

Contract

RELIABILITY, AVAILABILITY, MAINTAINABILITY AND SAFETY (RAMS)  
CONSULTANCY SERVICES AGREEMENT

between

RB Rail AS  
and  
RINA CONSULTING S.P.A.

Contract registration number  
CEF<sup>1</sup> Contract No INEA/CEF/TRAN/M2016/1360716

Procurement procedure identification No

**1.19/LV-2021-2**

Activity 2 C1.1.8,  
Sub-activity  
C.02.(6) /C02F

**RBR 2020/12**

Riga

2021

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

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## SERVICES AGREEMENT

This SERVICES AGREEMENT (the "Agreement"), together with all Annexes thereto, is entered into in Riga, on THE DATE INDICATED ON THE TIMESTAMP OF THE LAST SIGNATURE OF THE DOCUMENT (the "Commencement Date") by and between:

**RB Rail AS**, a joint stock company registered in the Latvian Commercial Register registration No 40103845025, legal address at **Krišjāņa Valdemāra iela 8-7**, Riga, LV-1010, Latvia (the "Principal"), represented by Management Board Member acting on the basis of the Regulations on Representation Rights dated 20 July 2020, on the one side,

and

**RINA CONSULTING S.P.A.**, a joint stock company organized and existing under Italian law, registration number with 03476550102, having its registered address at Via Antonio Cecchi, 6, PC 16129 Genova, Italia (the "Contractor"), represented by the Chief Executive Officer Roberto Carpaneto acting on the basis of the powers conferred upon him by the resolution of the Board of Directors on 25 May 2020, on the other side,

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 procurement procedure "Reliability, availability, maintainability and safety (RAMS) consultancy services" (identification No RBR 2020/12) (the "Procurement Procedure") whereby the Contractor's tender proposal (the "Contractor's 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/M2016/1360716, Activity "2 C1.1.8", Action No: C.02.(6) /C02F.

### Section I. Definitions and Interpretation

- 1.1. *Definitions.* In this Agreement, unless the context requires otherwise, all Definitions shall have the meanings as described to such terms in accordance with *Annex A: Definitions and common terms*.
- 1.2. *Interpretation.*
  - (a) The headings contained in this Agreement shall not be used in its interpretation.
  - (b) References to the singular shall include references in the plural and vice versa, words denoting a gender shall include any other gender where the context requires, and words denoting natural persons shall include any other Persons.
  - (c) References to a treaty, directive, regulation, law or legislative provision shall be construed, at any particular time, as including a reference to any modification, extension or re-enactment of the respective treaty, directive, regulation, law or legislative provision at any time then in force and to all subordinate legislation enacted from time to time.
  - (d) In the event there arises a conflict between provisions of the Agreement, the last provision to have been written chronologically shall take precedence.

- (e) Any reference in this Agreement to a Person acting under the direction of another Person shall not include any action that is taken in contravention of any Applicable Law or Standards, unless the relevant Person can demonstrate that an explicit instruction or direction was given to take the relevant action.
  - (f) Unless expressly stated to the contrary, any reference in this Agreement to the right of consent, approval or agreement shall be construed such that the relevant consent, approval or agreement shall not be unreasonably delayed or withheld. The Parties agree and acknowledge as follows:
    - (i) neither Party shall be required to seek or apply for any consent, approval or agreement by any Person which would place the respective Party in breach of the Applicable Law or any Good Industry Practice; and
    - (ii) nothing in this Agreement shall require the Principal to give or procure the giving of any consent or approval which would be contrary to the protection, safety and efficient operation of the Railway and the Project.
  - (g) A reference to “writing” shall include an e-mail transmission and any means of reproducing words in a tangible and permanently visible form.
  - (h) The words “include” and “including” are to be construed without limitation.
  - (i) Unless indicated otherwise, all references to “days” shall mean calendar days.
  - (j) The words in this Agreement shall bear their natural meaning, except for any Definitions in accordance with *Annex A: Definitions and common terms*.
- 1.3. *Order of Precedence.* In the event of any discrepancy or inconsistency between the documents forming part of this Agreement, the following order of precedence shall apply:
- (a) this Agreement document;
  - (b) Explanations (clarifications) of the procurement documentation;
  - (c) Procurement documents with the annexes (including Technical specifications (Scope of Service));
  - (d) Clarifications of the **Contractor’s Proposal**;
  - (e) **Contractor’s Proposal**;
  - (f) All other Annexes of the Agreement.

## Section II. General terms and conditions

- 2.1 *Engagement.* The Principal hereby engages the Contractor to provide and perform the Services for the purposes of the Project, as further described and according to the specifications contained *Annex B: Technical Specification* to this Agreement, and the Contractor hereby accepts such engagement. The Services shall result in the provision to the Principal of the Deliverables identified in accordance with *Annex C: Schedule of Services* to this Agreement.
- 2.2 *Additional scope of Services.* Considering the subject matter of the Services, the Principal has envisaged that there may arise a need for additional scope of Services as described in Clause 2.5. of the *Annex B: Technical Specification* with the Contractor performing additional operational specific case studies (in the manner as detailed in Clauses 2.4.1. - 2.4.6. of *Annex B: Technical Specification*) as the Principal may decide on additional safety studies during the execution of this Agreement based on the results of fulfilled Services. This additional scope of Services will be performed on an on-demand basis as deemed necessary by the Principal (there is no guaranteed amount for the Contractor). The value of such additional Services may not in total exceed 50% of the Fee amount (i.e. the maximum remuneration the Contractor could potentially receive from this Agreement is 150% of the Fee amount).
- 2.3 *Co-Operation of the Parties.* The Parties shall cooperate with one another to fulfil their respective obligations under this Agreement. Both Parties shall endeavour to maintain good working relationships among all key personnel engaged toward provision of the Services.

- 2.4 *Licensing Requirements.* By signing this Agreement, the declaration is made by the Contractor that the Contractor is professionally qualified, registered, and licensed to practice in the respective country.
- 2.5 *General Obligations of Contractor.* The Contractor shall be responsible for the professional quality, technical accuracy, and coordination of all concepts, reports, specifications, and other services furnished under this Agreement. The Contractor shall have an obligation, without additional compensation of any kind, to correct or revise any errors, deficiencies, or omissions in concepts, programming, reports, designs, drawings, specifications, estimates, and other services rendered hereunder and forming part of the Services.
- 2.6 *Acceptance Not a Waiver.* The **Principal's review, approval, acceptance**, or payment for the Works forming part of the Services shall not be interpreted or construed to operate as a waiver of any right or cause for action arising out of the Contractor's **performance of any Works** under this Agreement. The Contractor shall remain liable to the Principal as allowed under this Agreement and under Applicable Law for any and all costs and/or Damages caused by the Contractor's **negligent** performance of any of the Works and Services furnished under this Agreement.
- 2.7 *Term.* The term of for the provision of Services is **twelve (12)** months starting from the Commencement Date.
- 2.8 *Expiry and termination.* The Agreement terminates once the Parties have fulfilled their contractual obligations arising out of this Agreement.

### Section III. Responsibilities of Principal

- 3.1. *Supply of Information.* Unless otherwise provided under this Agreement, the Principal shall, in a timely manner, provide to the Contractor any information regarding requirements and parameters of the Project, as may reasonably be requested by the Contractor for the purposes of the Services, provided that the Principal is in possession of such information. The Principal shall furnish to the Contractor **a preliminary Project program setting forth the Principal's objectives, schedule,** constraints and criteria, including necessities and relationships, special equipment, systems and site requirements.
- 3.2. *Review of Documentation.* The Principal shall examine Documentation as may be submitted by the Contractor for review by the Principal toward partial completion of the Services and, upon request of the Contractor, shall render decisions and opinions pertaining thereto.
- 3.3. *Decisions.* On all matters properly referred to it in writing by the Contractor the Principal shall give its decision in writing so as not to delay the Services and within a reasonable time. The Principal is not limited to provide any answer and information to the Contractor by e-mail.
- 3.4. *Accounting and Auditing Services.* The Principal shall furnish accounting and auditing services as may be necessary for the Services as the Principal may require to ascertain how and/or for what purposes the Contractor has used the funds paid under the terms of this Agreement.
- 3.5. *Action Upon Becoming Aware of Defects.* In the event the Principal observes or otherwise becomes aware of any error, fault, omission, or defect in the Services or non-conformance of any action forming part of the Services with the Documentation or information, the Principal shall give prompt notice thereof to the Contractor. The Contractor shall have the obligation to correct such error, fault, omission, or defect in the Services or non-conformance of any action forming part of the Services.

### Section IV. Responsibilities of Contractor

- 4.1. *Standard of Performance.* The Contractor's **services shall be performed as expeditiously as is** consistent with professional skill and care, orderly progress of the Services, and in accordance with the Schedule of Services set forth in accordance with *Annex C: Schedule of Services* (the "Schedule of Services").
- 4.2. *Obligation to Act in Accordance with Principal's Comments.* In performing the Services, the Contractor shall have due regard to any comments made by the Principal in connection with any review of the Documentation or information furnished by the Principal and shall provide reasons to the Principal where it does not take into account any such comments.

- 4.3. *Duty of Care and Exercise of Authority.* The Contractor shall:
- (a) in performing its obligations under this Agreement, exercise reasonable professional skill, diligence and care as may be expected of a properly qualified and competent person carrying out services of a similar size, nature, type and complexity;
  - (b) ensure that its personnel are properly qualified and competent in accordance with the relevant Standards;
  - (c) ensure that all maps, drawings, plans, specifications, estimates, surveys and other documents and information required to be prepared or submitted by the Contractor under this Agreement conform to Good Industry Practice generally acceptable at the time of submission of such maps, drawings, plans, specifications, estimates, studies, documents and information;
  - (d) at all times during the term of the Services, ascertain and comply with all Applicable Laws of the Republic of Latvia and Good Industry Practice of the European Union;
  - (e) comply, where applicable, with any reasonable requirements of the Principal not otherwise provided for in this Agreement;
  - (f) ensure that all documents and information is furnished in accordance with Good Industry Practice, and using conventional industry quality control methods; and
  - (g) notify the Principal of any Defects in accordance with Clause 7.3 of this Agreement as soon as such Defects are identified by the Contractor.
- 4.4. *Maintenance of Records.* During the term of the Agreement and during ten (10) years from expiration or termination of this Agreement for any reason whatsoever, the Contractor shall keep and maintain clear, adequate and accurate records and Documentation evidencing, to the reasonable satisfaction of the Principal, that the Services has been and is being carried out in accordance with the Standards. In case of on-going audits, appeals, litigation or pursuit of claims concerning the grant, including in the case of correction of systemic or recurrent errors, irregularities, fraud or breach of obligations, the records shall be kept and maintained longer.
- 4.5. *Access to Documentation.* At all times during the term of the Agreement, the Principal shall have access to all Documentation. This access shall be continuing and survive the termination of this Agreement for either cause or convenience. The Documentation shall be kept in a generally recognized format for a period of ten (10) years from the date of expiration or termination of this Agreement. All records forming part of the Documentation shall be available to the Principals' auditor, or expert appointed by the Principal during the period of time specified in accordance with this Clause 4.5.
- 4.6. *Right to Sub-Contract and Staff.*
- 4.6.1. *Right to Sub-Contract and Staff according to law.* In carrying out the Services, the Contractor may only rely on the services of those Approved Sub-Contractors and Approved Staff listed in *Annex E: List of approved Sub-Contractors and Staff*, as such list may, from time to time, be modified or supplemented in agreement with the Principal and in accordance with the terms and subject to the criteria contained in the applicable Public Procurement Law of the Republic of Latvia. Parties shall specify the name, contact details and legal representative(s) of each Approved Sub-Contractor as of the Commencement Date in *Annex E: List of approved Sub-Contractors and Staff*. The Contractor shall have an obligation to notify the Principal in writing of any changes to *Annex E: List of approved Sub-Contractors and Staff* occurring during the term of this Agreement and of the required information for any new sub-contractors or staff member which it may subsequently engage toward provision of the Services.
- Pursuant to the Public Procurement Law of the Republic of Latvia the Contractor shall obtain prior written consent of the Principal for the replacement of each Approved Sub-contractor or each Approved Staff member, or each key personnel indicated in *Annex E: List of approved Sub-Contractors and Staff* and involvement of additional sub-contractors or staff members, or key personnel.
- Review and evaluation of the replacement of Approved Sub-contractors or Approved Staff shall be carried out, and the consent or refusal to give consent shall be rendered by the Principal in accordance with Article 62 of the Public Procurement Law of the Republic of Latvia.

