

## CONTRACT FOR SERVICES

Rīga 4 October, 2017  
number

Contract registration

8/2017 - 114
C1.1.8

CEF<sup>1</sup> Agreement No  
INEA/CEF/TRAN/M2017/1360716

### Parties

- (1) **RB Rail AS**, a joint stock company registered in the Latvian Commercial Register registration No 40103845025, legal address at K.Valdemāra iela 8-7, Rīga, LV 1010, Latvia ("Client"), represented by Chairperson of the Management Board Ms Baiba Anda Rubesa and Management Board Member Kaspars Rokens both acting on the basis of the power of attorney No 9/2017-9 (dated 04.09.2017), on the one side,  
and
- (2) **SIA Geo Consultants**, uniform registration No 40003340949, legal address at Olīvu street 9, Rīga, LV-1004, Latvia ("Contractor"), represented by Management Board Member Jānis Ābeltiņš acting on the basis of Statutes, on the other side,  
and

The Client and the Contractor are jointly referred to as "Parties", and each separately – "Party",

### WHEREAS

- (A) The Client has organised procurement procedure "Rail Baltica Study on Supply of Mineral Materials for Rail Baltica in Lithuania" (Identification No. RBR 2017/17) ("Procurement") in which the Contractor's procurement proposal ("Contractor's Proposal") was selected as the winning bid;
- (B) This Contract is co-financed from the Connecting Europe Facility (CEF), Action No. C1.1.8,

NOW, THEREFORE, the Parties hereby enter into this contract ("Contract") on the following terms and conditions:

### 1. SUBJECT OF THE CONTRACT

- 1.1. The activities described in the Procurement documents, including the activities described in the Contractor's Proposal, constitute the content of services to be provided under this Contract ("Services").
- 1.2. The Services shall result in study on supply of mineral materials for Rail Baltica in Lithuania, covering the following key goals: amount estimation of required mineral materials for Rail Baltica construction in Lithuania; quality definition of mineral materials; identification and

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<sup>1</sup> Grant Agreement under the Connecting Europe Facility (CEF) -Transport Sector Agreement No INEA/CEF/TRAN/M2017/1360716

assessment of locally available mineral material resources (deposits of mineral resources) in terms of material quality, amount, availability, capacity, logistics constrains to supply materials for Rail Baltica construction; necessity of processing of natural materials; evaluation of different material supply options, etc.

- 1.3. All deliverables and documents to be submitted during the execution of the Services are described in the Annex 3 "Technical Specification" to the Procurement Regulation and shall be submitted to the Client in English.
- 1.4. The Contract contains the following Annexes that shall constitute integral part of the Contract:
  - 1.4.1. The Procurement Regulation (Annex A);
  - 1.4.2. Contractor's Proposal (Annex B);
  - 1.4.3. Contractor's Declaration (Annex C).
  - 1.4.4. Contractor's Declaration (Annex C).
- 1.5. In case of discrepancies in the wording between the text of the Contract and other Contract documents, the hierarchy shall be as follows:
  - (a) Contract;
  - (b) Contractor's Proposal;
  - (c) Procurement Regulation.

## 2. CONTRACT PRICE AND PAYMENTS

- 2.1. The Client undertakes to pay the Contractor for the provided Services the Contract price to the extent and pursuant to the procedure specified in this Contract.
- 2.2. The Contract price is EUR 96'550, excluding the VAT ("Contract Price"). VAT shall be added to the Contract Price.
- 2.3. The Contract Price includes all taxes, fees and payments, and all costs related to the fulfilment of the specific job that can be reasonably estimated, except the VAT. The Contract Price is fixed for all the term of the fulfilment of the Contract and is not recalculated, except in cases stipulated in the Contract.
- 2.4. Any changes in the Contract Price are possible only in circumstances envisaged in this Contract and are valid only if agreed in writing by the Parties.
- 2.5. Payment of the Contract Price for the Services is split according to Section 2.7 of this Contract. The Contract Price will be paid after completion of particular milestone and handing over of the relevant deliverables (**Deliverable**) as stipulated in Annex 3 "Technical Specification" to the Procurement Regulation (Annex A) and after Deliverable is confirmed by the Client and the Contractor by signing the Act of Acceptance.
- 2.6. The Contract Price shall not be paid for Services or part of it, which does not comply with the provisions of this Contract or has faults, until the non-compliance or faults have been eliminated and the Client has accepted the Services delivered by signing the Act of Acceptance.
- 2.7. Payment of the Contractor's invoices will be made by the Client in *euro*, by bank transfer to the following bank account:

