

FRAMEWORK AGREEMENT
FOR THE PROVISION OF ON-DEMAND ACCOUNTING ADVISORY SERVICES

between

RB Rail AS

and

**Partnership formed by SIA "Oriens Audit & Finance",
UAB "Audifina" and Parent Accounting OÜ**

Contract registration number 1.19/LV-33

CEF ¹ Contract No	INEA/CEF/TRAN/ M2014/1045990
	INEA/CEF/TRAN/ M2015/1129482
	INEA/CEF/TRAN/ M2016/1360716

¹ Grant Agreement under the Connecting Europe Facility

This **Framework agreement (“Agreement”)** together with all Annexes thereto, is entered into force on the day of its signing by both Parties. Agreement is entered into force 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 (the **“Principal”**), represented by **Head of Corporate Finance Department Ingrida Dimiņa**, acting on the basis of the RB Rail AS Regulations on Representation Rights dated 20 July 2020, on the one side,

and

Partnership formed by SIA “Oriens Audit & Finance”, a limited responsibility company registered in the Latvian Commercial Register, uniform registration No 50003597621, legal address at **Gunāra Astras iela 8B**, Riga, LV-1082, Latvia, **UAB “Audifina”** a private limited liability company registered in the Register of Legal Entities of the Republic of Lithuania, uniform registration No 125921757, legal address at **A. Juozapavičiaus g. 6**, LT-09310 Vilnius, Lithuania, and **Parent Accounting OÜ**, a private limited liability company registered in the Estonian Commercial Register, uniform registration No 11144475, legal address at **Rotermanni tn 8**, Kesklinna district, Tallinn, Harju county, 10111, Estonia (the **“Service Provider”**), represented by authorized person **Natālija Zaiceva** acting on the basis of Partnership agreement dated 8 June 2020, on the other side,

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) **The Principal has organised the procurement “On-demand accounting advisory services” (identification No RBR 2020/7) (the “Procurement”) where the Service Provider’s tender proposal (the “Proposal”) was selected as the winning bid;**
- (C) This Agreement is co-financed from the Connecting Europe Facility (CEF), CEF Contract No INEA/CEF/TRAN/ M2014/1045990, Activity 23, Action No: A5.1.1: **“Project implementation support measures (RBR)”**, CEF Contract No INEA/CEF/TRAN/ M2015/1129482, Activity 18, Action: **“Global project management”** and 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)”**.

NOW, THEREFORE, the Parties hereby enter into this 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 is contracted by the Principal to provide on-demand accounting advisory services related to operations of the Principal in accordance with the Technical Specification (Annex A of the Agreement) for the Principal for the successful implementation of the Global Project.
- 1.2. The range of on-demand accounting advisory services to be provided by the Service Provider to the Principal is described in Annex 1 of the Procurement (Annex A of the Agreement) and includes, but is not limited to, accounting treatment of specific transactions under IFRS (International Financial Reporting Standards issued by the International Accounting Standards Board), as far as applicable in European Union, or under accounting laws and regulations of Latvia, Estonia and Lithuania, including re-organisation, advice on best practice accounting processes and set-up of IT systems such as, but not limited to, accounting for branches and advisory services in relation to development of accounting software (assistance with defining IT development requirements from accounting perspective) (the **“Services”**). **The procedure for the provision of the 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 Services to the Principal on an on-demand basis. The Agreement is framework-based and does not impose an obligation on the Principal to appoint the Service Provider to provide

Services. This Agreement entitles the Service Provider to be engaged by the Principal at the full discretion of the latter.

- 1.4. For every assignment, a separate Assignment Order in any form/document as decided by the Principal **(the "Assignment Order") shall be issued by the Principal and confirmed by the Service Provider.**
- 1.5. The Service Provider shall provide Services only on the basis of a confirmed Assignment Order, the conditions thereof become binding on both Parties.
- 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 Principal at **the Principal's request of the amount corresponding to the double (2x) of the total sum of the 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. AGREEMENT VALUE AND PERIOD

- 2.1. The Agreement with the Service Provider is on-demand based with no fixed or guaranteed work-load and/or fixed overall value.
- 2.2. The total allocated amount for the provision of the Services under this Agreement is 40 000,00 EUR (forty thousand *euros* 00 cents), excl. VAT.
- 2.3. However, this does not bind the Principal to purchase Services through the Agreement for the allocated amount.
- 2.4. The Agreement is concluded for a period of twenty-four (24) months starting from 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 **(the "Commencement Date")**).
- 2.5. After the expiry of the Agreement period or once the allocated amount has been reached no more new Assignment Orders can be concluded. The Agreement is terminated once all of the existing Assignment Orders are fully completed by the Service Provider and approved by the Principal and the Parties have fulfilled their contractual obligations arising out of this Agreement.

3. APPOINTMENT OF AN ASSIGNMENT

- 3.1. In order to receive Services, the Principal and the Service Provider shall conclude an Assignment Order.
- 3.2. The Principal invites the Service Provider to implement an assignment by sending request for **assignment (the "Request for Assignment")** by e-mail [CONFIDENTIAL] **to Service Provider's e-mail [CONFIDENTIAL]**.
- 3.3. The Request for Assignment shall include details of the Services to be carried out by the Service Provider, including but not limited to details on precise content, scope, form of deliverable, etc. as may be necessary by the Principal.
- 3.4. After receiving the Request for Assignment, as soon as possible but not later than within the one (1) business day, the Service Provider shall respond by sending its proposal to implement an Assignment by stating its availability to implement the assignment. The Principal can set other reasonable timeframe of response in the Request for Assignment. In case of a Conflict of Interests (Clause 3.9 and Section 14 of the Agreement), the Service Provider is obligated to notify the Principal immediately about its Conflict of Interests and refrain from providing the particular assignment.
- 3.5. The proposal to implement an Assignment should be based on the proposed price (blended hourly rate) in the Proposal.
- 3.6. The Principal accepts the proposal to implement an Assignment by sending request to draft the Assignment Order to the Service Provider by email [CONFIDENTIAL] **to Service Provider's e-mail [CONFIDENTIAL]**.
- 3.7. After the corresponding request for Assignment is accepted by the Service Provider and the proposal to implement an Assignment is accepted by the Principal, the conditions set in the Assignment Order

become binding upon the Parties and the Service Provider starts to provide Services according to the agreed Assignment.

