70,00
5	The Contractor has not provided employee briefing, training, risk assessment or has not fulfilled other requirements set in work safety legislation.	70,00
6	The Contractor fulfills tasks not agreed-upon with SCHWENK representative (e.g. project manager, branch manager) or tasks which are not provided in project plan.	70,00
7	Employee has not had mandatory health check.	100,00
8	Use of damaged, not checked or inappropriate equipment.	100,00
9	Employees are not registered or are registered negligently in ‘Subcontractor Registration Journal’.	100,00
10	The Contractor is not able to show requested work safety documents within 48 hours.	100,00
11	The Contractor does not have certificate or license necessary for work, including driver’s license or certificate for using mobile equipment.	140,00
12	Work safety measures set by SCHWENK are not fulfilled in a timely manner.	140,00
13	Information regarding traumas, incidents, accidents and emergency situations at work is not provided in a timely manner.	140,00
14	Tasks are carried out without necessary permits or assignments or provided safety requirements are violated.	140,00
15	Taking photos and videos without permits from SCHWENK representative (except for cases when accidents, work safety violations etc. are documented).	140,00

16	Alcohol in breath (results of the second test done 20 min after the first test) or refusal to do the alcohol test.	250,00
17	Arrival at work (including briefings) or being at workplace under influence of narcotic or toxic substances, or refusal to do the test.	250,00
18	Violating fire safety requirements: smoking in places where it is not allowed, fulfilment of fire tasks without assignment or without following the safety requirements set in the assignment.	300,00
	Violations of equipment blocking (LOTOTO) procedure requirements.	300,00
	Violations of work safety requirements when fulfilling dangerous tasks.	300,00
	Environmental safety violations or causing environmental incidents: <ul style="list-style-type: none"> - waste management violations in the territory (waste is not recycled in groups or is recycled incorrectly, littering in the territory); - management of chemical substances violating the requirements set in legislation (markings, packaging, storage, safety data sheets); - spilling dangerous chemical substances in environment (e.g. oil or petrol from equipment), arisen due to use of inappropriate, damaged equipment or due to actions from an employee; - environmental (air) pollution (dust emissions) arisen due to use of inappropriate equipment or due to equipment accidents, if they arise due to use of inappropriate, damaged equipment or due to actions from an employee; - washing and/or cleaning vehicles or transport equipment in inappropriate place and type (except washing car windows); - failure to inform about environmental incidents. 	300,00
	Use of dangerous equipment not following requirements set in legislation or inappropriate use of dangerous equipment.	500,00
	Traffic violations in SCHWENK territory or during task fulfillment. The penalty is set in accordance with the Road Traffic Law for the specific violation.	