Contractor	SIA Geo Consultants
Registration No	40003340949

VAT payer's No	LV40003340949
Address	Olīvu iela 9, Rīga, LV-1004
Name of Bank	A/S Swedbank
Bank Code	HABALV22
Bank Account No	LV38HABA0551023527653

within 30 (thirty) days after the date of receipt of the Contractor's invoice by the Client, issued on the basis of the approved Act of Acceptance delivery of following Deliverables:

- (a) After delivery of Interim Report, the payment shall be 30% from the Contract Price: 28'965 EUR, excluding VAT;
- (b) After delivery of Final Report, the payment shall be 70% from the Contract Price: 67'585 EUR, excluding VAT.

2.8. Each Party shall bear its own bank charges or expenses incurred in connection with the transfer of any payments.

2.9. The Contractor's invoices shall contain the following details about the Contract:

Subject:	For provided services according to Contract for Services No _____ (CEF <sup>2</sup> Agreement No INEA/CEF/TRAN/M2017/ 1360716, Activity No C1.1.8)
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2.10. The Contractor shall send the invoice to the Client electronically to the following e-mail address: invoices@railbaltica.org. The Client shall review the invoice to verify whether it contains all necessary requisites, and, if so, the Client will proceed with the payment.

2.11. The time of the payment shall be the date evident on the payment order of the Client.

2.12. All payments hereunder shall be effected against Contractor's invoices by means of transfer of funds to the bank account which is indicated in Section 2.7 of the Contract and designated in the invoice. Change of bank details can be executed only by formal letter from Contractor signed by authorised representative.

2.13. If, by the time of paying a part of the Contract Price, the Client has obtained a claim of contractual penalty or damages against the Contractor, the Client shall have the right to deduct the relevant amount from the part of the Contract Price payable by submitting the relevant reasoned statement of set-off in a written format, or if the communication takes place over e-mail, in a format that can be reproduced in writing; i.e. the Client is entitled to set off the claim of contractual penalty or damages against the invoices payable to the Contractor. The statement shall be submitted at the same time as the payment or immediately after the execution of the payment, or if the amount owed by the Contractor exceeds the amount of the payment, at the latest on the date the payment would have fallen due.

### 3. RIGHTS AND OBLIGATIONS OF THE PARTIES

#### 3.1. The Contractor's rights and obligations

<sup>2</sup> Grant Agreement under the Connecting Europe Facility (CEF) -Transport Sector Agreement No INEA/CEF/TRAN/M2017/1360716