The Contractor 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.

- 4.6.2. *Security Clearance Requirements.* The Contractor shall not involve employee and/or staff, including but not limited to key office-holders, key personnel, engineers, construction and design specialists, consultants and sub – consultants (if any) who have a criminal record, regardless of the criminal record having been set aside or extinguished, and/or person of whom there are know facts that give grounds to doubt his ability to retain restricted access and/or classified information in the implementation of the Agreement.

The Contractor shall submit to the Principal the name, surname, personal code (identification number), professional title (job position) of every person that will implement the Agreement and/or will be present on site at least ten (10) Working Days prior involvement of this person in the implementation of the Agreement and/or its presence on site. The Contractor shall provide a brief (concise) description of duties towards the implementation of the Agreement of the persons, and, if requested by the Principal.

At the Principal's request, the Contractor shall submit to the Principal a statement (certificate) from the relevant state penalty register regarding the entries in criminal records of the natural persons who are or will be involved in the implementation of the Agreement.

The Principal has a right to demand dismissal of such a natural person non-compliant with the security clearance requirements stipulated in this Sub-Clause 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 incontestable.

The Contractor shall immediately undertake all the necessary actions and measures to ensure that any risk of involvement of such a natural person non-compliant with the security clearance requirements stipulated in this Sub-Clause in the implementation of the Agreement is promptly and duly eliminated.

The Contractor is obliged:

- (a) to prevent involvement of such a natural person non-compliant with the security clearance requirements stipulated in this Sub-Clause in the implementation of the Agreement, and to prevent the presence of this person in the real estate, construction site or any other site, and
- (b) to immediately replace the dismissed person according to Article 62 of the Public Procurement Law of the Republic of Latvia and the Agreement, and
- (c) to comply with the Principal's **written instructions pursuant to this** Sub-Clause and not to challenge these instructions, and
- (d) to inform the Principal about dismissal or replacement proceedings pursuant to next paragraph of this Sub-Clause of the Agreement.

In any occasion the Contractor shall immediately notify the Principal in writing about any situation that emerged before and during the implementation of the Agreement, as a result of which there could appear or appears a risk of involving such a natural person non-compliant with the security clearance requirements stipulated in this Sub-Clause in the implementation of the Agreement, and about the immediate replacement of non-compliant or dismissed natural person involved in the implementation of the Agreement.

In case if the immediate dismissal or replacement of the dismissed natural person non-compliant with the security clearance requirements stipulated in this Sub-Clause results in the unreasonable increase of the Costs to the Contractor, the Contractor shall immediately inform the Principal about it in writing and the Parties shall try to agree on possible conditions and procedures under which the respective natural person may perform tasks related to the implementation of the Agreement.

- 4.7. *Responsibility for Performance by Sub-Contractors and Staff.* The Contractor shall retain the complete responsibility for the proper performance of all of its obligations under this Agreement, and any act, failure to act, breach or negligence on the part of any of its Approved Sub-Contractors and Approved

Staff shall, for the purposes of this Agreement, be deemed to be the act, failure to act, breach or negligence of the Contractor.

- 4.8. *No Conflicting Activity.* **Except with the Principal's knowledge and express written permission, the Contractor shall not engage in any activity, or accept any employment, other agreement, interest, or contribution that would reasonably appear to compromise the Contractor's professional judgment and performance with respect to the Services and/or the Project.** In performing the Services, the Contractor shall take all necessary measures to prevent any situation where the impartial and objective implementation of the Services is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest.
- 4.9. *Attendance of Meetings and presence at the Principal.* To the extent necessary to ensure smooth and efficient provision of the Services, the Contractor **shall, at the Principal's request, hold and/or attend** meetings with any persons. The Contractor shall arrange Services's communication's planning meetings on a weekly, monthly and quarterly bases (or more frequently, to the extent mutually agreed by the Parties) as described in *Annex B: Technical Specification*, at which appropriate personnel of the Contractor and the Principal and the Representatives of each Party shall be present. The Contractor shall record all meetings (also online meetings) between Parties and prepare meeting reports within five (5) Working Days after each meeting. All meeting reports shall be harmonized by Principal. Additionally the Contractor shall ensure the presence at the Principals premises requirements as stipulated in *Annex B: Technical Specification*.
- 4.10. *Compliance with Laws.* The Contractor shall review the Applicable Laws that is applicable to the Contractor's **services**. In carrying out any activities forming part of the Services, the Contractor shall, at all times, ensure compliance with requirements imposed by supra-national and/or governmental authorities having jurisdiction over the Project.
- 4.11. *Information Furnished by Principal.* The Contractor shall be entitled to rely on the accuracy and completeness of services and information furnished by the Principal. The Contractor shall provide prompt written notice to the Principal if the Contractor becomes aware of any errors, omissions, or inconsistencies in the information provided by the Principal or in the preparation or provision of Services or information.
- 4.12. *Certain Negative Covenants.* In performing the Services, the Contractor undertakes not to procure goods or services of any kind from any person meeting any of the following criteria:
- (a) the Person who is a member of the Management Board or Supervisory Board of an Approved Sub-Contractor or procurator of an Approved Sub-Contractor, or is authorised to represent or act on behalf of an Approved Sub-Contractor with respect to any activity related to any subsidiary company of such Approved Sub-Contractor, and such Person has been accused of commitment of any of the following criminal offences pursuant to an order issued by a public prosecutor or was found to be guilty of commitment of any of the following criminal offences in accordance with a court judgment that has entered into legal force, is non-disputable and non-appealable:
    - (i) formation, organisation, leading or involvement in the criminal organisation or another criminal formation, or participation in the criminal acts of such organisation or formation;
    - (ii) accepting a bribe, giving of a bribe, misappropriation of a bribe, intermediation toward giving or taking of a bribe, acceptance of a prohibited benefit or commercial bribing;
    - (iii) fraud, misappropriation of funds or money laundering;
    - (iv) tax evasion or evasion of payments equivalent to tax;
    - (v) terrorism, financing of terrorism, instigation of acts of terrorism, terrorist threats or recruitment and training of a person with the aim of committing acts of terrorism;
    - (vi) human trafficking;
  - (b) the Person has, by decision of a competent authority or judgment of a court which has entered into legal force and is non-disputable and non-appealable, been found guilty of violation of labour law in any of the following manners:



- (i) employment of one or more citizens or nationals of countries who are not citizens or nationals of a Member State of the European Union and are residing in the territory of a Member State of the European Union unlawfully;
- (ii) employment of one or more persons without having entered into written employment agreement with such persons, or without having submitted an employee declaration with respect to such persons within a period of time stipulated in accordance with applicable laws and regulations applicable to persons that enter into salaried employment;
- (c) the Person who, by decision of a competent authority or in accordance with judgment of a competent court which has entered into legal force, is non-disputable and non-appealable, has been held guilty of violation of applicable rules of competition law manifested as a vertical agreement aimed at restricting the ability of one or more purchasers to determine the resale price, or a horizontal cartel agreement, with the exception of instances where the relevant authority, upon having established the fact of violation of applicable rules of competition law, has discharged the candidate or participant in a tender offer from imposition of a fine or has reduced the amount of fine as a part of co-operation leniency programme;
- (d) the Person who has insolvency proceedings initiated against it (except in the circumstances where a bailout or a similar set of measures are applied within the insolvency proceedings and are aimed at preventing the bankruptcy and restoring the debtor back to solvency, in which case the Contractor shall evaluate the possibility of participation by such Person in performing the Services), economic activity of the Person has been suspended or discontinued, bankruptcy proceedings have been initiated against the Person or the Person is subject to a liquidation;
- (e) the Person has unpaid tax indebtedness in the country where the procurement is organised or in the country where the Person is registered or permanently residing as a tax payer, including the indebtedness with respect to State social insurance contributions, in the total amount exceeding EUR 150 in each individual country; in such case, the Contractor can, within its sole discretion, prompt the Approved Sub-Contractor to pay or discharge all outstanding tax indebtedness within ten (10) Working Days and, upon such payment or discharge, allow the Person to continue performance of the Services;
- (f) the Person is an entity registered offshore;
- (g) International or national sanctions or substantial sanctions by the European Union or the North Atlantic Treaty Organization Member State affecting the interests of the financial and capital market has been imposed to the Person and such sanctions can affect the execution of the Contract; and
- (h) any of the above-mentioned criteria shall apply to all members of a group of persons if the Person is a group of persons.

4.13. *Visibility Requirements.* At all times during performance of the Services, the Contractor undertakes to comply with each of the following requirements:

- (a) any report, brochure, document or information related to the Services conducted by the Contractor hereunder or any other Person, or which the Contractor makes publicly available shall include each of the following:
  - (i) a funding statement which indicates that the Services is financed from CEF funds **substantially in the following form:** "Co-financed by the Connecting Europe Facility of the European Union";
  - (ii) with respect to printed materials, a disclaimer releasing the European Union from liability with respect to any contents of any distributed materials substantially in the **form as follows:** "**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**". The disclaimer in all official languages of the European Union can be viewed on the website <https://ec.europa.eu/inea/connecting-europe-facility/cef-energy/beneficiaries-info-point/publicity-guidelines-logos>; and
  - (iii) the flag of the Council of Europe and the European Union.

- (b) the requirements set forth in Clauses 4.13(a)(i) and 4.13(a)(iii) of this Agreement can be complied with by means of utilizing the following logo:



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

in the event the Contractor decides to utilize the above logo, the Contractor shall ensure that the individual elements forming part of the logo are not separated (the logo shall be utilized as a single unit) and sufficient free space is ensured around the logo; and

- (c) in order to comply with the latest applicable visibility requirements established by the European Union, the Contractor shall regularly monitor changes to visibility requirements; as of the Commencement Date, the visibility requirements are available for review on the webpage <https://ec.europa.eu/inea/connecting-europe-facility/cef-energy/beneficiaries-info-point/publicity-guidelines-logos>.

