

**FRAMEWORK AGREEMENT  
ON  
LEGAL SERVICES**

**between**

**RB Rail AS**

**and**

**Law office "Sorainen"**

**No 1.19/LV-13-1**

Contract registration number	1.19/LV-13-1
CEF <sup>1</sup> Contract No INEA/CEF/TRAN/M2014/1045990 Modif. No2 Amend. No 1	A23n
CEF Contract No INEA/CEF/TRAN/M2015/1129482	B18
CEF Contract No INEA/CEF/TRAN/M2016/1360716	C09

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<sup>1</sup> Grant Agreement under the Connecting Europe Facility

**FRAMEWORK AGREEMENT NO 1.19/LV-13-1**  
**FOR THE PROVISION OF LEGAL SERVICES**

This Framework agreement ("**Agreement**") between:

**RB Rail AS** (a joint stock company registered in the Latvian Commercial Register, uniform registration No 40103845025, legal address at K.Valdemāra iela 8-7, Riga, LV 1010, Latvia ("**Client**"), represented by Chairperson of the Management Board Agnis Driksna, Management Board Member Ignas Degutis, acting on the basis of the Company's Regulations on Representation Rights dated 25 May 2018, on the one side

**and**

**Law office "Sorainen"**, taxpayer's registration No 90002573483, legal address at Kr. Valdemāra iela 21, Riga, LV-1010, Latvia ("**Firm**"), represented by Eva Berlaus, Managing Partner acting on the basis of Partner's (Shareholders) Resolution No 1/2009, on the other side, ("**Service Provider**")

who are collectively referred to as the "**Parties**" and separately – as "**Party**".

WHEREAS:

- (A) This Agreement is entered into under the Global Project which includes all activities undertaken by the respective beneficiaries and implementing bodies of the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania in order to build, render operational and commercialise the Rail Baltica railway – a new fast conventional double track electrified railway line according TSI INF P2-F1 criteria and European standard gauge (1435mm) on the route from Tallinn through Pärnu-Riga-Panevėžys-Kaunas to Lithuanian-Polish border, with the connection of Kaunas – Vilnius, and related railway infrastructure in accordance with the agreed route, technical parameters and time schedule.
  - (B) On 5 November 2019 the Client has announced an procurement entitled "Legal Services" (Identification No. RBR 2019/22) ("**Procurement**").
  - (C) On 29 November 2019 the Service Provider submitted proposal in response to the tender announced by the Company ("**Proposal**") and committed to provide the legal services.
  - (D) In the Procurement one other provider ("**Other Provider**") and the Service Provider (hereinafter jointly referred as **Service Providers**) proposals were selected for entering into framework agreement for procurement "Legal services";
  - (E) This Agreement is co-financed from the Connecting Europe Facility (CEF), CEF Contract No INEA/CEF/TRAN/ M2014/1045990 Modif. No2 Amend. No 1, Activity A23n, "Global Project and action implementation support measures (RB Rail, EE, LV, LT)", CEF Contract No INEA/CEF/TRAN/ M2015/1129482, Activity 18, Action: "Global project management", CEF Contract No INEA/CEF/TRAN/ M2016/1360716, Activity 9, Action No: C5.1.2: "Global project and Action project implementation support measures (RB Rail, EE, LV, LT)" and further CEF Grant Agreements,
- (2) NOW, THEREFORE, the Parties hereby enter into this Framework agreement ("**Agreement**") on the following terms and conditions:

## 1. SUBJECT OF THE AGREEMENT

- 1.1. This Agreement sets out the rights and obligations, terms and conditions that apply to the Parties of the Agreement where the Service Provider (definition "Service Provider" applies also to Expert unless it is specified otherwise) is contracted by the Client to provide legal services for the Client for the successful implementation of the Rail Baltica project.
- 1.2. The range of legal services to be provided by the Service Provider to the Client is described in Annex 3 of the Procurement (Annex A of this Agreement) and includes, but is not limited to, counselling, preparation of documents, litigation, representation and training (**Legal Services**). The procedure for the provision of Legal Services is provided in Clause 3 of this Agreement.
- 1.3. The purpose of the Agreement is to define the terms and conditions under which the Service Provider shall provide Legal Services to the Client **on-demand** basis. The Agreement is framework-based and does not impose an obligation on the Client to appoint the Service Provider to provide services and does not guarantee any exclusive right to the Service Provider to provide Legal Services to the Client. This Agreement entitles the Service Provider to participate in mini-competitions and/or to be awarded the provision of the assignment directly by the Client at the full discretion of the latter. The Service Provider is solely responsible for its costs and expenses incurred in connection with participation in the mini-competitions.
- 1.4. For every assignment, a separate assignment order (based on Draft for Assignment Order included in Annex C of this Agreement) ("**Assignment Order**") shall be issued by the Client and confirmed by the Service Provider.
- 1.5. The Service Provider shall provide services only on basis of a confirmed Assignment Order, the conditions thereof become binding on both parties: the Service Provider and the Client.
- 1.6. If the Service Provider refuses or fails to duly complete the assignment after the Assignment Order has been confirmed between the Parties, the Service Provider is obligated to pay a contractual penalty to the Client at the Client's request of the amount corresponding to the double (2x) of the total sum of the legal fee according to the Assignment Order.
- 1.7. All Assignment Orders and this Agreement shall form a single agreement between the Parties. The provisions of this Agreement constitute an integral part of each Assignment Order. In the event of any inconsistency between the provisions of this Agreement and Assignment Order, the Assignment Order shall prevail.