- 3.1.1. The Contractor has the right to consult with the contact person of the Client regarding matters related to the Services.
- 3.1.2. The Contractor may use publicly available and trustworthy information sources.
- 3.1.3. The Contractor is obliged to provide the Services, develop the Deliverables in a conscientious, diligent, expeditious, proper and workmanlike manner according to the schedule set forth in Annex 3 "Technical Specification" to the Procurement Regulation (Annex A). The Contractor undertakes to use its best efforts, skills and experience in developing the Deliverables and to allocate qualified and suitable key personnel for the provision of services. The Contractor agrees to devote such time as is reasonably required to fulfil its duties hereunder.
- 3.1.4. The Contractor has the right to receive payment of Contract Price or part thereof upon completion of the Services in accordance with this Contract.
- 3.1.5. The Contractor is obliged to perform the Services in accordance with the Contract, its Annexes, and applicable laws.
- 3.1.6. The Contractor shall verify and shall not procure goods or services from sub-contractors which comply with any of the following criteria:
- (i) The subcontractor or a person who is a member of the Management Board or the Supervisory Board or procurator of the sub-contractor, or a person having the right to represent the sub-contractor in activities related to a subsidiary has been found guilty of any of the following criminal offences by a punishment prescription of a prosecutor or a judgement of a court that has entered into effect and is non-disputable and not subject to appeal:
    - bribetaking, bribery, bribe misappropriation, intermediation in bribery, taking of prohibited benefit or commercial bribing;
    - fraud, misappropriation or laundering;
    - tax evasion and payments equivalent thereto,
    - terrorism, financing of terrorism, invitation to terrorism, terrorism threats or recruiting and training of a person for performance of terror acts;
  - (ii) A subcontractor, by such a decision of a competent authority or a judgment of a court that has entered into effect and has become non-disputable and not subject to appeal, has been found guilty of an infringement of employment rights which means:
    - employment of one or more citizens or nationals of countries, which are not citizens or nationals of the European Union Member States, if they reside in the territory of the European Union Member States illegally;
    - employment of one person without entering into a written employment contract, not submitting an informative declaration regarding employees in respect of such person within a time period laid down in the laws and regulations, which is to be submitted regarding persons who commence work;
  - (iii) A subcontractor, by such a decision of a competent authority or a judgment of a court that has entered into effect and has become non-disputable and not subject to appeal, has been found guilty of infringement of competition rights manifested as a vertical agreement aimed at restricting the opportunity of a purchaser to determine the resale price, or horizontal cartel agreement, except for the case when the relevant authority, upon determining infringement of competition rights, has released the candidate or tenderer from a fine or reduced fine within the framework of the co-operation leniency programme;
  - (iv) Insolvency proceedings of the subcontractor have been announced (except the case where a bailout or similar set of measures is applied within insolvency proceedings

oriented towards prevention of possible bankruptcy and restoration of solvency of the debtor, in which case the Contractor evaluates the possibility of such subcontractor to participate in the execution of the Contract), economic activity of the subcontractor has been suspended or discontinued, proceedings regarding bankruptcy of the subcontractor have been initiated or the subcontractor will be liquidated;

(v) The subcontractor has tax debts in the country where the Procurement is organised or a country where the subcontractor is registered or permanently residing, including debts of State social insurance contributions, exceeding in total EUR 150 in each country. In this case the Contractor may invite the subcontractor to pay all tax debts within 10 (ten) business days and allow such subcontractor to continue participation in the execution of this Contract;

(vi) Any of the above-mentioned criteria applies to all members of a group of persons if the subcontractor is a group of persons.

3.1.7. Appropriate personnel of the Contractor shall participate at meetings at monthly intervals (or more frequently, to the extent mutually agreed by the Parties), at which, to discuss the progress and present the Deliverables. All opinions or concerns expressed at and decisions adopted during each meeting shall be duly recorded or protocolled in writing or electronically.

3.1.8. Upon the request of the Client and no later than within 3 (three) business days, the Contractor is obliged to provide all information related to the provision of the Services and its progress, as well as take part in meetings organised by the Client.

3.1.9. The Contractor is obliged to provide the Client's staff which is performing a check or audit or on-the-spot visit or any other outside body authorised by the Client to access all the information and documents, including information in electronic format, which are requested by the performer of the check or audit or on-the-spot-visit or any other outside body authorised for the performance of the check or audit or on-the-spot visit and which relates to the execution of this Contract. The Contractor shall allow the performer of the check or audit or on-the-spot visit or any other outside body authorised by the Client to copy the information and documents with due respect to the confidentiality obligation. The Contractor is obliged to agree in the contracts with its sub-contractors on the right of the Client to access and to copy their information and documents that relate to the execution of this Contract.