- 3.8. The Service Provider should draft an Assignment Order and align it with the Principal by e-mail. Aligned Assignment Order should be signed and sent to the Principal as soon as possible but not later than within the five (5) business day after receiving the request to draft it.
- 3.9. **The Service Provider has the right to reject Principal's invitation to implement an Assignment only in exceptional cases when the Service Provider envisages that the implementation of a particular Assignment Order would result in a conflict with the requirements set in the Agreement, or in case of a Conflict of Interests (Section 14 of the Agreement). The decision of the Service Provider to reject the Principal's invitation to implement an Assignment Order shall be provided in writing by stating the actual reasons for such decision.**
- 3.10. The Service Provider has the right to request reasonable explanatory information from the Principal regarding the specifics of provision of an assignment via email.

4. PERFORMANCE OF THE AGREEMENT

- 4.1. The Service Provider must perform the Agreement in compliance with its provisions, the instructions given by the Principal, under the specific terms agreed in each Assignment Order and all legal obligations applicable under EU, international and national law.
- 4.2. **The Principal shall provide the Service Provider or Service Provider's nominated advisers (Experts so nominated in the Proposal; the "Expert") with a respective power of attorney at the request of the Service Provider, if necessary for implementation of the particular assignment.**
- 4.3. The Service Provider and the Expert providing the Services to the Principal must comply with the relevant professional diligence and applicable legislation governing the activities of accounting advisers and the provision of 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 confirms that it shall not involve employee and/or staff who have a criminal record, in the performance of the Agreement. The Principal has the rights to request and the Service Provider without a delay shall submit to the Principal 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 Principal for purpose of data processing by the Principal for implementation of Assignment. The Principal has a right to demand dismissal of such a natural person **non-compliant with the security clearance requirements at the Principal's sole discretion based on the Principal's written request for dismissal.**
- 4.4. The Service Provider shall, within reason and in the scope of Services, endeavour to carry out all activities that would reasonably assist and aid the Principal, always act in the best interests of the Principal 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.
- 4.5. The Principal shall deliver to the Service Provider relevant essential information and documentation in its possession or control relating and necessary for the provision of Services. The Principal understands that the proper provision of Services requires the Principal 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. The Service Provider shall return original documents to the Principal **immediately at the Principal's request.**
- 4.6. The Principal shall have the final and exclusive right in the negotiations, terms, decisions, agreements, etc. and in any and all matters related to Services.
- 4.7. 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**²) specified in an Assignment Order.
- 4.8. As part of the Deliverables, the Service Provider shall prepare information material in a fully comprehensive and understandable³ way, by providing explicit and full source details (initial information, evidences etc.) used for the analysis and provision of Deliverables.

² **"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.

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

- 4.9. The Principal shall have no responsibility over any content of Deliverables provided by the Service Provider.
- 4.10. Approval by the Principal of the Deliverables of the corresponding Assignment Order shall not mean the approval of the outcome results (reports, summary, advice, decisions etc.) delivered by the Service Provider.

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 responsible for the results of its services (i.e. Deliverables) after the completion of an Assignment Order. To clarify – the Service Provider can be held liable for damages caused to the Principal or third parties as a result of the Services in the event of the Service Provider's wilful misconduct or negligence. Any additional expenses arisen due to the correction of unacceptable outcome results shall be covered solely by the Service Provider. The Principal 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 Principal's prior approval according to Section 62 of the Public Procurement Law and Clause 4.3 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 Principal's request.**
- 5.6. The Principal is obliged to pay for the Services 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 represents and warrants to the Principal, as of the Commencement Date, as follows:
 - 5.7.1. it has all requisite qualification, skills and competence to provide the Service to the Principal on the terms and conditions of this Agreement which are no less favourable than the terms and conditions of service identified by the Service Provider in any document submitted by the Service Provider to the Principal as part of the Procurement and on the terms of the **Service Provider's Proposal identified in accordance with Service Provider's Proposal;**
 - 5.7.2. it holds all requisite licenses, permits, approvals and consents that are or may be necessary to enable proper performance of the Service according to the specifications contained in this Agreement and Technical Specification (Annex A of the Agreement);
 - 5.7.3. it has all requisite ability to ensure the highest quality of the Service;
 - 5.7.4. it is not deemed to be a person associated with the Principal for the purposes of applicable law;
 - 5.7.5. **it is compliant with all of the requirements of the Service Provider's Declaration contained in Annex C of the Agreement and will continue to be compliant with all such requirements during the term of this Agreement.**

6. PAYMENTS

- 6.1. Following the signing of the Assignment Order and the Delivery-Acceptance Deed by both Parties, which can be also digitally signed with time stamp, the Service Provider must submit the invoice within thirty (30) calendar days or at another time agreed between the Parties in the respective Assignment Order. The Principal authorises the Head of Corporate Finance Department of RB Rail AS and/or the Accounting Manager of RB Rail AS to sign the Delivery-Acceptance Deed.
- 6.2. Invoices should be sent to the e-mail invoices@railbaltica.org and should include the following details about the Agreement: Identification number RBR 2020/7, the Assignment Order and name of