## 2. FRAMEWORK AGREEMENT VALUE AND PERIOD

- 2.1. The Framework agreements with Service Providers are on-demand based with no fixed work-load and/or fixed overall value.
- 2.2. The total allocated amount for the procurement of Legal Services for all Framework agreements concluded as a result of the Procurement is: 510 000 EUR (five hundred ten thousand *euros*).
- 2.3. However, this does not bind the Client to purchase legal services through the Framework agreement for the estimated amount.
- 2.4. The Agreement period is 24 months starting from the Commencement date. The day of signing of the Agreement means the Commencement date. Considering that the Agreement has been signed by representatives of both Parties via a secure digital signature, the day of signing of the Agreement is considered as the date when the specific electronic file containing the Agreement has been duly signed with a secure digital signature by all required representatives of both Parties (i.e. the timestamp of the last digital signature required to enter into this Agreement shall be used as signing date).
- 2.5. The Agreement terminates after Agreement period expires or when the maximum Agreement amount is reached and after the all Assignment Orders are fully completed by the Service Provider and approved by the Client.

## 3. APPOINTMENT OF AN ASSIGNMENT

- 3.1. In order to receive legal services the Client shall select the Service Provider and conclude an Assignment Order. The Assignment shall be allocated through a direct award to the Service Provider or by conducting a mini-competition between all Service Providers. The Assignment Order can be issued electronically.
- 3.2. The selection between the direct award or conduction of mini-competition shall remain within the discretion of the Client considering the specifics, urgency, nature and complexity of the particular

assignment to be implemented and the budget for the likely legal fees for providing the particular assignment, other interests of the Client, etc.

### **3.3. Direct award**

- 3.3.1. The Client invites the Service Provider to implement an assignment by sending an Assignment Order;
- 3.3.2. After receiving an invitation, as soon as possible but not later than within the 1 (one) business day the Service Provider shall respond by stating its Expert's availability to implement the assignment. In case the Service Provider rejects the invitation or fails to respond within the required time period, the Client reserves the right to invite another Service Provider. In case of a Conflict of Interests (Clause 16), the Service Provider is obligated to notify the Client immediately about its Conflict of Interests and refrain from providing the particular assignment;
- 3.3.3. After the corresponding Assignment Order is accepted by the Service Provider, the conditions set in the Assignment Order become binding upon the Parties.

### **3.4. Mini-competition**

- 3.4.1. The Client invites all Service Providers to implement an assignment by sending an Assignment Order specifying the task, interests of the Client, timeline, and other information it deems relevant. In the request the Client may stipulate any other requirements in addition to price, that will be taken into account, as well as the proportion of such requirements in the most economically advantageous proposal assessment;
  - 3.4.2. The Service Provider is prohibited from participating in the mini-competition in case of Conflict of Interests (Clause 16);
  - 3.4.3. After receiving such invitation, within 1 (one) business day or before the deadline specified in Assignment Order the Service Provider shall respond by sending its proposal to implement an Assignment. Failing to respond to the invitation within the required time period shall be considered as rejection to participate in a mini-competition;
  - 3.4.4. Mini-competition proposals received from all Service Providers are evaluated and ranked. The most economically advantageous proposal shall be awarded for the implementation of an assignment;
  - 3.4.5. The Client will choose the winner(s) of the mini-competition for the provision of the particular assignment by comparing the proposals based on the following criteria (listed in no particular order and containing no specific value):
    - (a) amount of legal fees and time necessary for providing the particular assignment;
    - (b) credibility and experience of the Service Provider and its staff for providing the particular assignment, including Expert legal knowledge and know-how in specific fields of law applicable;
    - (c) understanding of the scope of particular assignment and potential quality of providing the particular assignment by the Service Provider, taking into account among others the potential workload to be invested for the provision of the particular assignment;
    - (d) cooperation experience with the provider in previous provision of Legal Services like ability to meet the Client's expectations and responsiveness to the Client's requests as well as taking into account KPI mentioned in the Section 9 of Terms of reference / Technical specification of the Procurement (Annex A) ("**Terms of Reference** ").
  - 3.4.6. The Client shall inform all Service Providers on the results of the mini-competition;
  - 3.4.7. The Service Provider with most economically advantageous proposal shall be invited to sign the Assignment Order. After this invitation to implement an assignment (including corresponding Assignment Order) is accepted by the Service Provider, the conditions set in the Assignment Order and the proposal of mini-competition become binding upon the Parties. The Service Provider first signs the Assignment Order. Parties can sign the Assignment Order digitally with digitally signature and time stamp.
- 3.5. The Assignment Order shall include details of the Legal Services to be carried out by the Service Provider (as specified in Draft Assignment Order - Annex No. 3), i.e. required Service line, estimated workload, starting date, deadline etc.