3.1.10. The Contractor is obliged to comply with the following visibility requirements:

(a) Any reports, brochures, other documents or information connected with the Services that the Contractor produces and submits to the Client, any other third person or makes publicly available must include the following:

(i) a funding statement stating that Services is the recipient of the funding from the CEF: "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.

- (b) Requirements set in Sections 3.1.10(a)(i) and 3.1.10(a)(iii) can be fulfilled by using the following logo:



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

If the Contractor shall use this logo, the Contractor 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;

- (c) The Contractor is obliged to comply with the latest visibility requirements set by the European Union. For that purpose the Contractor shall follow the changes in the visibility requirements on its own. On the date of conclusion of this Contract 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>.

### 3.2. The Client's rights and obligations

- 3.2.1. The Client has the right to request and to receive information on the course of the Services from the Contractor within 3 (three) business days from the request.
- 3.2.2. The Client has the right to invite the Contractor 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.
- 3.2.3. The Client may carry out technical, legal and financial checks and audits of the Contractor and the sub-contractors of the Contractor, and on-the-spot visits to the sites and premises where the activities related to the implementation of this Contract are or were carried out after giving a written notice 5 (five) business days in advance, or in case of an unannounced check or audit or on-the-spot-visit without an advance notice. Checks and audits and on-the-spot visits may be carried out either directly by the authorized staff of the Client or by any other outside body authorised to do so on its behalf.
- 3.2.4. The Client is obliged to pay for the Services in accordance with the signed Acts of Acceptance and pursuant to the invoices from the Contractor.
- 3.2.5. The Client is obliged to provide all and any information to the Contractor, which it requires for the completion of the Services and which is permissible to provide pursuant to Latvian law, as well as taking into account security requirements and to perform all other obligations stipulated in this Contract.

### 4. THE ACCEPTANCE OF THE SERVICES

- 4.1. The Acceptance of the Services takes place in accordance with Annex 3 "Technical Specifications" of the Annex A "Procurement Regulations" (hereinafter "Contracting authority" in Annex 3 "Technical Specifications" to the Procurement Regulations shall be referred to as the "Client") and the Contractor's proposal, by signature of a specifically prepared Act of Acceptance. The Act of Acceptance is prepared by the Contractor and signed by the Client and the Contractor. The Act of Acceptance shall contain information on the amount of Services done. The relevant Deliverable, which should have been delivered until the date of the relevant Act of Acceptance, shall be attached to it as an attachment. After the Act of Acceptance has been signed by the Client and the Contractor, it becomes an integral part of this Contract.

- 4.2. If the Client finds the Services to have faults and to be non-compliant with the terms of this Contract, the Client does not sign the Act of Acceptance. In such case the Client shall return the Act of Acceptance to the Contractor together with a statement of the reasons for refusal to accept the relevant Deliverable and the guidelines for remedying them.
- 4.3. The Contractor is obliged to correct at its own expense the faults in the Services within the deadline and according to the guidelines indicated in the Act of Acceptance. After correcting the faults, the Contractor submits the Services again, according to the provisions of this Contract.
- 4.4. If faults or errors are discovered in parts of the Services already accepted by earlier Acts of Acceptance these must be corrected and the amendments must be submitted with the next Act of Acceptance.
- 4.5. The Contractor shall immediately warn the Client in writing about circumstances that may affect the quality of the Services, the deadlines or the Contract Price and submit an impact assessment, but no later than within 5 (five) business days from the time when the Contractor learned or should have learned about such conditions.
- 4.6. The Contractor shall not be eligible for an increase in the Contract Price if the Contractor has not informed the Client in the appropriate time-period of the circumstances mentioned in the preceding Section.

