

**AGREEMENT ON
PROVISION OF RECRUITMENT SERVICES
AND HUMAN RESOURCE MANAGEMENT SERVICES**
Part No. 2 "Recruitment Services and Human Resource Management Services"

between

RB RAIL AS

and

Sabiedrība ar ierobežotu atbildību "WORKINGDAY LATVIA"

No 8/2017-90

Dated 26.07.2017

**Agreement on provision of Recruitment
services and Human Resource management services
No 8/2017-90**

Riga,

26 July, 2017

RB Rail AS, organized and existing under the laws of Republic of Latvia, registration number 40103845025, registered address: K. Valdemāra iela 8-7, Riga, LV-1010, Latvia (hereinafter - **Client**), represented by Chairperson of the Management Board Baiba Anda Rubesa and Management Board Member Kaspars Rokens acting on the basis of the Power of attorney No 9/2017-7 dated July 14, 2017 and

Sabiedriba ar ierobežotu atbildību "WORKINGDAY LATVIA", registration number 40003793545, represented by Chairman of the Management Board Tomass Barilo, acting on the basis of the Statutes (hereinafter - the **Provider**), from the other side,

altogether - the **Parties**, each one of them - the **Party**, conclude an agreement on provision of recruitment services and human resources management services (hereinafter - the **Agreement**),

whereas:

- (A) the Client is implementing the European standard track width project Rail Baltica, within the scope of which the Client needs recruitment services and human resources management services;
- (B) the Client has organised the open competition "Recruitment services and Human Resources management services" (identification No RBR 2017/8) (hereinafter - **Procurement**) in which SIA "WORKINGDAY LATVIA" proposal was selected for entering into agreement for open competition part No 2 "Recruitment services and Human Resources management services";
- (C) Procurement is co-financed by Connecting Europe Facility (CEF).

the Parties have agreed on the following terms:

1. The Object of the Agreement

- 1.1. The Customer assign and the Provider undertakes to provide Recruitment services in accordance with the Technical specification (Annex No 1 of the Agreement) and Providers' proposal for the Procurement (hereinafter - the **Services**), whereas the Client undertakes to pay for the Services provided by the Provider in accordance with the Agreement.
- 1.2. The Provider provides Services to the Client in accordance with the request of the Client in the amount necessary for the Client. The Client is not obliged to order all the Services stipulated in Specification within the duration of the Agreement.
- 1.3. The Agreement contains the following Annexes:
 - 1.3.1. Annex 1, Technical Specification of the Procurement Regulation;
 - 1.3.2. Annex 2, Technical proposal;
 - 1.3.3. Annex 3, Financial proposal;
 - 1.3.4. Annex 4, Contractor's Declaration.
- 1.4. The Annexes of this Agreement shall form an integral part of the Agreement.
- 1.5. In the event of any inconsistency between the terms of this Agreement and any of the Annexes, the text of this Agreement shall take precedence over any term set forth in any of the Annexes. In the event of any inconsistency between the terms of any of the Annexes, the terms of the Proposal shall prevail.

2. Sum and method of payment

- 2.1. The Client pays the Provider for recruitment services 1 900,00 EUR (one thousand nine hundred *euro*) (excl. VAT) for each vacancy.
- 2.2. Amount of the Agreement is 11 400,00 EUR (eleven thousand four hundred *euro*), VAT 21% 2 394,00 EUR (two thousand three hundred ninety four *euro*).
- 2.3. The Client pays the Provider for the recruitment services for each vacancy as follows:
 - 2.3.1. 80% of the amount stipulated in Article 2.1. of the Agreement shall be paid after entering into employment agreement with selected Tenderer for the particular position;
 - 2.3.2. 20% of the amount defined in Article 2.1. of the Agreement shall be paid as a success fee - if the Client concludes an employment agreement with the Tenderer suggested by the Provider and it withstands the probation period defined by the Client in the employment contract.
- 2.4. The Client pays the Provider for the provided Human resource management services in accordance with the time schedule on the actual time spent.

- 2.5. The Client makes payments set in Article 2.1. of the Agreement once a calendar month for the services provided in the previous calendar months within 10 working days after receipt of the invoice of the Provider.
- 2.6. The Client makes payments in by money transfer to the Provider's account. The moment of payment of the invoice corresponds to the date, when the Client gives instructions to the credit institution where it holds its account to transfer the payable amount to the account of the Provider.