- 3.6. The Client reserves the right not to directly award the Service Provider with Assignment Order nor to invite the Service Provider to participate in a mini-competition based on results of KPI. The Client will regularly review the quality of completed assignment and the cooperation with the Service Provider according to Section 9 of the Terms of Reference. The Client shall not invite the Service Provider to the next 3 (three) mini-competitions and/or shall not award next 3 (three) direct tasks, if the conditions stipulated in Section 9 of the Terms of Reference occur.
- 3.7. The Service Provider has a right to reject Client's invitation to implement an assignment only in exceptional cases related to the availability of involved Experts, or when the Service Provider envisages that the implementation of a particular Assignment Order would result in a conflict with requirements set in the Framework agreement, or in case of a Conflict of Interests (Clause 16). The decision of the Service Provider to reject the Client's invitation to implement an assignment shall be provided in writing by stating the actual reasons for such decision.
- 3.8. The Service Provider has the right to request reasonable explanatory information from the Client regarding the specifics of provision of an assignment via email. If the Client finds it necessary to respond, the Client has the right to disclose information provided to the Service Provider also to Other Provider.

#### **4. PERFORMANCE OF THE AGREEMENT**

- 4.1. The Service Provider must perform the Agreement in compliance with its provisions, the instructions given by the Client, under the specific terms agreed in an Assignment Order and all legal obligations applicable under EU, international and national law.
- 4.2. The Service Provider and the Expert providing the Legal Services to the Client must comply with the relevant professional diligence and applicable legislation governing the activities of legal advisers (in case of attorneys, in addition to the respective bar association rules and related regulations) and the provision of Legal Services must be of consistently high quality that is necessary to achieve the purpose of the particular Assignment Order agreed between the Parties in particular Assignment Order. The Service Provider acknowledges the Client's premises is included in the list of a critical infrastructure. Hence the Service Provider confirms that it shall not involve employee and/or staff who have a criminal record, in the performance of the Agreement. The Client has the rights to request and the Service Provider without a delay shall submit to the Client the name, surname, personal code of a natural person involved in implementation of any Assignment and the Service Provider should inform the employee that his/her data will be provided to the Client for purpose of data processing by the Client for implementation of Assignment. The Client has a right to demand dismissal of such a natural person non-compliant with the security clearance requirements at the Client's sole discretion based on the Client's written request for dismissal.
- 4.3. The Service Provider shall, within reason and in the scope of Legal Services, endeavour to carry out all activities that would reasonably assist and aid the Client, always act in the best interests of the Client and use its best endeavours to engage all legal means reasonably available in achieving the result of the particular assignment specified in the particular Assignment Order.
- 4.4. The Client shall deliver to the Service Provider relevant essential information necessary for the provision of Legal Services. The Client understands that the proper provision of Legal Services requires the Client to give to the Service Provider all the information relevant to the particular assignment, and to inform the Service Provider of any changes to that information.
- 4.5. The Client shall provide the Service Provider or Service Provider's nominated legal advisers (Experts) with a respective power of attorney at the request of the Service Provider, if necessary for implementation of the particular assignment.
- 4.6. The Client shall have the final and exclusive right in the negotiations, terms, decisions, agreements, etc. and in any and all matters related to Legal Services, including but not limited to the final right to decide whether or not to conclude any agreement(s), litigate, submit documents etc.
- 4.7. The Service Provider shall provide the Client with all and any information and documentation in its possession or control relating to the Legal Services provided to the Client. The Service Provider shall return original documents to the Client immediately at the Client's request.

- 4.8. The Service Provider shall carry out the tasks, prepare and provide all documents, reports, minutes of the meetings and any other information material (i.e. provide Deliverables<sup>2</sup>) specified in an Assignment Order.
- 4.9. The Client reserves the right to ask the Service Provider (or its corresponding Expert) to provide intermediate results (deliverables) of an Assignment Order in short notice, in order to check the progress of the implementation of an Assignment Order. The Service Provider (or its corresponding Expert) shall provide the Client with the information, status of the progress including proof thereof, such as intermediate documentation, reports, etc. within the short notice period. This confirmation does not imply the implementation of any additional assignments (reports etc.), but confirms progress of the implementation of the Assignment Order. Failing to do so within the short notice period or by providing information that shows that the assignment will not be completed within specified time in the Assignment Order, the Client reserves the right to cancel the implementation of the Assignment Order and to proceed with the procedures for terminating the Agreement.
- 4.10. As a part of the Deliverables, the Service Provider shall prepare information material in a fully comprehensive and understandable<sup>3</sup> way, by providing explicit and full source details (initial information, evidences etc.) used for the analysis and provision of Deliverables.
- 4.11. The Client shall have no responsibility over any content of Deliverables provided by the Service Provider.
- 4.12. Approval by the Client of the Deliverables of the corresponding Assignment Order shall not mean the approval of the outcome results (reports, agreements, procedural documents, summary, advice, decisions etc.) delivered by the Service Provider. Service Provider shall bear full responsibility of the Deliverables provided.