## 5. THE CONTRACTOR AND THE CLIENT'S PERSONNEL

- 5.1. To provide the Services the Contractor shall involve key experts indicated in the Contractor's proposal who have the required qualifications listed in Annex A to the Procurement Regulation and, if needed, a sufficient number of other specialists as outlined in Annex 3 "Technical Specification" to the Procurement Regulation (Annex A).
- 5.2. The Contractor shall be responsible for the work of its staff and ensure that the Client has free access to the staff during the Client's working hours. The Contractor shall ensure that the key experts indicated in the Contractor's proposal participate in meetings with the Client upon Client's request.
- 5.3. The Client must approve replacement of the key experts indicated in the Contractor's proposal. The qualifications of the proposed key experts must be equivalent to or higher than the qualifications of the replaced expert, and the work load must be at least the same as indicated in the Contractor's proposal (Annex B).
- 5.4. The Contractor must replace every staff member involved in the performance of the Services (including key experts mentioned in the Contractor's proposal (Annex B), or replacement personnel), if requested by the Client and supported by any of the following reasons:
  - 5.4.1. repeated careless performance of duties;
  - 5.4.2. incompetence or negligence;
  - 5.4.3. non-fulfilment of obligations or duties stipulated in the Contract;
  - 5.4.4. termination of employment relations with the Contractor.
- 5.5. The Client shall approve or reject the replacement of key experts indicated in the Contractor's proposal as soon as possible, but no later than within 5 (five) business days after the receipt of all information and documents necessary for a decision in accordance with the provisions in this Contract.

## **6. SUBCONTRACTORS**

- 6.1. The Contractor shall be responsible for the work of sub-contractors.
- 6.2. To complete the Services, the Contractor shall involve subcontractors indicated in the Contractor's proposal.
- 6.3. If the Contractor wishes to change a subcontractor who is indicated in the Contractor's proposal as a subcontractor with a work-load share of 10 (ten) per cent or more of the total Contract value (if the Contractor has not relied on the capabilities of the given subcontractor in its proposal in order to prove the Contractor's suitability pursuant to the Regulation) or to involve a new sub-contractor whose work-load share is 10 (ten) per cent of the total Contract value or more, then a written application must be submitted to the Client and written consent must be obtained. The Client agrees to the change of a subcontractor or the involvement of a new subcontractor if the proposed subcontractors do not meet the exclusion criteria defined in the first and second paragraph of the Public Procurement Law, Section 42.
- 6.4. The subcontractor, upon whose capabilities the Contractor was relying on in the Procurement in order to certify the compliance of its qualification to the requirements stipulated in the Procurement Regulation, can be changed only with prior permission by the Client if the proposed subcontractor has the qualifications complying with the requirements stipulated in the Procurement Regulation and if the proposed subcontractors does not meet the exclusion criteria defined in the first and second paragraph of the Public Procurement Law, Section 42.
- 6.5. The Client decides to approve or reject the change in the Contractor's subcontractors or the involvement of new subcontractors as soon as possible, but no later than within 5 (five) business days after the receipt of all information and documents necessary for a decision in accordance with this Contract.

## **7. CONTRACTUAL PENALTIES AND COMPENSATION OF DAMAGES**

- 7.1. If the Client delays the Contractual payments, then the Client shall pay a penalty of 0.2 (zero point two) per cent of the delayed payment for each day of delay, but not more than 10 (ten) per cent of the total outstanding amount.
- 7.2. If the Contractor does not comply with a deadline for submission of Services determined in the Contract or does not conform with the time limits set for correcting faults and errors made, the Contractor shall pay a penalty of 0.2 (zero point two) per cent of the Contract Price for each day of delay, but not more than 10 (ten) per cent of the total Contract Price.
- 7.3. In case of a unilateral termination of this Contract, not related to non-performance or improper performance of the Contract, a termination penalty of 10 (ten) per cent of the Contract Price is to be paid by the initiator of the termination.
- 7.4. If the Contractor fails to perform other obligations set in this Contract, then the Contractor shall pay a penalty of 0.5 (zero point five) per cent of the Contract Price for each of the identified cases, but the total penalty amount may not exceed 10 (ten) per cent of the Contract Price.
- 7.5. The Contractor shall reimburse the Client any contractual penalties and damages; the Client may deduct this amount from any sums payable to the Contractor pursuant to the Contract.
- 7.6. The Contractor shall be entitled to claim compensation for damages from the Client, respectively, in the following cases:
  - 7.6.1. The Client unjustifiably does not approve the change of personnel and/or subcontractors;