the contact person Anita Pūka. 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 Principal shall reject the invoice (parts of) if it does not fulfil the conditions of the Agreement and particular Assignment Order.
- 6.4. The Principal shall make the payment after thirty (30) calendar days from the date on which the Principal receives properly prepared invoice on the accepted Deliverable and signed Assignment Order. Acceptance does not mean recognition of compliance, authenticity, completeness or correctness of content.
- 6.5. If the Principal suspend the payment in accordance with Clause 6.4 of this Agreement, then the Principal must formally notify by email 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.
- 6.6. 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 Principal to the Service Provider under the corresponding Assignment Order with respect to the relevant time period shall be reduced by zero point five percent (0.5%) of the amount of such fee for each day of delay. The total amount of the contractual penalty per each occurrence of delay or breach cannot exceed 10% of the total amount the particular Assignment. Payment of the contractual penalty shall not release the Parties from due performance of their obligations under this Agreement and applicable statutory laws.
- 6.7. Payments will be made in euros.
- 6.8. The Principal shall pay the amounts shown on the invoice by bank transfer to the bank account of the Service Provider indicated in this Agreement. Each Party bears its own bank charges.
- 6.9. The blended hourly rate of the Service Provider described in Proposal (Annex B of the Agreement) and the fees described in respective Assignment Orders are exclusive of VAT. The VAT treatment for the supply of 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.

7. FEES

- 7.1. The Service Provider shall act as an independent contractor on its own cost and for its own account and the Principal 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 Principal shall remunerate to the Service Provider the fees and costs stated in the Assignment Order.
- 7.2. The applicable fees (hourly rate) of the Service Provider are included in the Proposal (Annex B of the Agreement). The fees (hourly rates) offered by the Service Provider at the request of the Principal for providing a particular Assignment may not be higher than the fees offered by the Service Provider in the Proposal (Annex B of the Agreement) and the offered fees are final for the duration of the Agreement. If the Service Provider is in breach of the previous sentence, the Principal refuses the **Service Provider's proposal for providing of an Assignment**.

8. OWNERSHIP AND USE OF THE RESULTS (INCLUDING INTELLECTUAL PROPERTY RIGHTS)

- 8.1. The Principal 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.
- 8.2. The Principal 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.
- 8.3. The copyright fee has been included in the fee (Section 7 of the Agreement). 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.
- 8.4. The Principal 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 Principal cannot agree on the execution of this work, the Principal is entitled to involve another Service Provider in carrying out the said task.

- 8.5. The Service Provider shall undertake to ensure that the Services, the execution of Services or the use of the any of the Deliverables not violate the rights, including copyright, of third persons.
- 8.6. 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 Principal by third persons.

9. AMENDING THE AGREEMENT AND TERMINATION OF THE AGREEMENT

- 9.1. The Agreement can be amended in compliance with the provisions of Section 61 of the Public Procurement Law.
- 9.2. 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.
- 9.3. 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.
- 9.4. 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.
- 9.5. This Agreement may be terminated by a Party by giving the other Party sixty (60) calendar 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.
- 9.6. The Principal reserves the right to terminate the Agreement within ten (10) business days after sending a written notice to the Service Provider due to the following reasons:
 - 9.6.1. 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;
 - 9.6.2. The Service Provider breaches conditions of the Agreement and does not cure the breach within five (5) business days of written notice of same;
 - 9.6.3. Service Provider and/or its Expert poorly performs his/her tasks defined in the corresponding Assignment Order;
 - 9.6.4. In the circumstances as described in Clause 12.11 of the Agreement.
- 9.7. The Parties reserve the right to terminate the Agreement at any time after sending a written notice if:
 - 9.7.1. the Principal 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;
 - 9.7.2. 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;
 - 9.7.3. a breach of confidentiality (Section 13 of the Agreement) occurs;
 - 9.7.4. a breach of obligation to avoid Conflict of Interests (Section 14 of the Agreement) occurs.
- 9.8. The Principal reserves the right to terminate the Agreement if Services of the Service Provider are no **longer required or the Service Provider has rejected at least two (2) Principal's invitation to implement** an Assignment.
- 9.9. The Principal reserves the right to terminate a particular Assignment Order if the Services specified thereof are no longer required. In such a case, 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 Principal.
- 9.10. If the Principal has unilaterally terminated the Agreement due to non-fulfilment of the obligations undertaken in the Agreement by the Service Provider, the Principal has the right to exclude the Service

Provider from participation in any tenders organized by the Principal during twelve (12) months from the date of the termination of the Agreement.

- 9.11. The Agreement can be immediately terminated upon giving the other Party a written notice of termination explaining, in reasonable detail, the reason for termination upon occurrence of any of the provisions mentioned in the Section 64 of the Public Procurement Law. In such a case, the Principal shall pay the Service Provider the fees in respect of the Services provided under this Agreement up to the date of the notification of the termination of this Agreement and the Principal is not obliged to pay contractual or any other penalty or damages to the Service Provider.
- 9.12. The Principal may terminate this Agreement immediately upon giving to the Service Provider a written notice of termination explaining, in reasonable detail, the reason for termination, if:
 - 9.12.1. CEF co-financing for further financing of the accounting advice service are not available to the Principal fully or partly;

In such a case, the Principal shall pay the Service Provider the fees in respect of the Services provided under this Agreement up to the date of the notification of the termination of this Agreement and the Principal is not obliged to pay contractual or any other penalty or damages to the Service Provider.
 - 9.12.2. 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.

10. FORCE MAJEURE

- 10.1. **'Force majeure' means any situation or event that:**
 - 10.1.1. prevents either Party from fulfilling their obligations under the Agreement;
 - 10.1.2. **was unforeseeable, exceptional and beyond the Parties' control;**
 - 10.1.3. was not due to error or negligence on their part; and
 - 10.1.4. proves to be inevitable in spite of exercising due diligence.
- 10.2. A force majeure event must be immediately and formally notified to the other Party.
- 10.3. **Notification must include details of the situation's nature, likely duration** and expected effects.
- 10.4. 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.