4.14. *Reporting.* The Contractor shall, in a format and at intervals to be agreed with the Principal:

- (e) provide the Principal with regular reports and status updates on the progress of the Works.
- (f) report on any changes to the Annexes of this Agreement, including but not limited to Services Schedule, which the Contractor considers may be needed in order to fulfil the objectives set out in the Agreement; and
- (g) use reasonable endeavours to provide any other information and status updates as may be reasonably requested by the Principal at any time.

In order to avoid any doubt, any change to the above-mentioned documentation can be made only pursuant to this Agreement, if agreed by both Parties, and, if the proposed changes are compliant with the Public Procurement Law of the Republic of Latvia.

## **Section V. Representations and Warranties**

5.1 *Certain Representations and Warranties by Parties.* Each Party represents and warrants to the other Party, as of the Commencement Date, as follows:

- (a) it has entered into this Agreement with the aim of attaining all of the objectives and performing in all material respects all of the obligations and commitments herein set forth;
- (b) it has entered into this Agreement without having any intention or goal whatsoever to violate the Applicable Law, its own Articles of Association, other constitutional documents, laws or agreements of any kind to which it is a party;
- (c) it is not bankrupt and is not the subject of insolvency or winding-up proceedings, where its assets are being administered by a liquidator or by the court, it is not in an arrangement with creditors, where its business activities are suspended, or it is in any analogous situation arising from a similar procedure under the laws of the country where it is registered and submits its tax accounts; and
- (d) it has entered into this Agreement of its own volition and in good faith.

5.2 *Certain Representations and Warranties by Contractor.* The Contractor represents and warrants to the Principal, as of the Commencement Date, as follows:

- (a) it has all requisite qualification, skills and competence to perform the Services on the terms and conditions of this Agreement which are no less favourable than the terms and conditions of service identified by the Contractor in any document submitted by the Contractor to the Principal as part of the Procurement Procedure and on the terms of **the Contractor's Proposal**;

- (b) it holds all requisite licenses, permits, approvals and consents necessary to enable performance by the Contractor of the Services according to the specifications contained in this Agreement and *Annex B: Technical Specification*;
- (c) it has all requisite ability to ensure the highest quality of the Services;
- (d) it will assign competent and duly qualified personnel indicated in the tender proposal to carry out the Works set out in this Agreement according to the tender proposal and applying the highest professional Standard and Good Industry Practice;
- (e) it is not deemed to be a person associated with the Principal for the purposes of Applicable Law;
- (f) it has been registered as a VAT payer in Italian Republic;
- (g) it is compliant with all of the requirements of the **Contractor's Declaration** contained in *Annex J: Declaration of Contractor* and will continue to be compliant with all such requirements during the term of this Agreement;
- (h) the income mentioned in this Agreement will not derive through permanent establishment or fixed base maintained by the Contractor in the Republic of Latvia. The Contractor agrees to submit to the Principal four (4) copies of "**Residence Certificate**–*Application for Reduction of or Exemption from Latvian anticipatory taxes withheld at source from payments (management and consultancy fees, leasing fees and certain other types of income), paid to residents of the Italian Republic*"(the "**Residence Certificate**") confirmed by Competent Authority of the Italian Republic and the Latvian State Revenue Service. The Residence Certificate shall be submitted to the Principal prior the Principal will due to make a payment of the fee or other payments to the Contractor. Otherwise the Principal will withhold withholding tax at the rate of 20% from the Fee and payments made to the Contractor. The Principal is entitled to make any deductions from the payments due to the Contractor if the Contractor **doesn't comply with this provision**; and
- (i) it will immediately arrange for engagement of supplemental personnel when necessary at the cost of the Contractor. For the avoidance of any doubt, the engagement of supplemental personnel shall not require approval by the Principal, provided that the personnel complies with the Applicable Law, including the Public Procurement Law of the Republic of Latvia, and this Agreement.

## Section VI. Fee and Payment

- 6.1 *Fee.* In consideration of provision of the Services, the Principal undertakes to pay the Contractor a Fee in the total amount set forth in accordance with *Annex D: Fee and Payment Schedule* (the "**Fee**") which shall be split into separate instalments and be payable by the Principal to the Contractor according to the Schedule set forth in *Annex D: Fee and Payment Schedule*. It is acknowledged and agreed by the Parties that the Fee shall include all Costs and expenses incurred by the Contractor and Approved Sub-Contractors toward performing the Services. The Fee specified in accordance with this Clause 6.1 excludes value added tax that will be charged at the rate applicable in accordance with Applicable Law at the time of invoicing. Additionally, the Principal undertakes to pay the Contractor for the additional scope of Services mentioned in Clause 2.2 of this Agreement on the basis of **Contractor's hourly rates** as indicated in the *Annex D: Fee and Payment Schedule*, as per Principals each separate request for on-demand additional Services (if any) and respectively agreed Fee for each such task.
- 6.2 *Invoicing.* According to *Annex D: Fee and Payment Schedule* and following each Completion Date and/or Final Acceptance Date, provided that the Principal has accepted/approved the particular Deliverable of the Services which the invoice related to, the Contractor shall deliver to the Principal an invoice specifying the amount of the Fee payable and the period of time with respect to which the Fee is payable. In the event the Principal objects to payment of any amount claimed by the Contractor in the invoice, notice in the form chosen by the Principal to this effect shall be given by the Principal to the Contractor not later than seven (7) days before the due date for payment under this Clause 6.3. This notice of objection shall state the amount to be withheld, the grounds for withholding the payment and the basis on which that amount is calculated. Unless such notice of objection is made by the Principal, the amount to be paid is that stated in the invoice which shall become due and

payable in accordance with this Agreement. For the avoidance of any doubt, the Principal shall not be required to pay any amount under this Agreement with respect to any part of the Services that has not been accepted by the Principal in accordance with Clauses 7.4, 7.5, 7.6 and 7.7 of this Agreement.

- 6.3 *Payment.* Subject to the provisions of Clause 6.2, the Principal reserves the rights to make the payments to the Contractor with set-off, retention, counterclaim, abatement or other deduction of any kind that arises from this Agreement and from the obligations of the Contractor provided herein (i.e. in cases of accrued contractual penalty amounts, **in case if the Principal haven't received** residence certificate as stipulated in this Agreement, etc.). If the Principal uses the right to make the payments to the Contractor with set-off, retention, counterclaim, abatement or other deduction of any kind, then the Principal so notifies to the Contractor no later than on the date of the respective payment stating the amount, the grounds and the basis on the Principal uses its right to set-off, retention, counterclaim, abatement or other deduction or other right. Invoices shall be paid within thirty (30) days after the date of issue of the invoice. For the avoidance of any doubt, the Principal shall not be required to pay any amount with respect to any invoice in the absence of a Provisional Completion Deed duly signed by the Principal or, with respect to the final payment of the Fee, the Final Acceptance Deed duly signed by the both Parties, taking into account that the Services shall be accepted by the Principal for final deliverable in accordance with Clauses 7.4, 7.5, 7.6 and 7.7 of this Agreement.
- 6.4 *Costs and Commissions.* Each Party shall bear its own costs, fees, commissions and expenses incurred in connection with the transfer of any funds under this Agreement to the other Party.
- 6.5 *Compliance with Tax Obligations.* It is acknowledged and agreed by the Parties that the Fee shall include all taxes and duties payable by the Contractor in the consequence of provision of the Services, except value added tax (**the "VAT"**). The Contractor shall, at the sole cost and expense of the Contractor, comply with the obligation to pay all taxes and duties relevant to the provision of the Services in the Italian Republic and in accordance with Applicable Law of the Italian Republic. In addition, the Contractor shall assume all risks associated with the payment or obligation to pay such taxes and duties, if any. The Contractor assumes all risks associated with the possible increase in the amount of the Fee arising as a result of the obligation of having to pay any such taxes or duties.
- 6.6 *Invoice.* **The Contractor's invoices shall contain the following Contractor's details and details about the Agreement:**

a) **Contractor's details and details about the Contract:**

Contractor	RINA CONSULTING S.P.A.
Registration No	03476550102
VAT payer's No or indication that the Contractor is not a VAT payer	03476550102
Legal address, city, Zip code, country	VIA CECCHI 6, PC 16129, GENOA, Italy
Legal name of Bank	[CONFIDENTIAL]
SWIFT Code	[CONFIDENTIAL]
IBAN	[CONFIDENTIAL]
<b>The Principal's VAT No</b>	LV40103845025
Subject:	For provided services according to the Reliability, Availability, Maintainability And Safety (RAMS) Consultancy Services Agreement No [●] (CEF Contract No INEA/CEF/TRAN/M2016/1360716 Activity No 2 C1.1.8, Sub-activity C.02.(6) /C02F,

b) the serial number and date of issue of the invoice;

c) the name or a description of the services;

d) the quantity of the services;

e) the date of provision of the services or the date of receipt of full or partial payment for the services if the date can be determined and differs from the date of issue of the invoice;

f) the price of the services exclusive of value added tax and any discounts;

g) the taxable amount broken down by different rates of value added tax together with the applicable rates of value added tax or the amount of supply exempt from tax;

h) the amount of value added tax payable. The amount of value added tax shall be indicated in euros.

The Contractor shall send the invoice to the Principal electronically to the following e-mail address: [invoices@railbaltica.org](mailto:invoices@railbaltica.org). The Principal shall review the invoice to verify whether it contains all necessary requisites.

## Section VII. Commencement of Services, remedying of Defects and acceptance

7.1 *Services Commencement.* The Contractor shall start the provision of the Services on the Commencement Date and shall ensure that the Deliverables are furnished to the Principal on or before each relevant Services Milestone as identified in accordance with *Annex C: Schedule of Services*. The Contractor shall perform the Services timely and with due diligence having due regard to any applicable Services Milestones and any other key dates for performance of the Services set out in the Agreement and the applicable Annexes, as may be amended from time to time with the consent of the Principal or in accordance with this Agreement and Public Procurement Law of the Republic of Latvia.

7.2 *Impediments and Delays.* If the Services, or any part thereof, is impeded or delayed by the Principal, or any third party engaged by the Principal so as to increase the duration of the Services:

- a) the Contractor shall inform the Principal of the circumstances and probable effects of such impediment or delay upon the agreed Schedule of Services specified in accordance with *Annex C: Schedule of Services*; and
- b) the duration of the Services shall be increased, and any Services Milestones affected by the impediment or delay shall be extended accordingly.

7.3 *Defects.* The Principal shall notify the Contractor of each Defect as soon as Defect is identified by the Principal and the Contractor shall have an obligation to notify the Principal of each Defect as soon as Defect is identified by the Contractor. Upon discovering a Defect, or upon receipt by the Contractor of a notification of Defect from the Principal, the Contractor shall have no more than five (5) Working Days **to remedy the Defect (the "Cure Period")**. In the event of inability or failure by the Contractor to remedy the Defect within the Cure Period, the Principal shall be entitled, at the sole and exclusive discretion of the Principal, to do any of the following:

- (a) allow the Contractor an additional time period for remedying the Defect, such time period to be determined in the sole discretion of the Principal;
- (b) remedy the Defect at own cost of the Principal (including by means of relying on the services of a third Person) and demand reimbursement by the Contractor of Costs incurred by the Principal as a result of having to pay other Persons toward carrying out any work or action;
- (c) terminate the Agreement according to *Section IX. Termination and suspension*.