- 7.6.2. in other cases where the Contractor has incurred losses due to the Client's fault.
- 7.7. The Contractor shall compensate damages to the Client in the following cases:
  - 7.7.1. the Contractor has not corrected the errors or faults within the time period set by the Client;
  - 7.7.2. in other cases where the Client has incurred losses due to the Contractor's fault.
- 7.8. In order to qualify for receiving compensation the Parties shall warn each other in advance of occurrence of situations causing damages,
- 7.9. Payment of the contractual penalty shall not release the Parties from performance of obligations.

## **8. AMENDING THE CONTRACT**

- 8.1. The Contract can be amended in compliance with the provisions of Article 61 of the Public Procurement Law.
- 8.2. If after the conclusion of the Contract amendments are made to the existing laws and regulations and in consequence the costs of Contractor's Services increase or decrease and when a prior warning has been given, then, after a mutual agreement by the Parties, the Contract Price is amended.
- 8.3. Amendments to the Contract are proposed by the Party who sees a need for the amendments by submitting a justification for the proposal of amendments.
- 8.4. Amendments and supplements to the Contract shall be valid only when they have been prepared in writing and signed by the Parties; they shall be enclosed to this Contract and become an integral part of it.
- 8.5. The Contractor shall be entitled to an extension of the deadline for performing the Services if:
  - 8.5.1. The Client prevents or stops the execution of Services due to circumstances outside of the Contractor's control;
  - 8.5.2. The execution of Services has been hampered by significant amendments to this Contract or its Annexes, which have not been caused by the Contractor.
- 8.6. When deciding on amending the Contract, compliance with Public Procurement Law of the Republic of Latvia, Procurement and requirements under its Regulation must be ensured.

## **9. TERM AND VALIDITY OF THE CONTRACT**

- 9.1. The Contract shall enter into force on the date of signature and shall be valid until the full execution of the commitments made.
- 9.2. The Contractor has the right to unilaterally terminate the Contract if:
  - 9.2.1. the Client does not make the necessary payments for accepted Services and the Contractual penalty reaches 10 (ten) per cent of the outstanding amount;
  - 9.2.2. the Client is declared insolvent, its business activities are suspended or terminated, legal proceedings have been initiated on the Client's bankruptcy or it is established that the Client will be liquidated by the time of the Contract's expiry.
- 9.3. The Client has the right to unilaterally terminate the Contract if:

- 9.3.1. the Deliverables are not submitted within 30 (thirty) days after the submission deadline for each Deliverable or if the Contractor has not corrected the errors and faults within the Client's prescribed time period;
- 9.3.2. the Contractor's Contractual penalty reaches 10 (ten) per cent of the Contract Price;
- 9.3.3. the Contractor has been declared insolvent, its business activities are suspended or terminated, legal proceedings have been initiated on the Contractor's bankruptcy or it is established that the Contractor will be liquidated by the time of the Contract's expiry;
- 9.3.4. the Contractor fails to perform key expert replacement according to the procedure prescribed in this Contract and has not rectified this breach of the Contract within 10 (ten) business days after receiving a warning from the Client;
- 9.3.5. if the Contractor fails to comply with the restrictions on professional activities laid down in this Contract.
- 9.4. If the Client has unilaterally terminated the Contract due to non-fulfilment of the obligations undertaken in the Contract by the Contractor, the Client has the right within 12 (twelve) months from the date of the termination of the Contract to disqualify the Contractor from participation in any tenders organized by the Client.
- 9.5. The Contract is terminated if the performance of the Contract is made impossible or difficult due to a force majeure.
- 9.6. By a mutual written agreement, the Parties may terminate the Contract for any other reason.
- 9.7. If any of the provisions of the Contract become void, it shall not affect other provisions of the Contract.