11. COMMUNICATION BETWEEN THE PARTIES

- 11.1. Communication under the Agreement (e.g. information, requests, submissions, formal notifications, etc.) must:
 - 11.1.1. be carried out in English;
 - 11.1.2. be carried out between the contact persons specified in the corresponding Assignment Order;
 - 11.1.3. be made in writing (including electronic form); and
 - 11.1.4. bear the **Agreement's and Assignment Order's number.**
- 11.2. 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.
- 11.3. 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.
- 11.4. Assignment Orders, notices, declarations and invoices shall be deemed received:
 - 11.4.1. if delivered by hand, on the first business day following the delivery day;
 - 11.4.2. if sent by post, on the fifth (5th) business day after the date of posting;

- 11.4.3. if delivered by e-mail, on the second (2nd) business day following the sending day.
- 11.5. If the final day of a time period referred to in this Agreement is Saturday, Sunday or a holiday prescribed by law in the Republic of Latvia, the following working day shall be considered the final day of the time period.
- 11.6. The Parties agree that information may be exchanged electronically over the internet.

12. EXPERT CHANGE

- 12.1. Only in exceptional cases and in accordance with Public Procurement Law of the Republic of Latvia the Experts can be replaced by signing an amendment to the Agreement.
- 12.2. **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.
- 12.3. The Principal reserves the right to request the Service Provider to replace an Expert in case of any of the following reasons:
- 12.3.1. repeated careless performance of duties;
 - 12.3.2. incompetence or negligence;
 - 12.3.3. non-fulfilment of obligations or duties stipulated in the Agreement;
 - 12.3.4. poor knowledge of English language (unsatisfactory presentation, writing skills in English);
 - 12.3.5. termination of employment relations or cooperation agreement with the Service Provider.
- 12.4. The Service Provider shall not involve experts, employee and/or staff (including but not limited to manager, consultants) who have a criminal record, in the implementation of the Agreement.
- 12.5. The Service Provider shall submit to the Principal the name, surname, personal code (identification number), professional title (job position) of every natural person that will implement the Agreement and/or will be present on site at least ten (10) business days prior involvement of this person in the implementation of the Agreement and/or its presence on site. The Service Provider shall provide a brief (concise) description of duties towards the implementation of the Agreement of the persons, and, if requested by the Principal.
- 12.6. The Principal has a right to demand dismissal of such a natural person non-compliant with the security clearance requirements stipulated in this Clause 12.4 of the Agreement **at the Principal's sole discretion on the basis of the Principal's written request for dismissal. Parties agree that such Principal's decision is in-contestable.**
- 12.7. The Service Provider shall replace the Sub-Contractor and/or Staff member which, during the effectiveness of this Agreement, meets any of the compulsory grounds for exclusion of tenderers (or Sub-Contractors) that were verified during the Procurement Procedure and/or the Principal has demanded his/her dismissal according to Clause 12.4 of the Agreement and to prevent (i) involvement of such a natural person in the implementation of the Agreement and (ii) the presence of this person in the real estate, construction site or any other site. The Service Provider shall immediately undertake all the necessary actions and measures to ensure that any risk of involvement of such a natural person in the implementation of the Agreement is promptly and duly eliminated.
- 12.8. In case mentioned in Clause 12.6 of the Agreement the Service Provider is obliged:
- 12.8.1. to immediately replace the dismissed person according to Section 62 of the Public Procurement Law of the Republic of Latvia and the Agreement, and
 - 12.8.2. **to comply with the Principal's written instructions pursuant to the Clause 12.6 of the Agreement and not to challenge these instructions, and**
 - 12.8.3. to inform the Principal about dismissal or replacement proceedings pursuant to Clause 12.6 of the Agreement.
- 12.9. In case if the immediate dismissal or replacement of the dismissed natural person non-compliant with the security clearance requirements stipulated in this Clause 12.6 of the Agreement results in the unreasonable increase of the costs towards the Service Provider, the Service Provider shall immediately inform the Principal about this fact in written and the Parties shall agree upon the conditions of the provision of the Services.

- 12.10. **The Service Provider's non-compliance** with the security clearance requirements stipulated in Clauses 12.4 and 12.6 of the Agreement, the **Principal's instructions towards the Service Provider regarding** these security clearance requirements or other provisions of Section 12 of the Agreement constitutes a material breach (breach of a material term or condition) of the Agreement.
- 12.11. Failing of the Service Provider to propose another expert with equivalent or better qualifications within ten (10) business days period might lead to the termination of the Agreement by the Principal according to the procedure set in Clause 9.6.4 of the Agreement.
- 12.12. The Principal shall approve or reject the replacement of an expert as soon as possible, but no later than within five (5) business days after the receipt of all information and documents necessary for a decision in accordance with the provisions in this Agreement.

13. CONFIDENTIALITY

- 13.1. 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**").
- 13.2. The Service Provider and Experts of the Service Provider shall maintain confidentiality of the fact that the Principal has requested the Service Provider to provide Services as well as of the information that has become known to the Service Provider in the provision of Services. The Service Provider shall use the Confidential Information only for the provision of the 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 Services or perform Service Provider's obligations under the Agreement.**
- 13.3. 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.
- 13.4. The Principal reserves the right to request the Service Provider and/or Expert to sign a confidentiality agreement for the implementation of a particular Assignment Order.
- 13.5. The confidentiality obligation shall not expire in time.
- 13.6. If the Service Provider violates its confidentiality obligation, then it shall be liable to pay to the Principal a contractual penalty in the amount corresponding to thrice (3x) the total sum of fee according to the Assignment Orders if the breach took place in relation with the performance of the assignment, but not less than 10 000,00 EUR (ten thousand *euros* 00 cents) for each breach of such obligation.