For the avoidance of any doubt, the application of the Cure Period under this Clause 7.3 shall be without prejudice to and shall not relieve the Contractor from the obligation to pay any contractual penalty in accordance with the provisions of Clause 10.2 or to compensate any Damages in accordance with the provisions of Clause 10.3 of this Agreement.

7.4 *Completion of Services and Completion Deed.* Meeting of a Services Milestone or supply of a Deliverable occurs whenever the Contractor has completed all of the Works which the Contractor has undertaken to perform according to the *Annex B: Technical Specification* and *Annex C: Schedule of Services* by the relevant Services Milestone. On meeting a Services Milestone and/or producing a Deliverable (including all Documentation and information forming part of the Deliverable) constituting all or an identifiable part of the Services, the Contractor shall issue to the Principal a Provisional Completion Deed substantially in the form of *Annex F: Form of Provisional Completion (the "Provisional Completion Deed")*. The Provisional Completion Deed shall include the Deliverable and adequate supporting Documentation and information relevant to the Services Milestone attained and/or Deliverable completed.

7.5 *Objection Notice and Provisional Acceptance Deed.* In the event the Principal objects to the issuance of a Provisional Acceptance Deed, it shall give notice to the Contractor setting out in reasonable detail

any Defect or reason for the objection (the "Objection Notice") within reasonable time following receipt of the Provisional Completion Deed. In the event no reasons for objection to the Provisional Completion Deed exist, the Principal shall issue, within reasonable time following receipt of the Provisional Completion Deed, a provisional acceptance deed in the form of *Annex G: Form of Provisional Acceptance* (the "Provisional Acceptance Deed"). Subject to Clause 2.6 of this Agreement, the date of the Provisional Acceptance Deed **shall constitute "Completion Date" with respect to the relevant Services Milestone and/or Deliverable**. The Principal shall not unreasonably withhold or delay issuance of a Provisional Acceptance Deed. The Provisional Acceptance Deed may have annexed to it a list of any outstanding Defects or deficiencies to be corrected by the Contractor.

7.6 *Completion of Services Following Receipt of Objection Notice*. In the event of receipt by the Contractor of an Objection Notice in accordance with Clause 7.5 of the Agreement, the Contractor shall:

- (a) take due account of all Defects, irrespective of their extent or nature, and other matters raised in the Objection Notice;
- (b) as soon as reasonably practicable but no later as mentioned in the Objection Notice and in the Agreement, correct such Defects and deficiencies, irrespective of their extent or nature, and complete the Works indicated in the Objection Notice so as to comply in all material respects with the requirements of this Agreement and Applicable Law; and
- (c) issue to the Principal a second Provisional Completion Deed substantially in the form of *Annex F: Form of Provisional Completion Deed*.

The second Provisional Completion Deed issued in accordance with Clause 7.6(c) shall include the Deliverable and adequate supporting Documentation and information relevant to the Services Milestone attained and/or Deliverable completed. In the event no reasons for objection to the second Provisional Completion Deed exist, the Principal shall, within reasonable time following receipt of the second Provisional Completion Deed, issue a Provisional Acceptance Deed in the form of *Annex G: Form of Provisional Acceptance* and, subject to the provisions of Clauses 2.6 and 9.1(b) of this Agreement, the date of the Provisional Acceptance Deed **shall constitute "Completion Date" with respect to the relevant Services Milestone and/or Deliverable**. In the event the Principal objects to the issuance of a Provisional Completion Deed in accordance with this Clause 7.6 of this Agreement, it shall give the second Objection Notice to the Contractor in the previously mentioned order. For the avoidance of any doubt, the giving by the Principal of any Objection Notice under Clause 7.5 of this Agreement or second Objection Notice under this Clause 7.6 of this Agreement shall be without prejudice to and shall not relieve the Contractor from the obligation to pay any contractual penalty in accordance with the provisions of Clause 10.2 of this Agreement or to pay Damages in accordance with the provisions Clause 10.3 of this Agreement.

7.7 *Final Acceptance*. Final acceptance of the Services shall occur once the Contractor has duly delivered and the Principal has fully accepted the respective Services and all of the required Deliverables as specified in the *Annex C: Schedule of Services* and upon remedying by the Contractor of all Defects notified by the Principal to the Contractor in accordance with Clause 7.3 of this Agreement, if any. Final acceptance shall be evidenced by means of the Principal issuing and both Parties attaching their signatures to the Final Acceptance Deed substantially in the form of *Annex H: Form of Final Acceptance Deed* (the "Final Acceptance Deed"). In the event the Principal objects to the issuance of the Final Acceptance Deed, the Principal shall give notice to the Contractor setting out in reasonable detail all Defects, or reason(s) for refusal to issue the Final Acceptance Deed. The date of the Final Acceptance Deed **shall constitute the "Final Acceptance Date" with respect to the Services**. The Principal shall not unreasonably withhold or delay issuance of a Final Acceptance Deed.

7.8 The Contractor shall provide draft Deliverables to the Principal by e-mail before the respective Service Milestones, considering the time required for review and approval. The Principal shall review and send by email to Contractor comments to the submitted draft Deliverables within five (5) Working Days after receiving the draft Deliverables, if any. Draft Deliverables and comments to it shall be deemed received on the second (2nd) Working Day following the sending day. Upon receiving these comments, the Contractor shall adjust draft Deliverable in five (5) Working Days and submit Deliverable to the Principal according to Clause 7.4 of this Agreement.

## Section VIII. Intellectual Property Rights

- 8.1 *Proprietary Rights.* All Documentation forming part of the Deliverables developed under this Agreement is and shall become the property of the Principal at the moment of creation regardless of whether the Services or Deliverable is produced or finally accepted. It is acknowledged and agreed by the Parties that the Principal shall be permitted to reproduce the drawings and schemes and distribute the prints in connection with the use or disposition of the Documentation without any approval of the Contractor and without incurring obligation to pay any royalties or additional compensation whatsoever to the Contractor.
- 8.2 *Licence from employees of Contractor.* The Contractor hereby warrants that it shall obtain from its employees and grant to the Principal an exclusive licence to use the personal Intellectual Property rights pertaining to the Documentation. The licence shall be valid for the time period the Intellectual Property is under legal protection.
- 8.3 *Intellectual Property in Documentation.* The Contractor represents and warrants that it owns all Intellectual Property required for the purposes of completing its obligations under this Agreement and in all Documentation deliverable by or on behalf of the Contractor under this Agreement and that, to the extent any Intellectual Property in any Documentation is not owned by the Contractor, it has obtained all requisite consents from owner(s) of all Intellectual Property in the Documentation to fulfil all of the obligations undertaken by the Contractor under this Agreement and has fully discharged all obligations with respect to payment of any royalties or fees.
- 8.4 *Transfer of Ownership to Principal.* The Principal shall acquire legal title to and ownership in the Intellectual Property in all Documentation deliverable to the Principal under this Agreement as of the moment of delivery by the Contractor to the Principal of the Provisional Completion Deed, together with the Deliverable and Documentation and information forming part of the Deliverable, in accordance with Clause 7.4 of this Agreement; provided, however, that the Principal has paid the Fee or other consideration payable under the terms of this Agreement with respect to the relevant part of the Services or Deliverable. For the avoidance of any doubt, such title and ownership shall confer upon the Principal, without limitation, each of the following:
- (a) the right to reproduce the Documentation and information, or any part thereof, and distribute copies of the Documentation and information or any part thereof;
  - (b) the right to modify, amend and supplement the Documentation and information, or any part thereof;
  - (c) the right to licence the Documentation and information, or any part thereof, for use by others; and
  - (d) the right to transfer ownership in the Documentation and information, or any part thereof, to others.
- 8.5 *Grant of Limited License to Contractor.* Upon acceptance by the Principal of any Deliverable and Documentation forming part of any Deliverable in accordance with Clause 7.4, 7.5, 7.6 and 7.7 and Clause 8.6 of this Agreement the Principal shall be deemed to have granted the Contractor an irrevocable and exclusive licence to reproduce, modify and distribute copies of any Documentation forming part of any Deliverable for the purposes of the Services and the Project, subject to the following restrictions:
- (a) the license shall apply during the term of this Agreement only;
  - (b) the permitted use shall only cover the right to reproduce, modify and distribute the Documentation and information, or any part thereof, for the purposes of performing, implementing or modifying the Services; and
  - (c) the Documentation and information, or any part thereof, shall not, without the prior consent by the Principal, be distributed or communicated to any third party for purposes other than those permitted in accordance with this Clause 8.5 of this Agreement.

The license in accordance with this Clause 8.5 of this Agreement shall be deemed to have been granted to the Contractor as of the Completion Date.

- 8.6 *No Additional Royalty.* It is acknowledged and agreed by the Parties that consideration for the transfer of ownership in the Intellectual Property shall be forming part of the Fee and no additional royalty, fee or other consideration of any kind shall be payable by the Principal to the Contractor or to any third party in consideration of the transfer of ownership in the Intellectual Property in any Documentation.
- 8.7 *No Infringement.* The Contractor represents and warrants to the Principal that no Documentation and information deliverable to the Principal under the terms of this Agreement will infringe any existing Intellectual Property of any third party. In the event any of the representations or warranties contained in this *Section VIII. Intellectual Property Rights* prove to be untrue or inaccurate, the Contractor undertakes, at its own cost and expense, to defend and settle any claim raised by any third party alleging infringement of Intellectual Property in the Documentation and information. The foregoing undertaking by the Contractor shall apply subject to the following conditions:
- (a) the Principal shall notify the Contractor, without undue delay, of any third-party claim alleging infringement of any Intellectual Property in any Documentation;
  - (b) the Principal refrains from admitting liability under any third-party claim or acting on the account of such claim without prior approval by the Contractor; and
  - (c) the exclusive control over any legal proceeding or settlement related any third-party claim shall be exercised by the Contractor; provided, however, that the Principal shall render the Contractor all reasonable assistance toward such proceeding or settlement, at the cost and expense of the Contractor.
- 8.8 *Infringement Proceedings.* In the event the Principal is a party to legal proceedings involving allegations of infringement of any Intellectual Property in the Documentation of any third party, the Contractor shall keep the Principal fully informed of all aspects relevant to the legal proceedings and the Principal shall have the right, at its own cost, to be represented in the legal proceedings by separate counsel. In the event the Contractor fails to act against claims alleging infringement of any Intellectual Property in the Documentation and information of any third party within reasonable time but, in any event, within twenty (20) days of having been notified of such claims, the Principal shall have the right to assume legal defence against claims alleging infringement of Intellectual Property and shall be entitled to reimbursement by the Contractor of reasonable costs and expenses incurred toward such defence.
- 8.9 *Continued Use.* In the event a court of competent jurisdiction resolves in a binding judgment that the Documentation and information, or any part thereof, infringe Intellectual Property of any third party, the Contractor shall, at its own cost and expense, procure for the Principal the right of continued use of the Documentation and information, or part thereof infringing Intellectual Property of a third party.
- 8.10 *License in Intellectual Property of the Contractor.* The Contractor hereby grants the Principal an irrevocable and non-exclusive license to use, reproduce, modify and/or enhance any Intellectual Property of the Contractor, provided and to the extent Intellectual Property of the Contractor is used by the Principal for the purposes of the Railway and/or the Project. It is agreed and acknowledged by the Parties that the license fee for the grant of license in accordance with this Clause 8.10 forms part of the Fee and such license shall continue to be valid irrespective of expiration of this Agreement following completion of the Services or termination of this Agreement for any reason.
- 8.11 *Obligation to Procure Intellectual Property Rights.* Where the Contractor is not the legal owner of any relevant Intellectual Property of the Contractor, the Contractor shall use reasonable endeavours to procure for the Principal the rights specified in accordance with Clause 8.10 of this Agreement.
- 8.12 *Obligation to Indemnify with Respect to Uses Other Than for the Purpose.* The Principal shall defend and indemnify the Contractor from and against any and all Damages and Costs arising from the use by the Principal of any Intellectual Property of the Contractor other than for the purposes of the Railway and/or the Project.
- 8.13 *Indemnification by the Contractor.* The Contractor shall defend and indemnify the Principal from and against any and all Damages arising from the use by the Principal of any Intellectual Property of the Contractor, to the extent use by the Principal is within the scope of the license granted to the Beneficiary in accordance with Clause 8.10 of this Agreement.