## **10. COPYRIGHT**

- 10.1. The copyright of all the copyrighted works created within the Services is transferred to the Client on an ongoing basis, i.e. immediately after the completion of a part of the Services that falls under the concept of a "work" under Copyright Law of the Republic of Latvia, without the need to deliver or present the respective part of the Services to the Client. Copyright is transferred in the maximum extent permitted by law. The copyright fee has been included in the Contract Price. Simultaneously with the transfer of copyright to the Client, the Contractor automatically receives a non-exclusive licence for the use of the respective works in the extent necessary for the further performance of the Contract, including the right to alter and reproduce the respective works. The Contractor may sublicense the respective licence only to persons used by it to perform the Contract and only to the extent necessary for the performance of the Contract. The transfer of copyrights shall also remain valid if the Contract is prematurely terminated for any reason and/or terminated without the complete delivery of the Services.
- 10.2. Along with the delivery of the economic rights stipulated above, the Contractor shall also grant to the Client, on an ongoing basis, an exclusive licence, which shall be without a term, in the maximum extent permitted by law, and without any territorial or temporal limits and with the right of granting sublicenses, for the use of the moral rights extended to the works created within the Services, and waive any right towards the Client to demand that the use of the respective works was terminated. The fee for the licence and the right provided above has been included in the Contract Price. The Contractor shall have no right to extraordinarily cancel this licence agreement for the use of the moral rights of an author concluded under this Section for an unspecified term.
- 10.3. The Client has the right to publish material submitted by the Contractor without the Contractor's permission, as well as to require the Contractor to change it, to redo it, to

divide it into parts. If the Contractor and the Client cannot agree on the execution of this work, the Client is entitled to involve another Contractor in carrying out the said task.

- 10.4. The Contractor shall undertake to ensure that the Services, the execution of Services or the use of the Study delivered as a result of rendered Services does not violate the rights, including copyright, of third persons.
- 10.5. If the Services, the execution of the Services or the use of the Study or other deliverables produced while rendering the Services violate the rights of third persons, the Contractor shall be liable for the violation. The Contractor shall be obliged to compensate the damage caused to third persons and satisfy for the Client any claims for the compensation of damage filed against the Client by third persons.

## 11. CONFIDENTIALITY AND PROFESSIONAL RESTRICTIONS

- 11.1. The Contractor agrees that any information (“**Information**”) obtained in the course of fulfilment of the Contract will be considered as confidential.
- 11.2. The Contractor undertakes not to disclose without a prior written consent of the Client any Information obtained in the course of fulfilment of the Contract, save for the cases referred to in Section 11.4 of the Contract. This provision shall be applicable during the validity of the Contract, and shall remain effective also after the expiration or termination of the Contract.
- 11.3. The Contractor undertakes to provide Information to their employees only to the extent required for provision of the Services and due performance of the Contract. The Contractor ensures that its employees or other persons involved in the provision of the Services respect the provisions of confidentiality defined in the Contract. The Contractor 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 Contractor itself, its employees or by other persons involved in the provision of the Services.
- 11.4. The disclosure of the Information will not be considered a breach of the Contract if it is revealed due to the legislative requirements and in accordance with the provisions of the normative enactments or EU legislation, including the obligation of the Client to disclose the Contract terms to any authorities controlling spending of public funds.
- 11.5. The Contractor, if itself or through its engaged persons is in breach of the confidentiality obligation, shall compensate direct losses incurred by the Client.
- 11.6. During the validity of this Contract, the Contractor, as well as their staff, must not engage directly or indirectly in business, financial or professional activities that may affect the execution of Services specified in this Contract and the results of the procurement procedure.
- 11.7. The Contractor undertakes not to use any information or material or other kind of valuables for purposes other than the provision of the Services, e.g. use for commercial gain, use in any way to make it public, reproduce, etc.