14. SERVICE PROVIDER AND EXPERTS' INDEPENDENCE AND ABSENCE OF CONFLICT OF INTEREST

- 14.1. If the Service Provider provides or will provide accounting advisory services to any person whose interests are or probably will be in conflict with the interests of the Principal in relation with providing the assignment (in the past, in the present and in the foreseeable future) to the Principal, 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 Principal ("Conflict of Interests")**, the Service Provider has the obligation to refrain from providing the assignment to the Principal.
- 14.2. As part of the obligation of the Service Provider to avoid Conflict of Interest, the Service Provider must also refrain from providing accounting advisory services to any person whose interests are or probably will be in conflict with the interests of the Principal in relation with providing the Assignment (in the past, in the present and in the foreseeable future) to the Principal.
- 14.3. The Service Provider immediately has to notify the Principal 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 Principal has the right to decide whether a Conflict of Interests situation occurs or not.
- 14.4. 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 Principal a contractual penalty in the amount corresponding to thrice (3x)

the total sum of fee according to the Assignment Order if the breach took place in relation with the performance of the assignment, but not less than 10 000,00 EUR (ten thousand *euros* 00 cents) for each breach of such obligation.

15. ON-THE-SPOT VISITS

- 15.1. 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.
- 15.2. By giving a written notice 5 (five) business days in advance, but in case of an unannounced check without an advance notice, the Principal 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.
- 15.3. On-the-spot visits may be carried out either directly by the authorised staff of the Principal or by any other outside body authorised to do so on behalf of the Principal. Information provided in the framework of on-the-spot visits shall be treated on confidential basis. The Principal shall ensure that any outside body authorised shall be bound by the confidentiality obligation.
- 15.4. 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.

16. VISIBILITY REQUIREMENTS

- 16.1. The Service Provider is obliged to comply with the following visibility requirements:
 - 16.1.1. Any reports, brochures, other documents or information connected with Deliverables which the Service Provider produces and submits to the Principal or makes publicly available must include the following:
 - (i) a funding statement stating that the Principal 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.
 - 16.1.2. Requirements set in Clauses 16.1.1(i) - 16.1.1(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;

- 16.1.3. 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>.

- 16.1.4. Under this Agreement, the Principal hereby agrees and authorises the Service Provider to **make a reference to the Principal's name and logo (trademark) in the marketing materials of the Service Provider**, including on the Internet home page of the Service Provider, in capability statements, brochures, presentations, etc. in order to indicate the cooperation between the Service Provider and the Principal. The Parties hereby agree that this consent remains effective throughout the term of the Agreement and 5 (five) years after the termination or expiry of this Agreement.

17. TECHNICAL, LEGAL AND FINANCIAL CHECKS AND AUDITS

- 17.1. By giving a written notice five (5) business days in advance, but in case of an unannounced check or audit without an advance notice, the Principal may carry out technical, legal and financial checks and audits in relation to the implementation of the Agreement.
- 17.2. Checks and audits may be carried out either directly by the authorized staff of the Principal or by any other outside body authorised to do so on Principal's behalf.
- 17.3. Information and documents obtained in the framework of checks or audits shall be treated on a confidential basis. Principal shall ensure that its staff and any outside body authorised by the Principal be bound by the confidentiality obligation.
- 17.4. 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.

18. GOVERNING LAW AND RESOLUTION OF DISPUTES

- 18.1. 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.
- 18.2. 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.
- 18.3. If the dispute is not resolved by amicable consultation within thirty (30) calendar 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.

19. MISCELLANEOUS

- 19.1. The Agreement is made in English.
- 19.2. 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.
- 19.3. 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.
- 19.4. 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.

- 19.5. The Principal 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 Principal's wilful misconduct or gross negligence.
- 19.6. 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:
- 19.6.1 to process the personal data to the minimum extent necessary;
- 19.6.2 not to infringe any rights of the data subjects;
- 19.6.3 to implement and apply proper organizational and technical measures ensuring the compliance with the requirements of the law;
- 19.6.4 to ensure the compliance with other requirements of the law governing the protection of personal data.
- 19.7. The authorised representatives of the Principal for Agreement fulfilment issues are [CONFIDENTIAL].
- 19.8. The authorised representative of the Service Provider for Agreement fulfilment issues is [CONFIDENTIAL].
- 19.9. 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 shall be established according to the sequence of listing in Section 20 of the Agreement.
- 19.10. Both Parties agree that Procurement regulations shall be considered as integral part of the Agreement.
- 19.11. The Agreement is concluded in 2 (two) copies, one for each, all having the same legal effect.

20. ANNEXES

Annex A – Technical specification on 4 (four) pages;

Annex B – Tenderers' Proposal (Proposal for Procurement Procedure) on 1 (one) page;

Annex C – Service Provider's Declaration on 2 (two) pages;

Annex D – Partnership agreement dated 8 June 2020 signed between SIA "Orients Audit & Finance", UAB "Audifina" and Parent Accounting OÜ on 2 (two) pages.

SIGNATURES

Principal:

RB Rail AS

Uniform registration No 40103845025

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

Service Provider:

Partnership formed by SIA "Orients Audit & Finance",

Uniform registration No 50003597621

Address: Gunāra Astras iela 8B, Riga, LV-1082

Account details: AS "Swedbank"

Bank: AS "Swedbank"

SWIFT code: HABALV22

Account number: LV72HABA0551002833449

UAB "Audifina",

Uniform registration No 125921757

Address: A. Juozapavičiaus g. 6, LT-09310 Vilnius,
Lithuania

Account details:

Bank: AB "SEB BANK"

SWIFT code: CBILT2X

Account number: LT707044060001601957

Parent Accounting OÜ

Uniform registration No 11144475

Address: Rotermanni tn 8, Kesklinna district, Tallinn, Harju
county, 10111, Estonia

Account details:

Bank: AS "Swedbank"

SWIFT code: HABAEE2X

Account number: EE022200221050174817

Ingrīda Dimiņa

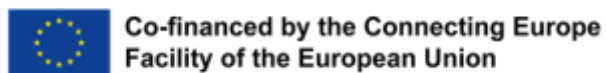
Head of Corporate Finance Department

Natālija Zaiceva

Authorized person

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

TECHNICAL SPECIFICATION FOR THE PROCUREMENT
"ON-DEMAND ACCOUNTING ADVISORY SERVICES"
(ID NO RBR 2020/7)



Riga
2020

1. INTRODUCTION TO RAIL BALTICA

The Baltic countries Estonia, Latvia and Lithuania have historically been linked to the east-west railway transport axis using the 1520mm gauge railway system. Because of the existing historical and technical constraints, the existing rail system is incompatible with mainland European standards, thus there is a consensus that Estonia, Latvia and Lithuania need to be fully integrated into the wider European rail transport system. Currently there is no efficient 1435 mm railway connection along the Warsaw-Kaunas-Riga-Tallinn axis, i.e. there are missing links or significant bottlenecks. Thus, there are no direct passenger or freight services along the railway axis as the existing infrastructure does not allow for competitive services compared to alternative modes of transport. Thus, the clear majority of the North-South freight is being transported by road transport and the overall accessibility in the region is low.