3. The terms of provision of services

- 3.1. The Provider provides services to the Client in accordance with each particular request of the Client.
- 3.2. The Client orders recruitment services by making a request to the Provider, indicating the vacancy and providing information, which is necessary for the provision of the services.
- 3.3. The Provider provides recruitment services in accordance with its knowledge and experience and perform all necessary actions in order to select and suggest to the Client appropriate Tenderers (amount set in Specification). The Client and the Provider may agree on a different amount of suggestable Tenderers in case there is lack of corresponding qualified personnel in the labor market due to the specific requirements of the vacancy.
- 3.4. The Provider searches for appropriate Tenderers at the labor markets of Latvia.
- 3.5. The Provider shall carry out the recruitment procedure within two months' time from the receipt of the request of the Client. The Client and the Provider may agree to prolong the term for recruitment procedure for one month.
- 3.6. Upon completion of the recruitment procedure, the Provider shall submit to the Client a list of appropriate Tenderers, attaching all available information on each of the Tenderers listed (e.g., CV, references, letters of recommendation).
- 3.7. The Provider shall repeat a recruitment procedure free of charge in case:
 - 3.7.1. the Client has not selected any of the Tenderers suggested by the Provider for the vacancy;
 - 3.7.2. the employment contract with the recruited Tenderer is terminated during the probation period;
 - 3.7.3. within three months' time from the date of conclusion of the employment contract the recruited Tenderer refuses to work, breaches the provisions of the Labor Law or terms of the employment contract, or is fired in accordance with points 1, 2, 3, 4, 5 or 6 of part 1 of Article 101 of Labor Law.
- 3.8. The Client orders Recruitment Services by sending a request to the Provider, defining the scope of the necessary services. After the receipt of the request, the Client and the Provider agree on terms and conditions of provision of the requested services.
- 3.9. The Client orders the services by sending the request to the electronic mail address of the Provider stated in Article 11.2. of the Agreement. The Provider shall confirm the receipt of the request by sending a reply to the electronic address of the Client.

4. The rights and obligations of the Parties

- 4.1. The Provider shall provide Services using its professional skills, timely and autonomously, in a good quality and with such accuracy that one can expect from a good and proper Provider.
- 4.2. During the provision of the Services, the Provider undertakes to respect the confidentiality terms determined by the Client.
- 4.3. The Provider has the right to receive from the Client information that is necessary for the provision of the Services and in the name of the Client:
 - 4.3.1. place job advertisement, place information about the vacancy on the Internet, including the social networks, as well as address the potential Tenderers in any other way;
 - 4.3.2. communicate with the potential Tenderers and clarify their possible interest in vacancy;
 - 4.3.3. conduct job interviews and test the Tenderers, including the checking of the references;
 - 4.3.4. inform the Tenderers in written about the results of the recruitment process.
- 4.4. The Provider has the right not to perform the repetitive recruitment procedure in case the selected Tenderer refuses to conclude the employment contract due to the fact that the contract provided by the Client contains provisions that differ from the ones included in the request for services.
- 4.5. The Client is obliged to provide the Provider with accurate and truthful information that is necessary for the provision of the Services.
- 4.6. The Client undertakes to offer the selected Tenderer an employment contract on terms and conditions that were defined in the request for the recruitment services.
- 4.7. The Client has the right:
 - 4.7.1. to participate in the provision of the Services, make recommendations and proposals, give instructions to the Provider regarding the provision of the Services;
 - 4.7.2. refuse to accept the Services if the Client discovers that the Services or part of the Services are provided in a bad quality, incompletely or not in accordance with the terms of the Agreement;

- 4.7.3. request the Provider to remove free of charge and within the term defined by the Client the defects and incompliances that are discovered in the provided Services.

5. The responsibilities of the Parties

- 5.1. The Parties are responsible for the performance of the Agreement in accordance with the terms of the Agreement and in accordance with the provisions of the normative acts of the Republic of Latvia.
- 5.2. The Parties are reciprocally liable for the breaches of obligations and damages caused to the other Party. The Party that is liable for the breach of the contractual obligations shall pay damages to the other Party.
- 5.3. The Client pays contractual penalties for the delay of payments in the amount of 0.1% (one-tenth of the percent) of the delayed amount for each day of the delay, but not exceeding 10% form the payable amount.
- 5.4. The Provider pays contractual penalties to the Client for the delay to provide Services in the agreed terms in the amount of 0.1% (one-tenth of the percent) from the price of the services for each day of the delay, but not exceeding 10% of the payable price.
- 5.5. The Provider returns to the Client payment received in accordance with Article 2.3.1. and 2.3.2. of the Agreement, if it repeatedly fails to submit to the Client the list of appropriate Tenderers for the defined vacancy or the Tenderers repeatedly are inappropriate for the vacancy.
- 5.6. The Client has the right to apply contractual penalty in the amount of 10% form the planned price of the requested services, in case the Provider informs the Client about its inability to provide the requested services.
- 5.7. The Client has the right to deduct the contractual penalty form the payments to the Provider, if it applies contractual penalty in accordance with Article 5.4. or 5.6. of the Agreement or if it in accordance with Article 5.5. of the Agreement has the right to receive back the payment for the services the Provider failed to provide.
- 5.8. The Provider undertakes full responsibility for the provision of the Services in accordance with the Agreement and normative acts and for provision of the Services in a proper way and in a good quality.