## **5. RIGHTS AND OBLIGATIONS**

- 5.1. The Service Provider shall be responsible for the availability of its Experts implementing particular Assignment Orders.
- 5.2. The Service Provider shall be responsible for ensuring that its Experts included in the Agreement fulfil the requirements thereof as long as it comes to Experts' responsibility.
- 5.3. The Service Provider shall remain fully responsible for the results (including Client's losses incurred due to such results) of its services after the completion of an Assignment Order. Any additional expenses arisen due to the correction of unacceptable outcome results shall be covered solely by the Service Provider. The Client reserves the right to request the Service Provider to correct the results of its services regardless whether it is necessary during the implementation of an Assignment Order or after it was completed and approved.
- 5.4. Only the Expert specified in an Assignment Order is allowed to implement the tasks defined therein. No subcontracting (excluding Experts) or staff in any kind or form is allowed for implementation of the Assignment Order without the Client prior approval according to Clause 62 of the Public Procurement Law and Clause 4.2 of the Agreement.
- 5.5. The Service Provider must keep records and other supporting documentation (original supporting documents) as evidence that the Assignment Order is correctly performed and the expenses were actually incurred. These must be available for review upon the Client's request.
- 5.6. The Client is obliged to pay for the services of the Service Provider in accordance with the Assignment Order and based on the approved Deliverables of the Service Provider pursuant to the payment request.
- 5.7. The Service Provider is obliged to ensure a valid professional risk indemnity insurance agreement with limit of liability in the amount of at least 1 000 000,00 EUR (one million *euro*) for any insurance claim covering all period of validity of the Agreement. The Service Provider is obliged to submit to the Client a copy of a renewed insurance agreement or a new insurance agreement including the above-

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<sup>2</sup> Definition "Deliverables" shall include all tasks (including, but not limiting to, actions and information material, agreements, procedural and other documents) to be carried out by the Service provider in order to fully implement the corresponding Assignment order.

<sup>3</sup> The information provided in the Deliverables shall be understandable to the average-level lawyer or manager with no particular experience in a specific topic concerned.

mentioned provisions within five (5) working days before the date of expiry of the previous insurance agreement.

## **6. PAYMENTS**

- 6.1. Service Provider must make a request for payment to obtain its remuneration for services and reimbursement of expenses agreed in the Agreement. Following signing of the delivery-acceptance deed by both Parties, which can be also digitally signed with time stamp, Client, the Service Provider must submit the invoice within 30 (thirty) calendar days or at another time agreed between the Parties in the Assignment Order.
- 6.2. Invoices should be sent to the e-mail [invoices@railbaltica.org](mailto:invoices@railbaltica.org) and should include the following details about the Agreement: Identification number RBR 2019/22, the Assignment Order and name of the contact person Ģirts Rūda. The Parties agree that in accordance with the Law on Accounting and Value Added Tax Law of the Republic of Latvia the invoices may be issued without the requisite "signature".
- 6.3. The Client shall make the payment after 15 (fifteen) days from the date on which the Client receives properly prepared payment request (invoice) on the accepted Deliverable.
- 6.4. The Client may suspend the payment at any time if:
  - 6.4.1. the Deliverable is not accepted by the Client;
  - 6.4.2. invoice supporting documents are missing;
  - 6.4.3. the invoice is incorrect;
  - 6.4.4. the Client has to make further checks to verify details of invoice.
- 6.5. The Client shall reject the invoice (parts of) if it does not fulfil the conditions of the Agreement and particular Assignment Order.
- 6.6. The Client may reduce the fee if the Service Provider is in breach of any of its other obligations under the Agreement (including unsatisfactory implementation of any Assignment Orders). The Client must formally notify the Service Provider of its intention, include the reasons why, and invite the Service Provider to submit any observations within 15 days of receiving notification. If the Client does not accept these observations, it will formally notify confirmation of the rejection or reduction.
- 6.7. Payments are subject to the Client's approval of Deliverable(s) and of the invoice(s). Approval does not mean recognition of compliance, authenticity, completeness or correctness of content.
- 6.8. The Client may at any point suspend the payment deadline, if an invoice cannot be processed because it does not comply with the Agreement's provisions. The Client must formally notify the Service Provider of the suspension and the reasons for it. After the condition for suspending the payment deadline is mitigated, the suspension will be lifted — and the remaining payment period will resume.
- 6.9. If the payment deadline has been suspended due to the non-compliance with the Agreement's conditions and the Service Provider fails to rectify the outcome of the corresponding Assignment Order within the reasonable period of time, the Client may also terminate the Agreement.
- 6.10. In the event of failure by the Service Provider to meet any deadline and/or supply any Deliverable by the date stipulated in the particular Assignment Order, the amount of fee payable by the Client to the Service Provider under the corresponding Assignment Order with respect to the relevant time period shall be reduced by 0.1 % of the amount of such fee for each day of delay.
- 6.11. Payments will be made in euros.
- 6.12. The Client shall pay the amounts shown on the invoice by bank transfer to the bank account of the Service Provider. Each Party bears its own bank charges.
- 6.13. The legal fees described in Proposal (Annex B of this Agreement) and in the Assignment Order are exclusive of VAT. The VAT treatment for the supply of Legal Services under an Assignment Order shall be determined pursuant to the VAT laws of the jurisdiction where a taxable transaction for the VAT purposes is deemed to take place. If VAT is payable on any contractual amounts, the Client shall pay to the Service Provider an amount equal to the VAT at the rate applicable from time to time, provided that such amount shall only be required to be paid after the Service Provider provides the Client with a valid VAT invoice in relation to that amount. Each Party shall, on request, provide the other Party with any additional VAT invoices or other documentation required for VAT purposes.