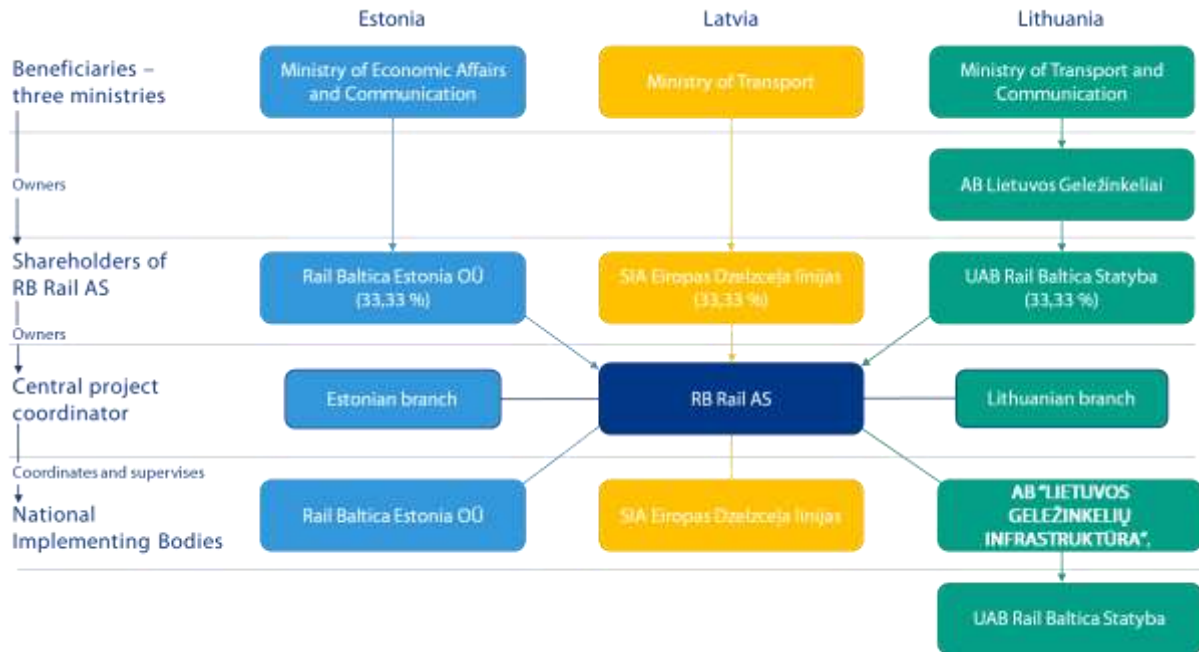
The ambitions of the Rail Baltica Global project (Global Project) are:

- to become a powerful catalyst for sustainable economic growth in the Baltic States;
- to set a new standard of passenger and freight mobility;
- to ensure a new economic corridor will emerge;
- sustainable employment and educational opportunities;
- an environmentally sustainable infrastructure;
- new opportunities for multimodal freight logistics development;
- new intermodal transport solutions for passengers;
- safety and performance improvements;
- a new value platform for digitalization and innovation;
- completion of Baltic integration in the European Union transport ecosystem.

Rail Baltica is already designed to become a part of the EU TEN-T North Sea – Baltic Core Network Corridor, which links Europe's largest ports of Rotterdam, Hamburg and Antwerp – through the Netherlands, Belgium, Germany and Poland – with the three Baltic States, further connecting to Finland via the Gulf of Finland short sea shipping connections with a future fixed link possibility between Tallinn and Helsinki. Further northbound extension of this corridor shall pave the way for future connectivity also with the emerging Arctic corridor, especially in light of the lucrative prospects of the alternative Northern Circle maritime route development between Europe and Asia. Furthermore, the North Sea – Baltic Corridor crosses with the Baltic-Adriatic Corridor in Warsaw, paving the way for new supply chain development between the Baltic and Adriatic seas, connecting the Baltics with the hitherto inadequately accessible Southern European markets. In a similar fashion, Rail Baltica shall strengthen the synergies between North-South and West-East freight flows, creating new trans-shipment and logistics development opportunities along the Europe and Asia overland trade routes. The new Rail Baltica infrastructure would, therefore, not only put the Baltics firmly on the European rail logistics map, but also create massive opportunities for value creation along this infrastructure with such secondary economic benefits as commercial property development, revitalization of dilapidated urban areas, private spin-off investment, new business formation, technology transfer and innovation, tourism development and other catalytic effects. Rail Baltica aims to promote these effects from the early stages of the Global Project, learning from the key global success stories and benchmarks in this regard.

The Contracting authority RB Rail AS (RBR) was established by the Republics of Estonia, Latvia and Lithuania, via state-owned holding companies, to coordinate the development and construction of the fast-conventional standard gauge railway line on the North Sea – Baltic TEN-T Core Network Corridor (Rail Baltica II) linking three Baltic states with Poland and the rest of the EU.

The diagram below illustrates the shareholder and project governance structure of the Rail Baltica project.



RBR together with governments of Estonia, Latvia and Lithuania (represented by the ministries in charge of transport policy) have applied for the CEF co-financing in 2015, 2016 and 2017 (three applications in total). The applications were successful and INEA grants are available to support the Global Project expenses.