- 8.14 *Certain Rights of Contractor.* The Contractor shall have the right to include photographic or artistic representations of the design of the Project among the Contractor's **promotional and professional** materials after obtaining prior written approval from the Principal. The Contractor shall be given reasonable access to the completed Project to make such representations. However, the Contractor's **materials shall not include the Principal's confidential or proprietary information regardless of** whether or not the Principal has previously advised the Contractor in writing of the specific information considered by the Principal to be confidential or proprietary. These materials also shall not contain any information or data that shall be used in accordance to any conditions and requirements set forth by the Principal or other entity; in this case the Contractor shall comply with such conditions and requirements.

## Section IX. Termination and suspension

- 9.1 *Termination for Material Breach or Bankruptcy.* Subject to the provisions of Clause 9.2 of this Agreement, either Party shall be entitled to terminate this Agreement upon giving a written notice of termination to the other Party in the event of material breach by the other Party of any of its obligations under this Agreement. The written notice of termination shall contain an itemized description of the breach. For the purposes of this Clause 9.1 of this Agreement an event of material breach shall include any of the following:
- (a) commitment by a Party of any persistent or material breach of this Agreement (which shall include failure to pay an amount of at least 20,000 EUR due to the other Party or perform any part of the Services valued at least 20,000 EUR;
  - (b) failure by the Contractor to duly address any of the matters raised in the second Objection Notice given by the Principal in accordance with Clause 7.6;
  - (c) failure by any Deliverable to conform to any of the material requirements to such Deliverable contained in *Annex B: Technical Specification* provided that such failure is not capable of being remedied during the Cure Period;
  - (d) failure by the Principal to make any payment to the Contractor in accordance with this Agreement within at least fifteen (15) Working Days from the date of payment falling due;
  - (e) any of the representations or warranties given by either Party under Clause 5.1 of this Agreement or any of the representations or warranties given by the Contractor under Clause 5.2 of this Agreement proving to be untrue; or
  - (f) breach by the Contractor of the undertaking contained in Clause 8.11 of this Agreement.
- 9.2 *Corrective Period.* In the event of breach by either Party of its obligations under this Agreement, the non-breaching Party shall allow the breaching Party seven (7) days for corrective action or submission of a corrective action plan (**the "Corrective Period"**). The Corrective Period shall be counted from the date of receipt by the breaching Party of a written notice of breach. Should no satisfactory corrective action be taken, or acceptable corrective action plan provided by the breaching Party, the non-breaching Party shall have the right to terminate the Agreement. It is acknowledged and agreed by the Parties that the provisions of this Clause 9.2 of this Agreement shall not apply with respect to any of the events enumerated in accordance with Clause 9.4 of this Agreement. In addition and for the avoidance of any doubt, the application of the Corrective Period under this Clause 9.2 of this Agreement shall be without prejudice to and shall not relieve either Party from the obligation to pay any contractual penalty in accordance with the provisions of Clause 10.2 of this Agreement or to pay Damages incurred by the other Party in accordance with the provisions of Clause 10.3 of this Agreement.
- 9.3 *Right to Terminate Immediately.*
- 9.3.1. Notwithstanding anything to the contrary contained in this Agreement, a Party may terminate this Agreement immediately upon giving the other Party a written notice of termination explaining, in reasonable detail, the reason for termination upon occurrence of any of the following:
- (a) breach by the other Party of Clause 18.2 of this Agreement;
  - (b) an event of Force Majeure has been continuing during more than sixty (60) days;

- (c) the other Party had passed a resolution for winding-up (other than in order to amalgamate or reconstruct);
- (d) breach by the Contractor any of the confidentiality undertakings contained under *Section XIII CONFIDENTIALITY*;
- (e) the other Party is unable to pay its debts and has presented a petition for voluntary bankruptcy;
- (f) the other Party had a bankruptcy order issued against it;
- (g) liquidation, insolvency or legal protection proceedings have been initiated with respect to the other Party or the other Party is declared insolvent;
- (h) the occurrence of any event analogous to the events enumerated under Clauses 9.3.1 (e) – (g) **under the law of any jurisdiction to which the other Party's assets and** undertaking are subject.

9.3.2. ***Principal's Right to Terminate Immediately.*** The Principal may terminate this Agreement immediately upon giving the other Party a written notice of termination explaining, in reasonable detail, the reason for termination, if:

- (a) CEF Co-financing for further financing of the Services is not available to the Principal fully or partly;

In such a case, the Principal shall pay the Contractor 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 Contractor.

- (b) 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.
- (c) in case if the proposed time schedule described in *Annex C: Schedule of Services* is breached.

9.3.3. ***Termination according to Public Procurement Law.*** 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 Article 64 of the Public Procurement Law. In such a case, the Principal shall pay the Contractor the fees in respect of the Works and 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 Contractor.

9.4 ***Right to Advance to Completion.*** In the event the Contractor fails to fulfil any of its obligations, or fails to cure any breach in accordance with Clause 9.2 of this Agreement, and the Agreement is terminated by the Principal, the Principal may advance the Services to completion by employing the services of other professional service supplier(s) or by other means available to the Principal. The Contractor shall be liable to the Principal for any and all additional costs incurred due to failure by the Contractor to perform. The rights and remedies available to the Principal set forth in accordance with this Clause 9.4 of this Agreement shall be in addition to any and all other rights and remedies available under Applicable Law.

9.5 ***Consequences of Termination.*** Upon expiration or termination of this Agreement, the obligations of the Parties set forth in this Agreement shall cease, except with respect to the following:

- (a) any obligations arising as a result of any antecedent breach of this Agreement or any accrued rights; and
- (b) the provisions stipulated in accordance with Clauses 4.4, 4.5, 7.3, 8.3, 8.4, 8.6, 8.7, 8.13, 9.6, 10.1, 10.2, 10.3, 18.1 of this Agreement and *Section XIII. Confidentiality, Section XIV. Right to Audit, Section XV. On-the-spot-visits* and *Section XVI. Governing Law and Resolution of Disputes* which shall survive the termination or expiry of this Agreement and continue in full force and effect along with any other Clauses of or Annexes hereof which are necessary to give effect to the Clauses specifically identified in this 9.5(b) of this Agreement.

- 9.6 *Partial Acceptance.* Notwithstanding anything in this Agreement to the contrary including, without limitation, the provisions of Clauses 7.4, 7.5, 7.6 and 7.7 of this Agreement and in the event of termination of this Agreement, the Principal shall have the right, in the sole discretion of the Principal, to partially accept any Works, part of Works or part of the Services delivered to the Principal under **this Agreement (the "Right of Partial Acceptance")**. The Principal shall notify the Contractor of its intention to exercise the Right of Partial Acceptance in the termination notice given in accordance with Clause 9.1 or Clause 9.3 of this Agreement, specifying, in reasonable detail, the Works, part of Works or part of the Services which the Principal would like to partially accept. In the event of receipt of such notice, the Contractor shall reasonably cooperate with the Principal in order to ascertain transfer to the Principal of ownership in the result(s) of such Works, part of Works or part of the Services and determination of the amount of consideration payable by the Principal.
- 9.7 *Principal's Obligation to Pay.* Subject to the provisions of Clause 9.6 of this Agreement and except in the event of termination by the Principal occurring as a result of violation by the Contractor of Clause 18.1 of this Agreement, or termination by the Principal according to Clause 9.3.2 or 9.3.3 of this Agreement in the event this Agreement is terminated for any reason prior to completion of the Services, the Principal shall have an obligation to pay the Contractor the following:
- (a) the Costs incurred by the Contractor up to the date of termination; and
  - (b) except where termination is due to negligence of the Contractor, due to the application of international sanctions, breach by the Contractor, insolvency of the Contractor or a Force Majeure Event under *Section XI. Force Majeure* an amount equal to the costs reasonably and properly incurred by the Contractor as a result of or in connection with such termination.
- 9.8 *No Obligation to Pay Costs Incurred Prior to Acceptance.* Notwithstanding anything set forth in this Agreement to the contrary including, without limitation, under Clause 9.7 of this Agreement, the Principal shall have no obligation to pay any of the Costs incurred by the Contractor with respect to any Works or the Services (or part of any Works or the Services) not deemed as having been accepted by the Principal in accordance with Clauses 7.4, 7.5, 7.6 and 7.7 of this Agreement.
- 9.9 *No Prejudice to Other Rights.* The right to terminate this Agreement shall be without prejudice to any other right of either Party which has accrued prior to or as a result of such termination or to any remedy available to either Party under the terms of this Agreement or in accordance with Applicable Law.

## Section X. Liability

- 10.1 *Liability of the Parties.* The Contractor shall be liable to compensate Damages incurred by the Principal arising out of or in connection with this Agreement and pay contractual penalty set forth in accordance with Clause 10.2 of this Agreement if a breach of any of the obligations of the Contractor under this Agreement is established against the Contractor. The Principal shall be liable to pay the contractual penalty set forth in accordance with Clause 10.2 of this Agreement if a breach of payment obligations of the Principal under this Agreement is established against the Principal.
- 10.2 *Contractual Penalty.* In the event of failure by the Contractor to meet any Services Milestone and/or supply any Deliverable, the Contractor shall be liable to pay to the Principal a penalty of zero point five (0.5%) of the amount of total Fee payable under this Agreement with respect to the relevant Services period for each day of delay starting from the first delayed day with meeting any of the Services Milestones and/or supplying any of the Deliverables set forth in accordance with *Annex C: Schedule of Services*; provided, however, that the total amount of penalty payable by the Contractor under this Clause 10.2 for the relevant Works, as specified according to *Annex C: Schedule of Services* shall not exceed ten percent (10%) of the total amount of the Fee. In the event of failure by the Principal to pay any amount in accordance with Clause 6.1 of this Agreement, the Principal shall be liable to pay the Contractor a penalty of zero point zero one percent (0.01%) of the amount of the amount invoiced for each day of delay with meeting the payment obligation; provided, however, that the total amount of penalty payable by the Principal under this Clause 10.2 of this Agreement shall not exceed ten percent (10%) of the total amount remaining unpaid under the relevant invoice.
- 10.3 *Compensation for Damages.* Notwithstanding of and without prejudice to any contractual penalty payable in accordance with Clause 10.2 of this Agreement and subject to the provisions of Clause 10.5 of this Agreement, in the event it is established that either Party is liable to the other Party with respect to any breach of its respective obligations under this Agreement, the liable Party shall

compensate the other Party for any Damages incurred as a result of such breach, subject to the following terms:

- (a) the amount of compensation shall be limited to the amount of reasonably foreseeable Damages suffered as a result of the breach(es), but not otherwise; and
- (b) if either Party is considered to be liable jointly with third parties to the other, the proportion of compensation payable by the liable Party shall be limited to that proportion of liability which is attributable to the breach by the liable Party.