6. Visibility requirements

- 6.1. The Provider is obliged to comply with the following visibility requirements:
- 6.1.1. Any reports, brochures, other documents or information connected with the Services that the Contractor produces and submits to the Company, any other third person or makes publicly available must include the following:
 - (i) a funding statement stating that the Project has received funding from European Union: "Rail Baltica is co-financed by the European Union's Connecting Europe Facility";
 - (ii) (for printed materials) a disclaimer releasing the European Union from any liability in terms of the content of the dissemination materials: "The sole responsibility of this publication lies with the author. The European Union is not responsible for any use that may be made of the information contained therein." This disclaimer can be found in all European Union official languages at the website: <https://ec.europa.eu/inea/connecting-europe-facility/cef-energy/beneficiaries-info-point/publicity-guidelines-logos>;
 - (iii) the European Union flag.
 - 6.1.2. Requirements set in Sections 6.1.1 (i) (ii) and (iii) can be fulfilled by using the following logo:



Co-financed by the European Union **Connecting Europe Facility**

If the Provider shall use this logo, the Provider shall ensure that elements of the logo will not be separated (the logo will be used as one whole unit) and enough free space around the logo shall be ensured;

The Provider is obliged to comply with the latest visibility requirements set by the European Union. For that purpose the Provider shall follow the changes in the visibility requirements on its own. On the date of conclusion of this Agreement the visibility requirements are published on the following website: <https://ec.europa.eu/inea/connecting-europe-facility/cef-energy/beneficiaries-info-point/publicity-guidelines-logos>.

- 6.2. The Client's rights and obligations:
- 6.2.1. The Client has the right to request and to receive information on the course of the Services from the Client within 3 (three) business days from the request.

- 6.2.2. The Client has the right to invite the Provider no more often than once per 2 (two) weeks to provide information on the progress of the Services with the purpose to establish further actions and discuss any unclear matters.
- 6.2.3. The Provider is obliged to provide all and any information to the Client, which it requires for the completion of the Services and which is permissible to provide pursuant to Latvian law, as well as security concerns and to perform all other obligations stipulated in this Contract.

7. The entrance into force of and amendments to the Agreement, dispute settlement

- 7.1. The Agreement shall enter into force upon its signing by the both Parties and shall remain in force within 18 months after entering into an Agreement.
- 7.2. Each of the Parties has the right to terminate the Agreement giving a written notice to the other Party one month in advance. The Provider in that case shall complete all the Services already requested by the Client.
- 7.3. The Agreement can be amended in compliance with the provisions of Section 61. of the Public Procurement Law. Amendments and supplements to the Agreement shall be valid only when they have been prepared in writing and signed by the Parties; they shall be enclosed to this Agreement and become an integral part of it. If any of the provisions of the Agreement become void, it shall not affect other provisions of the Agreement.
- 7.4. The Parties shall timely notify the changes of billing details, legal addresses or representatives.
- 7.5. All the disputes and disagreements, which may arise from the Agreement or due to the Agreement, shall be settled between the Parties by trying to reach an agreement. If the Parties are not able to reach a mutual agreement, the dispute shall be settled in the court of the Republic of Latvia in accordance with the normative acts of the Republic of Latvia.
- 7.6. The Parties shall follow the external normative acts of the Republic of Latvia regarding all the issues not stipulated in the Agreement.

8. Terms of Confidentiality

- 8.1. All information (hereinafter – the **Information**), the Client reveals to the Provider in relation to the requested services or becomes available to the Provider in the process of provision of the Services, is confidential, except the one mentioned in Article 8.2. of the Agreement. The Provider undertakes to use the Information only for the purposes of provision of the Services. This obligation remains in force after the provision of the Services is completed fully or partially and/or after the Agreement expires.
- 8.2. The following Information revealed by the Client is not considered confidential:
 - 8.2.1. information that was available to the Provider before it was submitted and revealed by the Client;
 - 8.2.2. information that has become or becomes public regardless of the Provider.
- 8.3. The Provider undertakes not to reveal the Information to the third persons, except to the potential Tenderers for the vacancy. The Provider reveals the Information to the potential Tenderers only to the extent it finds necessary for the recruitment. The Provider ensures that its employees or other persons involved in the provision of the Services respect the provisions of confidentiality defined in the Agreement. The Provider shall be fully responsible for the damages caused to the Client due to the reveal of the Information to the third persons, disregarding whether the information was revealed by the Provider itself, its employees or by other persons involved in the provision of the Services.
- 8.4. The disclosure of the Information will not be considered a breach of the Agreement if it is revealed due to the legislative requirements and in accordance with the provisions of the normative acts.