Rail Baltica is a joint project of three EU Member States – Estonia, Latvia and Lithuania – and concerns the building of a fast conventional double-track 1435 mm gauge electrified and ERTMS equipped mixed use railway line on the route from Tallinn through **Pärnu (EE), Riga (LV), Panevėžys (LT), Kaunas (LT) to the Lithuania/Poland state border** (including a Kaunas – Vilnius spur) with a design speed of 240km/h. In the longer term, the railway line could potentially be extended to include a fixed link between Helsinki and Tallinn, as well as integrate the railway link to Warsaw and beyond.

The expected core outcome of the Rail Baltica Global Project is a European gauge (1435mm) double-track railway line of almost 900 km in length meant for both passenger and freight transport and the required additional infrastructure (to ensure full operability of the railway). It will be interoperable with the TEN-T Network in the rest of Europe and competitive in terms of quality with other modes of transport in the region. The indicative timeline and phasing of the project implementation can be found here: <http://www.railbaltica.org/about-rail-baltica/project-timeline/>.

2. FRAMEWORK OF ASSIGNMENT

The Contractor shall provide on-demand accounting advisory services related to operations of RB Rail AS in accordance with this Technical specification (hereinafter – Services) and Tenderers Financial proposal.

The scope of Services includes:

- Accounting treatment of specific transactions, including re-organisation, entered into by RB Rail AS under IFRS (International Financial Reporting Standards issued by the International Accounting Standards Board), as far as applicable in European Union;
- Accounting treatment of specific transactions, including re-organisation, entered into by RB Rail AS under accounting laws and regulations of Latvia, Estonia and Lithuania (hereinafter – local accounting laws);
- Advice on best practice accounting processes and set-up of IT systems such as, but not limited to, accounting for branches. At this moment RB Rail AS uses Microsoft Dynamics NAV 2017. Advisory services in relation to development of accounting software (assistance with defining IT development requirements from accounting perspective).

Examples of transactions may include but are not limited to lease contracts, grants provided by European Union or Baltic states, business combinations, etc. Services may comprise advice on accounting treatment of a particular transaction only under IFRS or only under local accounting laws, or under both IFRS and local accounting laws as the need may be.

Services should be delivered in English in written form, using MS Word, Power Point and Excel applications as appropriate and agreed for each assignment. References to relevant IFRS, as far as applicable in European Union, and accounting laws and regulations of Latvia, Estonia and Lithuania should be included where applicable.

3. SERVICE CONTRACT MANAGEMENT

3.1. Contractor's obligations

- 3.1.1. For the provision of Services, the Contractor shall remain fully responsible for the results of its Services during and after the provision of Services. Any additional expenses arising due to the correction of the unacceptable results shall be covered solely by the Contractor.
- 3.1.2. The Contractor shall ensure necessary effort, means, resources and personnel and request any additional information or documentation necessary for the successful provision of Services.
- 3.1.3. The Contractor is not allowed to change its experts during the execution of the Contract without prior written approval of the Contracting authority. The Contracting authority is allowed to grant an approval for such a change if the new expert meets all the same qualification and evaluation criteria as the expert to be substituted.
- 3.1.4. The Contractor shall make its own arrangements for office facilities, personal computers and other facilities of appropriate performance and security standard for Service provision.
- 3.1.5. The Contractor shall ensure that its team members (experts etc.) involved in Service provision are adequately supported and equipped. Costs for administration of service contract and office operation including telecommunication costs shall be included in the proposed contract price (blended hourly rate).
- 3.1.6. The Contracting authority reserves the right to request the Contractor to replace a team member in case of any of the following reasons:
 - repeated careless performance of duties;
 - incompetence or negligence;
 - non-fulfilment of obligations or duties stipulated in the Contract;
 - poor knowledge of English language (unsatisfactory presentation, writing skills in English);
 - termination of employment relations or cooperation agreement with the Contractor;

Failure of the Contractor to propose another expert with equivalent or better qualifications might lead to the termination of the Contract.

3.2. Confidentiality, independence and absence of conflict of interest

- 3.2.1. The Contractor is expected to ensure that its contractual and professional obligations in particular with regard to confidentiality, independence, objectivity and absence of conflict of interests are well understood and upheld throughout and after Services provision.
- 3.2.2. During the provision of Services, Contractor shall provide independent view based on its expertise, education and experience.

3.3. Miscellaneous

- 3.3.1. Communication with Contracting authority under Contract (e.g. information, requests, submissions, formal notifications, etc.) must be carried out in Latvian and English.
- 3.3.2. Communication channels: e-mail, Skype, telecommunications etc.
- 3.3.3. All written materials shall meet the highest standards and technical terminology proficiency. The Contractor shall engage professional proofreading Services at its own expense, if needed for ensuring quality materials.
- 3.3.4. Contractor shall include any travel expenses (if any arise) in Service price. Contracting authority will not additionally reimburse any travel expenses incurred by Contractor during the provision of Services.

TENDERER'S PROPOSAL



"On-demand accounting advisory services"

ANNEX NO 6: FINANCIAL PROPOSAL

FINANCIAL PROPOSAL FOR THE PROCUREMENT
"ON-DEMAND ACCOUNTING ADVISORY SERVICES"
(ID NO RBR 2020/7)

The Tenderer, partnership SIA "Oriens Audit & Finance"; UAB „AUDIFINA"; OÜ Parent Accounting offers to deliver services in accordance with the Annex No 1 "Technical specification" for the following costs¹:

No.	Service	Unit	Hourly rate (EUR without VAT)
1.	On-demand accounting advisory services (blended hourly rate)	hour	49,00
Total (EUR without VAT):			49,00

27.04.2020

Natālija Zaiceva, Member of the Board SIA "Oriens Audit & Finance"

[date of signing]

[name and position of the representative of the Tenderer]

¹ When preparing the Financial proposal, the rules of Section 10 of the Regulations shall be considered.