- 10.4 *Attribution of Damages.* Any Damages suffered by either Party shall, for the purposes of Clause 10.3 of this Agreement, be reduced to the extent that the Damages are caused by or contributed to by the **other Party's own negligence or breach of its obligations under this Agreement.**
- 10.5 *Limitation of Liability.* Notwithstanding anything to the contrary set forth in this Agreement, in no circumstances shall the Contractor or the Principal be liable to one another for any loss of production, loss of profit, loss of revenue, loss of contract, liability incurred under other agreements or any indirect or consequential loss arising out of or in connection with this Agreement. The Contractor's **total** liability for the Works carried out under this Agreement shall in no circumstances exceed EUR 400,000 (four hundred thousand euros).
- 10.6 *Professional Risk Indemnity Insurance.* The Contractor shall insure against public/third party liability (Professional risk indemnity insurance) for the implementation of the Services during the term of the Agreement.
- 10.7 *Obligation to Effect Insurance.* The Contractor undertakes to effect such insurance with an insurer as detailed by the Principal and based on commercially reasonable terms (including reasonable exclusions) and which is compliant with the Agreement **conditions or certificate with the insurer's** confirmation regarding full coverage of the policy towards the Agreement conditions. In case of mandatory legal requirements related to specific insurances for activities stipulated in Section 2 of this Agreement Contractor shall also provide additional insurance for these activities or shall include respective extensions to Contractor's **professional civil liability insurance policy. These documents** shall be submitted to the Principal within a time frame indicated in Clause 10.8 of this Agreement. The limit of Professional Risk Indemnity Insurance liability (Clause 10.6) for the insurance coverable shall be no less than EUR 400,000 (four hundred thousand euros) in aggregate and for each insured event during the whole period of performance of the Agreement. The costs of such insurance shall be at the sole expense of the Contractor.
- 10.8 *Insurance Certificate.* Before entering into the Agreement, the Contractor shall provide certificate from its insurer or broker stating that the insurance required under this *Section X. Liability* are in full force and effect. The Contractor shall maintain it in force as long as it is necessary to accomplish any obligations according to this Agreement. In addition, the Contractor shall provide not less than five (5) Working Days prior written notice to the Principal of any cancellation or material reduction in the insurance. The Contractor is obliged to submit to the respective Principal a copy of a renewed insurance certificate or a new insurance certificate including the provisions set in Clause 10.6 within five (5) Working Days before the date of expiry of the previous insurance certificate.
- 10.9 Together with the document indicated in Clause 10.8 of this Agreement and in a term set in Clause 10.8 the Contractor shall submit to the Principal payment evidences certifying payment for the particular insurance.
- 10.10 The Contractor shall maintain the professional civil liability insurance contract valid throughout the Term of Agreement mentioned in Clause 2.7 of this Agreement and any other additional period if so required by Applicable Law. The Contractor's **failure to maintain the professional civil liability** insurance contract valid and/or extend it (as the case may be) and provide it to the Principal shall be considered as a material breach of the Agreement.
- 10.11 The insurance shall cover the Contractor (in case of a group of suppliers – each member), its Approved Staff and Sub-Contractors Services and additional Services, as the case may be, under this Agreement.
- 10.12 The professional civil liability insurance contract (policy) must provide for no less than twenty-four (24) month extended reporting period as of the date of completion of all Services by Contractor as confirmed by the Principal by the issuance of the Final Acceptance Deed. The extended reporting period shall cover claims arising out of or in relation to an act or omission of the Contractor, its

Approved Staff and Sub-Contractors occurring during the Term of the Agreement, provided that the claim is reported by the Principal within the extended reporting period.

- 10.13 In each and every case of a renewed insurance policy, the coverage must be continuous and must be inclusive of all periods from the Commencement Date to the issuance of a renewed insurance policy. It is the Contractor's **obligation to constantly and proactively monitor** the validity of the insurance coverage and carry out all the necessary activities in order to ensure full insurance coverage as per the **Agreement's** conditions.
- 10.14 The professional civil liability insurance contract (insurance policy) shall be taken out with an insurance company (re-insurance company), bank or financial institution which is entitled to issue insurance policies, with a required minimum rating of BB+ (or equivalent) in accordance with **Standard & Poor's rating, Fitch's rating or Moody's rating. The Principal has the right to request a** replacement of the insurer in case the rating falls below the required minimum. The insurer shall be registered within the European Economic Area.
- 10.15 The insurance contract (insurance policy) shall refer to the direct beneficiaries as the Principal.
- 10.16 Professional civil liability insurance contract (policy) may not be subject to any unusual conditions limiting the insurance coverage as well as any reservations or exceptions.

### Section XI. Performance guarantee

- 11.1 *Performance Guarantee.* For this Agreement the request to provide the Performance Guarantee is not applied.

### Section XI. Force Majeure

- 12.1 *Effects of Force Majeure.* Subject to the requirements set forth in accordance with Clauses 12.2 and 12.3 of this Agreement, each Party shall be relieved from liability for non-performance of its obligations under this Agreement (other than any obligation to pay) to the extent that the Party is not able to perform such obligations due to a Force Majeure Event.
- 12.2 *Action on Becoming Aware of Force Majeure.* Each Party shall at all times, following the occurrence of a Force Majeure Event:
- (a) take reasonable steps to prevent and mitigate the consequences of such an event upon the performance of its obligations under this Agreement, resume performance of its obligations affected by the Force Majeure Event as soon as practicable and use reasonable endeavours in accordance with Good Industry Practice to remedy its failure to perform; and
  - (b) not be relieved from liability under this Agreement to the extent that it is not able to perform, or has not in fact performed, its obligations under this Agreement due to any failure to comply with its obligations under Clause 12.2(a) of this Agreement.
- 12.3 *Notification Requirements.* Upon the occurrence of a Force Majeure Event, the affected Party shall notify the other Party as soon as reasonably practicable and in any event within ten (10) Working Days of it becoming aware of the relevant Force Majeure Event. Such notification shall give sufficient details to identify the particular event claimed to be a Force Majeure Event and shall contain detailed information relating to the failure to perform (or delay in performing), including the date of occurrence of the Force Majeure Event, the effect of the Force Majeure Event on the ability of the affected Party to perform, the action being taken in accordance with Clause 12.2(a) of this Agreement and an estimate of the period of time required to overcome the Force Majeure Event. The affected Party shall provide the other Party with any further information it receives or becomes aware of which relates to the Force Majeure Event and provide an update on the estimate of the period of time required to overcome its effects.
- 12.4 *Notification of Resumed Performance.* The affected Party shall notify the other Party as soon as practicable once the performance of its affected obligations can be resumed (performance to continue on the terms existing immediately prior to the occurrence of the Force Majeure Event).
- 12.5 *Mitigation of Effects of Force Majeure.* As soon as practicable after the notification specified pursuant to Clause 12.3 of this Agreement, the Parties shall use reasonable endeavours to agree appropriate

terms or modifications to the Services to mitigate the effects of the Force Majeure Event and to facilitate the continued performance of this Agreement.

### Section XIII. Confidentiality

- 13.1 *Confidential Information.* “Confidential Information” means, in relation to the Principal, all information of a confidential nature relating to the Principal and its affiliates which is supplied by the Principal (whether before or after the date of this Agreement) to the Contractor, either in writing, orally or in any other form and includes all analyses, compilations, Deeds, studies, memoranda and other documents and information which contain or otherwise reflect or are derived from such information, but excludes information which:
- (a) the Principal confirms in writing is not required to be treated as confidential; or
  - (b) the Contractor can show that the Confidential Information was in its possession or known to it (by being in its use or being recorded in its files or computers or other recording media) prior to receipt from the Principal and was not previously acquired by the Contractor from the Principal under an obligation of confidence; or
  - (c) was developed by or for the Contractor at any time independently of this Agreement.
- 13.2 *Undertakings with Respect to Confidential Information.* Subject to Clauses 13.1 and 13.3, the Contractor shall:
- (a) at all times keep confidential all Confidential Information received by it and shall not disclose such Confidential Information to any other Person; and
  - (b) procure that its affiliates and its and their respective officers, employees and agents shall keep confidential and not disclose to any Person any Confidential Information except with the prior written consent of the Party to which such Confidential Information relates.
- 13.3 *Permitted Disclosure.* Notwithstanding anything to the contrary set forth in accordance with Clauses 13.1 and 13.2 of this Agreement, the Contractor shall, without the prior written consent of the Principal, be entitled to disclose Confidential Information:
- (a) that is reasonably required by the Contractor in the performance of its obligations pursuant to this Agreement, including the disclosure of any Confidential Information to any employee, contractor, agent, officer, Sub-Contractor (of any tier) or adviser to the extent necessary to enable the Contractor to perform its obligations under this Agreement;
  - (b) to enable a determination to be made pursuant to *Section XV. On-the-spot-visits*;
  - (c) to its lenders or their professional advisers, any rating agencies, or its insurance advisers but only to the extent reasonably necessary to enable a decision to be taken on the proposal;
  - (d) to the extent required by Applicable Law or pursuant to an order of any court of competent jurisdiction, any parliamentary obligation or the rules of any stock exchange or governmental or regulatory authority having the force of law; or
  - (e) to the extent Confidential Information has become available to the public other than as a result of any breach of an obligation of confidence; provided that any such disclosure is made in good faith.
- 13.4 *Obligation of Confidentiality Pertinent to Recipients of Confidential Information.* Whenever disclosure is permitted to be made pursuant to Clauses 13.3(a) or (c), the Contractor shall require that the recipient of Confidential Information be subject to the same obligation of confidentiality as that contained in this Agreement.
- 13.5 *Certain Obligations on Termination of Agreement.* If this Agreement is terminated for whatsoever reason, the Contractor shall:
- (a) return to the Principal all of the Confidential Information then within the possession or control of the Contractor; or
  - (b) destroy such Confidential Information using a secure and confidential method of destruction.