## **7. LEGAL FEES**

- 7.1. The Service Provider shall act as an independent contractor on its own cost and for its own account and the Client shall not be obliged to pay to the Service Provider any royalties or fees other than the fees and/or rates expressly agreed upon in the Assignment Order or to compensate any other kind of costs or expenses of the Service Provider. The Client shall remunerate to the Service Provider the fees and costs stated in the Assignment Order.
- 7.2. The applicable legal fees of the Service Provider are included in the Proposal. The legal fees offered by the Service Provider in mini-competitions or directly at the request of the Client for providing a particular Assignment may not be higher than the legal fees offered by the Service Provider in the Proposal and the offered fees are final. If the Service Provider is in breach of the previous sentence, the Client refuses the Service Provider's proposal for providing of an assignment.

## **8. REIMBURSEMENT OF TRAVEL EXPENSES**

- 8.1. The Client shall reimburse the travel expenses incurred by the Service Provider during the provision of services only in the following cases:
- 8.1.1. travel expenses are indicated and agreed in the corresponding Assignment Order;
  - 8.1.2. travel expenses incurred for the implementation of the corresponding Assignment Order;
  - 8.1.3. travel expenses are justified by documents.
- 8.2. In case the Principal for the implementation of a particular Assignment Order requires the Expert to travel from his/her place of residence or Service Provider's office (whatever is applicable) for more than 200 km one way, the Client shall reimburse incurred travel<sup>4</sup> expenses for the Expert included in a particular Assignment Order.
- 8.3. For the implementation of a particular Assignment Order where traveling is included, Expert shall ensure average level economical travel and accommodation expenses. The Client reserves the right to choose the accommodation.
- 8.4. The following travel expenses are subject to reimbursement:
- 8.4.1. Bus travel expenses if distance of less than 400 km one-way;
  - 8.4.2. Second-class rail travel expenses if distance of less than 400 km one-way;
  - 8.4.3. Economy class air travel expenses if distance of more than 400 km one-way;
  - 8.4.4. A travel expense (a return ticket) shall not exceed 500 EUR. Travel expense exceeding 500 EUR on return ticket will be reimbursed at 500 EUR max.

## **9. OWNERSHIP AND USE OF THE RESULTS (INCLUDING INTELLECTUAL PROPERTY RIGHTS)**

- 9.1. The Client will fully and irrevocably acquire the ownership of the results under this Agreement including any rights in any of the results listed in this Agreement, including copyright and other intellectual or industrial property rights, and all technological solutions and information contained therein, produced in performance of the Agreement.
- 9.2. The Client will acquire all rights and obligations under this Agreement from the moment the Deliverables (results) are delivered by the Service Provider and are not limited in time and will be valid after the expiry of the Agreement and/or the individual Assignment Order.
- 9.3. The copyright fee has been included in the legal fee (Clause 7). The transfer of copyright shall also remain valid if the Agreement is prematurely terminated for any reason and/or terminated without the complete delivery of the Deliverables.
- 9.4. The Client has the right to publish material submitted by the Service Provider without the Service Provider's permission, as well as to require the Service Provider to change it, to redo it, to divide it into parts. If the Service Provider and the Client cannot agree on the execution of this work, the Client is entitled to involve another Service Provider in carrying out the said task.
- 9.5. The Service Provider shall undertake to ensure that the Services, the execution of Services or the use of any of the Deliverables not violate the rights, including copyright, of third persons.

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<sup>4</sup> The point of departure shall be limited to the location in Europe.



9.6. If the Services, the execution of the Services or the use of the Deliverables or other deliverables produced while rendering the Services violate the rights of third persons, the Service Provider shall be liable for the violation. The Service Provider shall be obliged to compensate the damage caused to third persons and satisfy any claims for the compensation of damage filed against the Client by third persons.

## 10. ON-THE-SPOT VISITS

10.1. By virtue of Council Regulation (Euratom, EC) No 2185/961 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities and Regulation (EU) No 883/20132 of the European Parliament and the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF), OLAF may also carry out on-the-spot checks and inspections in accordance with the procedures laid down by Union law for the protection of the financial interests of the Union against fraud and other irregularities.

10.2. By giving a written notice 5 (five) business days in advance, but in case of an unannounced check without an advance notice, the Client may carry out independent on-the-spot visits to the sites and premises where the activities implemented within the Agreement are or were carried out.

10.3. On-the-spot visits may be carried out either directly by the authorised staff of the Client or by any other outside body authorised to do so on behalf of the Client. Information provided in the framework of on-the-spot visits shall be treated on confidential basis. The Client shall ensure that any outside body authorised shall be bound by the confidentiality obligation.

10.4. The Service Provider shall ensure that the performer of the on-the-spot visit or any other outside body authorised has access to all the information and documents, including information and documents in electronic format, which is requested by the authorised staff of the performer of the on-the-spot visit or any other outside body authorised for the performance of an on-the-spot visit and which relates to the implementation of the Agreement, as well as shall allow the authorised staff of the performer of the on-the-spot visit or any other outside body authorised copying of the information and documents, with due respect to the confidentiality obligation.

## 11. AMENDING THE AGREEMENT; TERMINATION OF THE AGREEMENT

11.1. The Agreement can be amended in compliance with the provisions of Article 61 of the Public Procurement Law including but not limited to the provisions of point 5 of Section 2 of Article 61.

11.2. If after the conclusion of the Agreement amendments are made to the existing laws and regulations and in consequence the costs of Service Provider's Legal Services increase or decrease and when a prior warning has been given, then, after a mutual agreement by the Parties, the Fee is amended.

11.3. Amendments to the Agreement are proposed by the Party who sees a need for the amendments by submitting a justification for the proposal of amendments.