SERVICE PROVIDER'S DECLARATION

I, the undersigned duly authorised representative, on behalf of the **Partnership formed by SIA "Oriens Audit & Finance", UAB "Audifina" and Parent Accounting OÜ** undertake:

1. To respect the freely-exercised right of workers, without distinction, to organise, further and defend their interests and to bargain collectively, as well as to protect those workers from any action or other form of discrimination related to the exercise of their right to organise, to carry out trade union activities and to bargain collectively;
2. Not to use forced or compulsory labour in all its forms, including but not limited to not employ people **against their own free will, nor to require people to lodge 'deposits' or identity papers upon commencing employment;**
3. Not to employ: (a) children below 15 years of age or, if higher than that age, the minimum age of employment permitted by the law of the country or countries where the performance, in whole or in part, of a contract takes place, or the age of the end of compulsory schooling in that country or countries, whichever is higher; and (b) persons under the age of 18 for work that, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of such persons;
4. To ensure equality of opportunity and treatment in respect of employment and occupation without discrimination on grounds of race, colour, sex, religion, political opinion, national extraction or social origin and such other ground as may be recognised under the national law of the country or countries where the performance, in whole or in part, of a contract takes place;
5. To ensure the payment of wages in legal fashion, at regular intervals no longer than one month, in full and directly to the workers concerned; to keep an appropriate record of such payments. Deductions from wages will be conducted only under conditions and to the extent prescribed by the applicable law, regulations or collective agreement, and the workers concerned shall be informed of such deductions at the time of each payment. The wages, hours of work and other conditions of work shall be not less favourable than the best conditions prevailing locally (i.e., as contained in: (i) collective agreements covering a substantial proportion of employers and workers; (ii) arbitration awards; or (iii) applicable laws or regulations), for work of the same character performed in the trade or industry concerned in the area where work is carried out;
6. To ensure that: (a) the workplaces, machinery, equipment and processes under their control are safe and without risk to health; (b) the chemical, physical and biological substances and agents under their control are without risk to health when the appropriate measures of protection are taken; and (c) where necessary, adequate protective clothing and protective equipment are provided to prevent risk of accidents or of adverse effects to health;
7. To support and respect the protection of internationally proclaimed human rights and not to become complicit in human rights abuses;
8. To create and maintain an environment that treats all employees with dignity and respect and will not use any threats of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse. No harsh or inhumane treatment coercion or corporal punishment of any kind is tolerated, nor is there to be the threat of any such treatment;
9. To have an effective environmental policy and to comply with existing legislation and regulations regarding the protection of the environment; wherever possible support a precautionary approach to environmental matters, undertake initiatives to promote greater environmental responsibility and encourage the diffusion of environmentally friendly technologies implementing sound life-cycle practices;
10. To identify and manage chemical and other materials posing a hazard if released to the environment to ensure their safe handling, movement, storage, recycling or reuse and disposal;
11. To monitor, control and treat as required prior to discharge or disposal wastewater and solid waste generated from operations, industrial processes and sanitation facilities;
12. To characterise, monitor, control and treat as required prior to discharge or disposal air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations;
13. To reduce or eliminate at the source or by practices, such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials, waste of all types, including water and energy;
14. To adhere to the highest standards of moral and ethical conduct, to respect local laws and not engage in any form of corrupt practices, including but not limited to extortion, fraud, or bribery;
15. To disclose (a) any situation that may appear as a conflict of interest, such as but not limited to: where an Insurer or an undertaking related to the Insurer has advised a Beneficiary or Implementing Body or

- has otherwise been involved in the preparation of the procurement procedure; and (b) if any **Beneficiaries' or Implementing Bodies' official, professional under contract with Beneficiary or** Implementing Body or sub-contractor may have a direct or indirect interest of any kind in the Insurer's business or any kind of economic ties with the Insurer;
16. Not to offer any benefit such as free goods or services, employment or sales opportunity to a **Beneficiary's and Implementing Body's staff member in order to facilitate the Insurers' business with** Beneficiaries or Implementing Bodies;
 17. Within a period set in the applicable national legislation following separation from service or award of **a contract, as the case may be, to refrain from offering employment to any Beneficiaries' and Implementing Bodies' staff in service and former Beneficiaries' and Implementing Bodies' staff members** who participated in the procurement process and to whom a legal restriction to receive material benefits from or be employed by an Insurer which participated in a procurement procedure or restrictions with similar effect applies;
 18. **To promote the adoption of the principles set forth in this Insurer's Declaration by my potential business** partners and promote the implementation of the principles set forth in this document towards own suppliers;
 19. Not procure goods, works and services from other suppliers:
 - a) who, or its member of the Management Board or the Supervisory Board or procurator of such supplier, or a person having the right to represent such supplier in activities related to a subsidiary, has been found guilty in any of the following criminal offences by a such punishment prescription of prosecutor or a judgement of a court that has entered into effect and is non-disputable and not subject to appeal:
 - i. bribetaking, bribery, bribe misappropriation, intermediation in bribery, taking of prohibited benefit or commercial bribing, management of criminal organisation;
 - ii. fraud, misappropriation or laundering, human trafficking;
 - iii. evading payment of taxes and payments equivalent thereto,
 - iv. terrorism, financing of terrorism, invitation to terrorism, terrorism threats or recruiting and training of a person for performance of terror acts;
 - b) who, by such a decision of a competent authority or a judgment of a court which 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:
 - i. employment of such 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;
 - ii. 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;
 - c) who, by such a decision of a competent authority or a judgment of a court which 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;
 - d) whose insolvency proceedings 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 I shall evaluate the possibility of such supplier to participate in the tender), economic activity of such supplier has been suspended or discontinued, proceedings regarding bankruptcy of such supplier have been initiated or such supplier will be liquidated;
 - e) who has tax debts in the country where the procurement is organised or a country where such supplier is registered or permanently residing, including debts of State social insurance contributions, in total exceeding an amount which is common threshold in public procurements in the respective country.

Natālija Zaiceva,
Authorized person

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

[CONFIDENTIAL]