- 13.6 *No Press Release by Contractor.* Save as required by Applicable Law, the Contractor shall not issue any press release in relation to the matters contemplated under this Agreement without the prior written consent of the Principal (such consent not to be unreasonably withheld or delayed) as to both the content and the timing of the issue of the press release.
- 13.7 *Right to Publish.* For the avoidance of any doubt, the Principal shall have the right to publish any of the documents, information or data provided by the Contractor to the Principal during provision of the Services.
- 13.8 *Remedies.* The Parties acknowledge and agree that a breach of the provisions of this *Section XIII. Confidentiality* may cause the owner of Confidential Information to suffer irreparable Damages that could not be adequately remedied by an action at law. Accordingly, the Contractor agrees that the owner of Confidential Information that is disclosed in breach of Clauses 13.2, 13.4 or 13.6 may be entitled to specific performance of those provisions to enjoin a breach or attempted breach thereof and to any other remedy, including, inter alia, damages and injunctive relief, awarded by a court of competent jurisdiction.

#### **Section XIV. Right to Audit**

- 14.1 *Right to Audit.* Notwithstanding anything to the contrary set forth in this Agreement including, the Principal itself, a reputable outside independent body or expert engaged and authorized by the Principal shall be entitled to inspect and/or audit the Contractor to ensure compliance with the terms of this Agreement, including inspecting and/or auditing:
- (a) the performance of any aspect of the Services; and/or
  - (b) any documentation, including all payrolls, accounts of the Contractor and/or other records used in or related to the performance of the Services.
- 14.2 *Obligation to Assist.* The Contractor shall provide all reasonable assistance to the Principal or the independent body authorized by the Principal in carrying out any inspection or audit pursuant to this *Section XIV. Right to Audit*. The Principal shall be responsible for its own costs, or the costs incurred by the outside independent body designated by the Principal, incurred toward carrying out such inspection or audit, unless, in the case of any such audit, that audit reveals that the Contractor is not compliant with the terms of this Agreement, in which case the Contractor shall reimburse the Principal for all of its additional reasonable costs incurred, provided such non-compliance is material.
- 14.3 *Survival of Termination.* The rights and obligations of the Principal set forth in accordance with this *Section XIV. Right to Audit* shall survive expiration or termination of this Agreement for any reason and shall continue to apply during ten (10) years following expiration or termination of this Agreement for any reason whatsoever.

#### **Section XV. On-the-spot-visits**

- 15.1 *Right to perform On-the-spot visits.* By submitting a written notice five (5) Working Days in advance, but at the same time reserving the right of an unannounced on-the-spot visit without an advance notice, the Principal may carry out on-the-spot visits to the sites and premises where the activities implemented within the Agreement are or were carried out.
- 15.2 *Personnel involved.* On-the-spot visits may be carried out either directly by authorised staff or representatives of the Principal or by any other outside body or third party authorised to do so on behalf of the Principal. Information provided and collected in the framework of on-the-spot visits shall be treated on confidential basis. The Principal shall ensure that any authorised outside body or third party shall be bound by the same confidentiality obligations.
- 15.3 *Access to the information.* Contractor shall provide to the performer of the on-the-spot visit or any other authorised outside body or third party 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 authorised outside body or third party 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 authorised outside body or third party the copying of the information and documents, with due respect to the confidentiality obligation.

- 15.4 *OLAF checks and inspections.* 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 883/2013 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 European Union law for the protection of the financial interests of the European Union against fraud and other irregularities. Where appropriate, OLAF findings may lead to criminal prosecution under national law.

## **Section XVI. Governing Law and Resolution of Disputes**

- 16.1 *Governing Law.* This Agreement shall be governed by and construed in accordance with law of the Republic of Latvia.
- 16.2 *Resolution by Amicable Means.* The Parties shall first attempt to settle any dispute, controversy or claim arising out of or relating to this Agreement through good faith debate, discussion, and negotiating prior to submitting them to mediation, arbitration, or other legal proceeding.
- 16.3 *Venue for Resolution of Disputes.* Should the Parties fail to agree by means of amicable negotiations within the time period of two (2) months from the date of serving of the respective written complaint to the other Party, the Parties shall submit all their disputes arising out of or in connection with this Agreement to the exclusive jurisdiction of the courts of the Republic of Latvia. The Parties hereby represent and warrant that the English language is understandable for all Parties in accordance with Article 8(1)(a) of the Regulation (EC) No 1393/2007 of the European Parliament and of the Council of 13 November 2007 on the service in the Member States of judicial and extrajudicial documents in civil or commercial matters (service of documents) and repealing Council Regulation (EC) No 1348/2000.

## **Section XVIII. Miscellaneous provisions**

- 18.1 *Capacity.* Each Party warrants to the other Party that it has full power to enter into and perform this Agreement, and the person signing this Agreement on its behalf has been duly authorized and empowered to enter into such agreement. Each Party further acknowledges that it has read this Agreement, understands it and agrees to be bound by it.
- 18.2 *Conflict of Interest, Corruption and Fraud.* Notwithstanding any penalties that may be enforced against the Contractor under Applicable Law, or the laws of other jurisdiction(s), the Contractor shall be deemed to have committed a breach under this Agreement and the Principal shall be entitled to terminate this Agreement immediately and without any regard to the provisions of Clause 9.2 of this Agreement, if it is shown that the Contractor is guilty of:
- (a) offering, giving, receiving or soliciting anything of value with a view to influencing the behaviour or action of anyone, whether a public official or otherwise, directly or indirectly in the selection process or in the conduct of the Agreement; or
  - (b) misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the Principal, including the use of collusive practices intended to stifle or reduce the benefits of free and open competition.
- 18.3 *Notices.* Notices under the Agreement shall be in writing and will take effect from receipt by the Party to which the notice is addressed at the address of the Party set forth in the Preamble to this Agreement. Delivery can be by hand or facsimile message against a written confirmation of receipt or by registered letter.
- 18.4 *Damages Covered by Insurance.* To the extent Damages are covered by insurance, the Principal and the Contractor waive all rights against each other and against the contractors, consultants, agents, and employees of the other for damages, except such rights as they may have to the proceeds of such insurance current as of the date of this Agreement.
- 18.5 *Relationship of the Parties.* The relationship between the Contractor to the Principal under this Agreement is that of independent contractors. The Contractor (or the Contractor's Sub-Contractors) is not an employee of the Principal, is not carrying out the regular business of the Principal and is not subject to the same employment regulations as are applicable to employees of the Principal. Each of



the Parties shall be solely and entirely responsible for their own acts and the acts of their employees. No benefits, special considerations, or employer/employee-type provisions are provided by the Principal to the Contractor, the Contractor's **employees, or the Contractor's consultants, or the** employees of such consultants.

- 18.6 *Severability.* If any provision of this Agreement shall be held to be illegal, invalid, void or unenforceable under Applicable Laws, the legality, validity and enforceability of the remainder of this Agreement shall not be affected, and the legality, validity and enforceability of the whole of this Agreement shall not be affected.
- 18.7 *Successors and Assigns.* The Principal and the Contractor each bind themselves, their successors, legal representatives, and assigns to the other party to this Agreement and to the partners, successors, legal representatives and assigns of such other party in respect to all covenants of this Agreement. Neither Party shall assign or transfer its respective interest in the Agreement without written consent of the other Party.
- 18.8 *Amendments and Variations.* No amendment to or variation of this Agreement shall be effective unless made in writing and signed by duly authorized representatives of all Parties. The Agreement can be amended in compliance with the provisions of Article 61 of the Public Procurement Law of the Republic of Latvia.
- 18.9 *Entire Agreement.* This Agreement, and the Annexes hereto, constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes and extinguishes all and any prior drafts, undertakings, representations, warranties and arrangements of any nature, whether in writing or oral, relating to such subject matter.
- 18.10 *Execution.* This Agreement is prepared and is executed as an electronic document.

Signed by:

For and on behalf of the Principal:

For and on behalf of the Contractor:

Name, title: **Agnis Driksna**  
Chairman of the Management Board  
RB Rail AS

Name, title: **Roberto Carpaneto**, CEO of  
RINA Consulting

Bank details:  
[CONFIDENTIAL]

Bank details:  
[CONFIDENTIAL]

THIS AGREEMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND CONTAINS A  
TIMESTAMP

## Annex A: Definitions and common terms

The following capitalized terms shall be ascribed the following meaning for the purposes of the Agreement:

- (a) **"Agreement"**, **this Agreement, together with all Annexes thereto.**
- (b) **"Applicable Law" or "Law"**, any legislative act, regulation, decree, order, ordinance, statute, treaty, directive, judgment, or other legislative measure. For the avoidance of any doubt, these terms shall include any legislative act or directive relevant to public procurement.
- (c) **"Approved Staff"**, **any person or organization listed pursuant to Annex E: List of approved Sub-Contractors and Staff**, which is in a contractual relationship with the Contractor to provide a part of the Services.
- (d) **"Approved Sub-Contractor"**, **any person or organisation listed pursuant to Annex E: List of approved Sub-Contractors and Staff**, which is in a contractual relationship with the Contractor to provide a part of the Services.
- (e) **"Commencement Date"**, **as first above specified in the Preamble to this Agreement** and reflects the date when Agreement is signed by Principal and Contractor.
- (f) **"Completion Date"**, **as defined in accordance with Clause 7.5 and 7.6 of this Agreement**, as appropriate.
- (g) **"Confidential Information"**, **as defined in accordance with Clause 13.1 of this Agreement.**
- (h) **"Contractor"**, **the company RINA CONSULTING S.P.A., as further specified in the Preamble of this Agreement**, which is employed by the Principal as an independent professional contractor to perform the Services, and legal successors to the Principal and permitted assignees of the Principal.
- (i) **"Contractor's Software"**, **the object code versions of any downloadable software owned by or duly licensed to the Contractor solely for the purpose of accessing the Services**, including but not limited to an agent, together with the updates, new releases or versions, modifications or enhancements, owned or licensed to and provided by the Contractor to the Principal pursuant to this Agreement, together with all pertinent Documentation and other instructions related to such software.
- (j) **"Costs"**, **direct costs** reasonably incurred in relation to the Project. Specifically, the Cost shall include any of the following:
  - (i) costs of all materials and supplies forming part of the Services, including transportation and storage expenses (discounts for cash or prompt payments will not reduce these costs);
  - (ii) salaries for personnel in the direct employ of the Contractor in the performance of the Services or relating to the Services;
  - (iii) salaries of the Contractor's **employees for the time that they spend** in connection with the Services;
  - (iv) payments to sub-contractors for Works relating to the Services;
  - (v) costs of all employee benefits and taxes for items such as social security and other benefits for the labour and employees;
  - (vi) costs, including transportation and maintenance, of equipment and hand tools not owned by workmen employed by the Contractor which are employed or consumed toward the Services;
  - (vii) payments for rental charges for machinery, equipment, facilities and tools used in connection with the Services, and payments for installations, repairs, replacements, dismantling, removal, lubrication, transportation and delivery of those rental items;