11.4. 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.

11.5. When deciding on amending the Agreement, compliance with Public Procurement Law of the Republic of Latvia, Procurement and requirements under its Regulation must be ensured.

11.6. This Agreement may be terminated by a Party by giving the other Party sixty (60) days prior written notice of termination ("**Regular Termination**"). In the event of Regular Termination, the Agreement shall remain legally binding on the Parties until, but only in respect of, all rights and obligations already created or existing prior to the date of the Regular Termination are fully performed by both Parties.

11.7. The Client reserves the right to terminate the Agreement within 10 (ten) business days after sending a written notice to the Service Provider due to the following reasons:

11.7.1. The Service Provider has committed substantial errors, irregularities or fraud, or is in serious breach of its obligations under the procurement procedure or under the Agreement, including false declarations and obligations relating;

11.7.2. The Service Provider breaches conditions of the Agreement and does not cure the breach within 20 (twenty) business days of written notice of same;

11.7.3. Service Provider and/or its Expert poorly performs his/her tasks defined in the corresponding Assignment Order.

11.8. The Parties reserve the right to terminate the Agreement at any time after sending a written notice if:

- 11.8.1. the Client fails to make a payment where such failure has not been eliminated within thirty (30) calendar days after receipt of a written notice of failure to pay from the Service Provider;
- 11.8.2. a Party is dissolved, declares bankruptcy, becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
- 11.8.3. a breach of confidentiality (Clause 15) occurs;
- 11.8.4. a breach of obligation to avoid Conflict of Interests (Clause 16) occurs;
- 11.8.5.** The Service Provider fails to submit a valid professional risk indemnity insurance agreement within a time mentioned in Clause 5.7.
- 11.9. The Client reserves the right to terminate the Agreement if services of the Service Provider are no longer required or the Service Provider has not participated in the last 3 (three) mini-competitions or has rejected the last 3 (three) Client's invitation to implement an assignment without the reasons mentioned in Clause 3.7.
- 11.10. The Client reserves the right to terminate a particular Assignment Order if:
  - 11.10.1. the services specified thereof are no longer required;
  - 11.10.2. CEF Co-financing for further financing of the Service are not available to the Client fully or partly;
  - 11.10.3. it is not possible to execute the Agreement due to the application of international or national sanctions, or European Union or North Atlantic Treaty Organization applied sanctions significantly affecting interests of financial or capital market.

In a case of termination under Clause 11.10.1-11.10.2, the costs incurred by the Service Provider up to the notification of the termination of an Assignment Order are subject to the reimbursement by the Client.
- 11.11. If the Client has unilaterally terminated the Agreement due to non-fulfilment of the obligations undertaken in the Agreement by the Service Provider, the Client has the right to disqualify the Service Provider from participation in any tenders organized by the Client during 12 (twelve) months from the date of the termination of the Agreement.

## **12. FORCE MAJEURE**

- 12.1. 'Force majeure' means any situation or event that:
  - 12.1.1. prevents either Party from fulfilling their obligations under the Agreement;
  - 12.1.2. was unforeseeable, exceptional and beyond the Parties' control;
  - 12.1.3. was not due to error or negligence on their part; and
  - 12.1.4. proves to be inevitable in spite of exercising due diligence.
- 12.2. A force majeure must be immediately and formally notified to the other Party.
- 12.3. Notification must include details of the situation's nature, likely duration and expected effects.
- 12.4. The Party faced with a force majeure will not be held in breach of its Agreement obligations if the force majeure has prevented it from fulfilling them.

## **13. COMMUNICATION BETWEEN THE PARTIES**

- 13.1. Communication under the Agreement (e.g. information, requests, submissions, formal notifications, etc.) must:
  - 13.1.1. be carried out in English;
  - 13.1.2. be carried out between the contact persons specified in the corresponding Assignment Order;
  - 13.1.3. be made in writing (including electronic form); and
  - 13.1.4. bear the Agreement's and Assignment Order's number.
- 13.2. During the implementation of the Assignment Order, the communication via e-mail shall be executed between the persons indicated in the corresponding Assignment Order. Additionally, all copies of those e-mail messages shall be sent also to Parties' e-mail addresses specified in the Agreement.

- 13.3. Communications by e-mail are deemed made when they are sent by the sending Party and receipt is confirmed by the receiving Party, unless the sending Party receives a message of non-delivery. Sending Party is responsible to get the confirmation that a message (with all its contents) sent via e-mail was received.
- 13.4. Assignment Orders, notices, declarations and invoices shall be deemed received:
- 13.4.1. if delivered by hand, on the first business day following the delivery day;
- 13.4.2. if sent by post, on the fifth (5<sup>th</sup>) business day after the date of posting;
- 13.4.3. if sent by email and received "out of office reply" or similar on the day of sending if sent before 17:00 on a business day, or otherwise at 09:00 on the first business day following such sending (Latvian time applies).
- 13.5. If the final day of a time period referred to in this Agreement is Saturday, Sunday or a holiday prescribed by law, the following working day shall be considered the final day of the time period.
- 13.6. The Parties agree that information may be exchanged electronically over the internet.