9. Change of Personnel and Sub-Contractors Involved in the Agreement Implementation

- 9.1. The Provider selected in the Procurement is not entitled to change the personnel and sub-contractors stipulated in the Provider's proposal, as well as to involve additional sub-contractors in the implementation of a contract without alignment with the Client.
- 9.2. Change of Personnel nominated in the Provider's proposal is only allowed in those cases and according to the procedure laid out in the rules of the Agreement. The Client shall not agree to a change of the Personnel stipulated in the Provider's proposal in cases referred to in the Agreement, and in cases, when the proposed Personnel do not correspond with the requirements for Personnel set in the Procurement documents or they do not have equal qualifications and experience as the Personnel evaluated when determining the most economically advantageous tender.
- 9.3. The Client shall not agree to a change of sub-contractors nominated in the Provider's proposal, if any of the following conditions exists:

- 9.3.1. a proposed sub-contractor does not conform to the requirements for sub-contractors specified in the Procurement documents;
- 9.3.2. a sub-contractor on whose abilities the Provider selected in the Procurement has relied on to certify that their qualification conforms with the requirements specified in the Procurement documents, is replaced and the proposed sub-contractor does not have at least the same qualification on which the Provider selected in the procurement procedure has referred to certifying the conformity to the requirements specified in the Procurement or they correspond to the Provider exclusion cases referred to in Section 42, Paragraph one of Public Procurement Law;
- 9.3.3. a sub-contractor offered, the value of works or services provided by whom is at least 10 percent of total procurement contractual value, corresponds to the Provider exclusion cases referred to in Section 42, Paragraphs one of Public Procurement Law;
- 9.3.4. as a result of sub-contractor replacement such amendments were done in the Provider's proposal that had they been included in initial proposal, they would have influenced the choice of proposal according to tender evaluation criteria set in the Procurement documents;
- 9.4. The Client shall not agree to involving a new sub-contractor in cases where if such changes had been done in the initial proposal, would have influenced the choice of proposal;
- 9.5. In examining the conformity of a new sub-contractor, the Client shall apply the provisions of Section 42 of Public Procurement Law. The deadlines referred to in Section 42, Paragraph three of Public Procurement Law shall be counted from the day when a request regarding replacement of sub-contractor is submitted to the Client.
- 9.6. The Client shall, within as short a period of time as possible, but not later than within five working days after it has received all the information and documents necessary for taking a decision in accordance with the provisions of this Section, takes a decision to permit or refuse the change of the personnel or sub-contractors of the Provider selected in the Procurement or involvement of new sub-contractors in the implementation of the contract.

10. Force majeure

- 10.1. None of the Parties will be considered in breach of the Agreement to the extent that any fulfilment of obligations under the Agreement is prevented or becomes impossible due to the event of force majeure, which neither of the Parties was able to prevent by any reasonable measure available to it.
- 10.2. The force majeure clause shall apply also to the changes in legislative regulations and existing rules that may delay or make the provision of the Services impossible.
- 10.3. The Party that refers to the force majeure shall without delay and within the shortest possible time notify to the other Party in writing the force majeure circumstances. The other party has the right to request the certified statement of the competent authority that proves and characterizes the notified force majeure circumstances.
- 10.4. In case the fulfilment of the obligations of the Agreement becomes impossible due to the force majeure circumstances for more than 30 (thirty) days, the Parties has the right to withdraw from the Agreement. In this case the Provider shall transfer to the Client the completed Services and the Client shall pay for them.

11. Representatives of the Parties

- 11.1. The representative of the Customer that is authorized in the name of the Customer to submit the requests for the Services, as well as to accept or agree to the provided Services is Vija Vītola, Board Project Manager, phone No +371 29230079, email address: vija.vitola@railbaltica.org.
- 11.2. The representative of the Provider that is authorized to confirm the receipt of the request for the Services, agree to the terms and conditions for the provision of the Services and transfer the provided Services to the Client is Ilze Černova, phone No +371 29207591, email address ilze.cernova@workingday.lv.

12. Other Conditions

- 12.1. The Agreement is made in English in 2 (two) identical copies on 12 (twelve) pages, one copy for each Party. Both copies are of the same legal force.