## 12. FORCE MAJEURE

- 12.1. Parties are exempt from liability for full or partial non-compliance with the Contract if such failure is due to force majeure or extraordinary circumstances that began after the conclusion of the Contract and that could not have been previously foreseen or prevented. Force majeure or extraordinary circumstances include: natural disasters, including nature catastrophes, other disasters and accidents, epidemics, acts of war, strikes, internal unrest, blockades, as well as the adoption of such legislation that prevents

all or one of the Parties to continue the fulfilment of the Contract, and other circumstances that do not fall within the Parties' possible control.

- 12.2. A Party who refers to the effect of force majeure or extraordinary circumstances, must immediately, but not later than within five (5) days, report these conditions in writing to other Parties. The report shall state the period within which, in its opinion the Contractual obligations may be performed and expected, and at the other Party's request, a notification issued by a competent authority must be submitted, containing a confirmation of the occurrence of force majeure event or exceptional circumstances, as well as their description. When the further execution of the Contract is not possible, the Parties shall draw up an Act of Acceptance and the Contractor shall receive payment for all of the properly performed part of the Services submitted. If the force majeure continues for more than one (1) month and the Parties are unable to agree on the further execution of the Contract, either Party has the right to unilaterally terminate the Contract by submitting a written notice to the other Parties.

### 13. RESOLUTION OF DISPUTES

- 13.1. Any disagreements arising between the Parties concerning performance of the liabilities as per the Contract shall be resolved by way of mutual negotiations. The agreement reached shall be documented in writing.
- 13.2. If no agreement is reached within 30 (thirty) days, the dispute shall be settled in the Court of the Republic of Latvia in accordance with regulatory enactments of the Republic of Latvia.

### 14. ADDITIONAL PROVISIONS

- 14.1. All types of notices, orders, approvals, attestations, agreements and decisions to be issued pursuant to the Contract or other communication to be given in accordance with this Contract must be issued in writing and duly signed by the notifying Party or on its behalf and delivered in person or sent by prepaid registered mail to the address of the relevant party specified below (or as otherwise notified by the party concerned pursuant to this Contract):

RB Rail AS:

Address: K.Valdemāra iela 8-7, Rīga, LV-1010, Latvia

Contractor:

Address: Olīvu street 9, Rīga, LV-1004, Latvia

- 14.2. Any such notice shall be deemed to be received:
- 14.2.1. if delivered personally – upon delivery;
- 14.2.2. if delivered by prepaid registered mail – 5 (five) business days after the date of sending.
- 14.3. For the avoidance of doubt, unless expressly otherwise provided for in this Contract, a notice given under this Contract shall not be deemed to be duly delivered if sent by e-mail.
- 14.4. Communication between the Parties (e.g. information, requests, submissions, formal notifications, etc.) during the Contract must be carried out in English.
- 14.5. If the final day of a time period referred to in this Contract is Saturday, Sunday or a holiday prescribed by law, the following working day shall be considered the final day of the time period.

15. The Contract is concluded in 2 (two) copies, one for each Party, all having the same legal effect.

16. **ANNEXES**

Annex A – Technical Specification of the open competition “Study on Supply of Mineral Materials for Rail Baltica in Lithuania” No RBR 2017/17;

Annex B – Contractor’s Proposal;

Annex C – Contractor’s Declaration.

17. **DETAILS OF THE PARTIES**

**Client:**  
RB Rail AS

**Contractor:**  
SIA Geo Consultants