## **14. EXPERT CHANGE**

- 14.1. Only in exceptional cases Experts included in the Agreement can be replaced and by signing an amendment to the Agreement.
- 14.2. The proposed Expert's qualifications must be equivalent to or higher than those of the replaced Expert. The qualifications must be proven by submitting the same qualification documents/information as for the selected Expert within the procurement process.
- 14.3. The Client reserves the right to request the Service Provider to replace an Expert in case of any of the following reasons:
- 14.3.1. repeated careless performance of duties;
- 14.3.2. incompetence or negligence;
- 14.3.3. non-fulfilment of obligations or duties stipulated in the Agreement;
- 14.3.4. poor knowledge of English language (unsatisfactory presentation, writing skills in English);
- 14.3.5. termination of employment relations or cooperation agreement with the Service Provider.
- 14.4. Failing of the Service Provider to propose another Expert with equivalent or better qualifications within 10 (ten) business days period might lead to the termination of the Agreement by the Client at any time after sending a written notice.
- 14.5. The Client shall approve or reject the replacement of an Expert 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 Agreement.

## **15. CONFIDENTIALITY**

- 15.1. Each Party undertakes to keep confidential the terms and conditions of the Agreement and Assignment Order(s) and not to use or disclose any and all information of any kind or nature whatsoever, whether written or oral or whatsoever form, including, but not limited to, financial information, trade secrets, customer lists, any and all information and documents related to the negotiations and the subsequent performance of the Agreement between the Parties, which is not known to the general public ("**Confidential Information**").
- 15.2. The Service Provider and Experts (including but not limited to attorneys) of the Service Provider shall maintain confidentiality of the fact that the Client has requested the Service Provider to provide Legal Services as well as of the information that has become known to the Service Provider in the provision of Legal Services. The Service Provider shall use the Confidential Information only for the provision of the Legal Services agreed between the Parties in the Assignment Order or to perform its other obligations under the Agreement and to restrict disclosure of the Confidential Information solely to those representatives who have to know the Confidential Information in order to carry out the Legal Services or perform Service Provider's obligations under the Agreement.
- 15.3. A Party has the right to disclose Confidential Information only if it is explicitly required to do so by law or pursuant to any order of court or other competent authority or tribunal or if such disclosure has been agreed by the other Party in writing.

- 15.4. The Client reserves the right to request the Service Provider and/or Expert to sign a confidentiality agreement for the implementation of a particular Assignment Order.
- 15.5. The confidentiality obligation shall not expire in time.
- 15.6. If the Service Provider violates its confidentiality obligation, then it shall be liable to pay to the Client a contractual penalty in the amount corresponding to thrice (3x) the total sum of legal fee according to the Assignment Orders if the breach took place in relation with the performance of the assignment, but not less than 10 000 EUR (ten thousand *euros*) for each breach of such obligation.
- 16. SERVICE PROVIDER AND EXPERTS' INDEPENDENCE AND ABSENCE OF CONFLICT OF INTEREST**
- 16.1. If the Service Provider provides or will provide legal services to any person whose interests are or probably will be in conflict with the interests of the Client in relation with providing the assignment (in the past, in the present and in the foreseeable future) to the Client, or in case of any circumstances, which harm or may harm the possibility of the Service Provider to act solely in the interests of the Client ("**Conflict of Interests**"), the Service Provider has the obligation to refrain from providing the assignment to the Client. For example, if the assignment involves the drafting of documentation for a procurement, the Service Provider would have to refrain from providing the assignment to the Client if the Service Provider provides or probably will provide legal services to persons that have an interest in that procurement.
- 16.2. As part of the obligation of the Service Provider to avoid Conflict of Interest, the Service Provider must also refrain from providing legal services to any person whose interests are or probably will be in conflict with the interests of the Client in relation with providing the Assignment (in the past, in the present and in the foreseeable future) to the Client. For example, if the assignment provided by the Service Provider involves the drafting of documentation for a procurement, the Service Provider would have to refrain from providing the legal services to persons that have an interest in that procurement.
- 16.3. The Service Provider immediately has to notify the Client before taking up any assignments, if there can be doubts whether such are permissible pursuant to the obligation to avoid Conflict of Interests set forth in this Agreement. In case of doubt, the Client has the right to decide whether a Conflict of Interests situation occurs or not.
- 16.4. If the Service Provider violates its obligation to avoid Conflict of Interests or fails to comply with it, it shall be liable to pay to the Client a contractual penalty in the amount corresponding to thrice (3x) the total sum of legal fee according to the Assignment Order if the breach took place in relation with the performance of the assignment, but not less than 10 000 EUR (ten thousand *euros*) for each breach of such obligation.

**17. VISIBILITY REQUIREMENTS**

- 17.1. The Service Provider is obliged to comply with the following visibility requirements:
- 17.1.1. Any reports, brochures, other documents or information connected with Deliverables which the Service Provider produces and submits to the Client or makes publicly available must include the following:
- (i) a funding statement stating that the Client 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 in all European Union official languages can be seen at the website: <https://ec.europa.eu/inea/connecting-europe-facility/cef-energy/beneficiaries-info-point/publicity-guidelines-logos>;
  - (iii) the European Union flag.
- 17.1.2. Requirements set in Clauses 17.1.1(i) - 17.1.1(iii) can be fulfilled by using the following logo:



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

If the Service Provider shall use this logo, the Service 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;

- 17.1.3. The Service Provider is obliged to comply with the latest visibility requirements set by the European Union. For that purpose, the Service 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>.

## **18. TECHNICAL, LEGAL AND FINANCIAL CHECKS AND AUDITS**

- 18.1. By giving a written notice 5 (five) working days in advance, but in case of an unannounced check or audit without an advance notice, the Client may carry out technical, legal and financial checks and audits in relation to the implementation of the Agreement.
- 18.2. Checks and audits may be carried out either directly by the authorized staff of the Client or by any other outside body authorised to do so on Client's behalf.
- 18.3. Information and documents obtained in the framework of checks or audits shall be treated on a confidential basis. Client shall ensure that its staff and any outside body authorised by the Client be bound by the confidentiality obligation.
- 18.4. The Service Provider shall ensure that the performer of the check or audit or any other outside body authorised has access to all the information and documents, including information in electronic format, which is requested by the performer of the check or audit or any other outside body authorised for the performance of the check or audit and which relates to the implementation of the contract, as well as shall allow the performer of the check or audit or any other outside body authorised by it copying of the information and documents with due respect to the confidentiality obligation.

## **19. GOVERNING LAW; RESOLUTION OF DISPUTES**

- 19.1. The rights of the Parties hereto and the validity, interpretation and implementation of this Agreement shall be governed by and construed and interpreted in accordance with the laws of the Republic of Latvia. In the event of any dispute, controversy, or claim arising out of or relating to this Agreement, or the breach, termination or invalidity hereof or thereof, the disputing Party shall provide written notice thereof to the other Party. The Parties shall attempt in the first instance to resolve such dispute through amicable consultations.
- 19.2. When any dispute occurs, and is the subject of amicable consultations, the Parties shall continue to exercise their remaining respective rights, and fulfil their remaining respective obligations, under this Agreement.
- 19.3. If the dispute is not resolved by amicable consultation within thirty (30) days after notice of a dispute is given by a Party, then any Party may submit the dispute for final resolution by a competent court of the Republic of Latvia.

## **20. MISCELLANEOUS**

- 20.1. The Agreement is done in two copies in English.
- 20.2. The payment of any contractual penalty hereunder shall not relieve either Party from the responsibility to perform any of the obligations of such Party set forth in the Agreement or deriving from the applicable law.
- 20.3. Any amendments to the Agreement shall be valid if made in writing and signed by the respective authorized persons of both Parties. Any amendments must not make changes to the Agreement that might alter the initial conditions of the procurement procedure or result in unequal treatment of tenderers participated in this procurement.
- 20.4. If at any time, any clause of the Agreement becomes illegal, invalid or unenforceable, in any respect, under the applicable law, neither the legality, validity nor enforceability of the remaining provisions of the Agreement shall in any way be affected or impaired thereby. The Parties shall, in good faith, utilize their best efforts to replace any illegal, invalid or unenforceable clause with such that is legal, valid and enforceable and comes as close as possible to the invalid clause as regards its economic intent.
- 20.5. The Client cannot be held liable for any damage caused or sustained by the Service Provider or a third party during or as a consequence of performing the Agreement, except in the event of the Client's wilful misconduct or gross negligence.

20.6. For the purpose of execution of the Agreement, the Parties might transfer to each other certain personal data, such as data on employees of the Parties, data on suppliers, project stakeholders and their employees etc. The Parties acknowledge that for the purpose of the Agreement each of the Parties shall act as a controller.

The Party shall transfer the personal data to the other Party and such other Party shall process the personal data only for the purposes of execution of the Agreement and other such purposes as required by applicable laws.

The Parties agree that except where the Party has a separate legal basis for processing the personal data referred to in the applicable laws governing the protection of personal data, the Party shall not process the personal data for any other purpose.

Besides other obligations provided for in the Agreement, each of the Parties undertakes:

20.6.1 to process the personal data to the minimum extent necessary;

20.6.2 not to infringe any rights of the data subjects;

20.6.3 to implement and apply proper organizational and technical measures ensuring the compliance with the requirements of the law;

20.6.4 to ensure the compliance with other requirements of the law governing the protection of personal data.

20.7. The authorised representative by the Client for Agreement fulfilment issues is [•], e-mail [•], phone [•].

20.8. The authorised representative by the Service Provider for Agreement fulfilment issues is [•], e-mail [•], phone [•].

20.9. 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 order of precedence of the text of such Annexes (including any calculation) shall be established according to the sequence of listing in Clause 21.

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

## **21. ANNEXES**

Annex A – Terms of Reference/Technical specification of the Procurement on 11 (eleven) pages;

Annex B – Tenderers' Proposal (application for procurement and Technical offer) on 8 (eight) pages;

Annex C – Draft Assignment Order on 1 (one) pages;

Annex D – Service Provider's declaration on 2 (two) pages.

## **PAYMENT DETAILS**

**For the Client: RB Rail AS**

Bank: [•] Account No.: [•]  
VAT No.: LV40103845025

**For the Service Provider: Law office "Sorainen"**

Bank: [•]  
Account No.: [•]  
VAT No.: LV90002573483

## **SIGNATURES**

On behalf the Client:

Agnis Driksna, Chairman of the Management board

Ignas Degutis, Member of the Management board

On behalf the Service Provider:

Eva Berlaus, Managing Partner

*THIS DOCUMENT IS SIGNED ELECTRONICALLY WITH A SAFE ELECTRONIC SIGNATURE  
AND CONTAINS A TIME STAMP*