- (viii) other transportation costs incurred in connection with the Services;
- (ix) that portion attributable to this Agreement of premiums for insurance that is required by this Agreement (if applicable) or by law to be obtained or maintained by the Contractor;
- (x) sales, use, gross receipts or other taxes related to the Services, imposed by any governmental authority, to the extent that the Contractor is responsible for such taxes;
- (xi) costs of long-distance telephone calls, telephone service at the site and postage relating to the Services;
- (xii) costs of any data processing services used in connection with the performance of the Work required under this Agreement; and
- (xiii) losses and expenses, not compensated by insurance, sustained by the Contractor in connection with the Works under this Agreement (if applicable), provided they resulted from causes other than the fault or neglect of the Contractor.
- (k) **"Corrective Period"**, as defined in accordance with Clause 9.2 of this Agreement.
- (l) **"Cure Period"**, as defined in accordance with Clause 7.3 of this Agreement.
- (m) **"Damages"**, any cost, claim, damage, demand, loss, expense or liability incurred by the relevant Party or Person.
- (n) **"Defect"**, is a part of the Services which is not in accordance with the *Annex B: Technical Specification* and/or the **Contractor's Proposal**, and/or the Applicable Law and/or Good Industry Practice.
- (o) **"Deliverable"**, any information, notes, material, drawings (including drawings in 3D model), records, documents and/or other items which the Contractor is required to deliver to the Principal as part of the Services, as further specified pursuant to *Annex C: Schedule of Services*.
- (p) **"Documentation"**, all records, correspondence, and files of the Contractor, its employees, engineers, and consultants pertaining to the Project.
- (q) **"EUR"** and **"euro"**, the official currency of the eurozone, officially known as the euro area.
- (r) **"Fee"**, as specified in accordance with *Annex D: Fee and Payment Schedule*.
- (s) **"Final Acceptance Date"**, as defined in accordance with Clause 7.7 of this Agreement.
- (t) **"Final Acceptance Deed"**, as described in accordance with Clause 7.7 of this Agreement.
- (u) **"Force Majeure Event"**, any of the following events:
  - (i) an act of the public enemy or war (declared or undeclared), threat of war, revolution, riot, insurrection, civil commotion, demonstration or sabotage;
  - (ii) an act of vandalism or accidental damage or destruction of machinery, equipment, track or other infrastructure;
  - (iii) a natural disaster or phenomena, including extreme weather or environmental conditions (such as lightning, earthquake, hurricane, storm, fire, flood, drought or accumulation of snow or ice);
  - (iv) nuclear, chemical or biological contamination, pandemic, quarantine;
  - (v) pressure waves caused by devices travelling at supersonic speeds;
  - (vi) discovery of fossils, antiquities or unexploded bombs; and/or
  - (vii) strike, lockout or other industrial action other than involving the Contractor or the Principal.
- (v) **"Good Industry Practice"**, in relation to the performance of any activity to which this standard is applied, the exercise of that degree of skill, diligence, prudence and foresight as would

reasonably be expected to be exercised by a properly qualified and competent person engaged in carrying out Work, Services or services of a similar size, nature, scope, type and complexity, complying with Applicable Law, applicable Standards and published codes of practice.

- (w) **"Intellectual Property", all intellectual property rights in any part of the world in respect of any documentation or information provided by the Contractor to the Principal, including any patent, patent application, trade mark, trade mark application, registered design, registered design application, utility model, trade name, discovery, invention, process, formula, specification, copyright (including all neighbouring rights, rights in computer software and database and topography rights), know how or unregistered design right.**
- (x) **"Intellectual Property of the Contractor", all Intellectual Property owned or licensed to the Contractor with a right to sub-license.**
- (y) **"Objection Notice", as defined in accordance with Clause 7.5 of this Agreement.**
- (z) **"Party" and "Parties", the Principal and the Contractor and include their respective successors in title, permitted assigns and permitted transferees.**
- (aa) **"Person" shall include any person, company, body corporate, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) or two or more of the foregoing.**
- (bb) **"Project", development of a 1435 mm standard gauge railway line in the Rail Baltica (RB) corridor through Estonia, Latvia and Lithuania aimed at eliminating the technical bottleneck due to the gauge differences (1,520 mm vs. the EU standard of 1,435 mm).**
- (cc) **"Principal", the company RB Rail AS, as further specified in the Preamble of this Agreement, which employs the services of the Contractor, and legal successors to the Contractor and permitted assignees of the Contractor.**
- (dd) **"Provisional Acceptance Deed", as defined in accordance with Clause 7.5 of this Agreement.**
- (ee) **"Provisional Completion Deed", as defined in accordance with Clause 7.4 of this Agreement.**
- (ff) **"Railway", a new fast conventional double track electrified railway line according TSI INF P2-F1 criteria and European standard gauge (1435 mm) on the Route.**
- (gg) **"Residence Certificate", a certificate mentioned in Clause 5.2(h) of this Agreement.**
- (hh) **"Right of Partial Acceptance", as defined in accordance with Clause 9.6 of this Agreement;**
- (ii) **"Services", Reliability, Availability, Maintainability and Safety (RAMS) consultancy services as laid down in this Agreement;**
- (jj) **"Services Milestone", the date for delivery of one or more Deliverables, as set out in the *Annex B: Technical Specification* and *Annex C: Schedule of Services*;**
- (kk) **"VAT", value added tax;**
- (ll) **"Working Day", any day (other than Saturday or Sunday) on which banks in the Republic of Latvia are open for conduct of business.**
- (mm) **"Works", all incidental works, steps and actions performed by the Contractor for the attainment of the objectives of the Services and/or the Project.**

## Annex B: Technical Specification

### RAMS consultancy services

## 1 INTRODUCTION AND REFERENCES

### 1.1 Introduction

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 transshipment 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.



Fig.4: Rail Baltica railway line

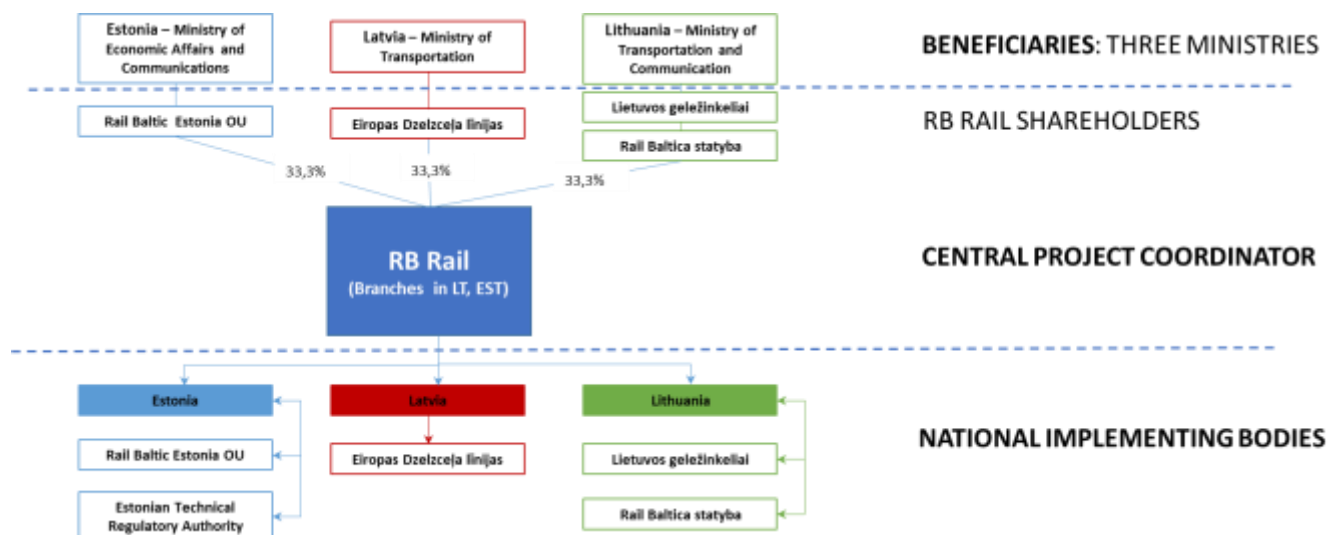
The expected core outcome of the Rail Baltica project is a European gauge (1435mm) double-track railway line of about 870 km in length meant for both passenger and freight transport and the required additional infrastructure (to ensure full operability of the railway). It will be interoperable with the 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/>.

Further information is available in <http://www.railbaltica.org/>

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 main technical parameters shall correspond to traffic code P2-F1 as per INF TSI (Commission Regulation 1299/2014/EU) and shall have the following main technical parameters:

- double track,
- planned operational speed on the main track 249 km/h for High speed passenger trains, (according to line category P2 of TSI-INF) and 120 km/h for freight trains (according to line category F1 of TSI-INF). Speed on passing loops shall be minimum 100 km/h;
- axle load 25 t;
- distance between track centres 4.50 m on the main tracks;
- distance between two sided passing loops approximately 50 km and crossovers approximately 25 km but staged according to a train traffic forecast;
- all pedestrian, road and 1520mm rail crossings only as above or below grade crossings (segregated grade crossings), fencing and noise barriers where needed;
- ERTMS Level 2 with possible update to the newest version;
- communications system GSM-R with a view to accommodate the new generation railway communications standard;
- electrification 2x25 kV AC;
- station track length of 1050m;
- length of passenger platforms 405m for international stations and 210m for regional stations;
- height of passenger platforms 550mm;

The shareholders structure of RBR is presented in Figure 1.



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 first two applications were successful and INEA grants are available to support the Global Project expenses with up to 85% of co-financing in amount of 633 mln EUR. The third application is also successful, grant agreement is being finalized.

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 railway line on the route from Tallinn through Pärnu (EE), Riga (LV), Riga International Airport (LV), **Panevėžys (LT), Kaunas (LT) to the Lithuania/Poland state border (including connection Kaunas - Vilnius)**. 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.

## 1.2 Abbreviations and terms

### Administrative

CEF	<i>Connecting Europe Facility.</i>
Contracting authority, RB Rail AS,	A joint venture established by the Republics of Estonia (EE), Latvia (LV) and Lithuania (LT), via 100% state-owned special purpose vehicles, to design, construct and market a new fast-conventional standard gauge double track railway line on the North Sea – Baltic TEN-T Core Network Corridor linking three Baltic states with Poland and the rest of the EU.
CD	<i>Commencement Date</i> of the Contract, the date when the Contract is mutually signed
Consolidated procurement	A procurement conducted jointly by several contracting authorities in the meaning of Article 39(4) of the Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 On Public Procurement and Repealing Directive 2004/18/EC and several contracting entities in the meaning of Article 57(4) of the Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 On Procurement by Entities Operating in the Water, Energy, Transport and Postal Services Sectors and Repealing Directive 2004/17/EC.
Consulting services	all necessary activities being and to be implemented by the Contractor as required in the Contract.
Contract	Signed agreement between Contracting authority and Contractor to prepare Works through the provision of Consulting services defined in this agreement.
Contracting Scheme	Agreement on the Contracting Scheme for the Rail Baltic / Rail Baltica reached between beneficiaries and implementing bodies of the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania with the aim to maximise the economic efficiency via consolidation of procurements with potential economies of scale, ensure full and optimum interoperability, quality control and efficient supervision and put in place the best practise procurement model to ensure transparency and minimise corruption risks by putting a single organization, the joint venture RB Rail AS, in charge of purchasing those elements of the Rail Baltic / Rail Baltica railway infrastructure, and associated studies, plans and designs, which are either for common benefit or which are crucial to the entire Rail Baltic / Rail Baltica railway infrastructure.
Contractor	Service provider awarded with a Contract to conduct Works.
Design guidelines	Set of predefined and standardized technically and economically justified engineering and design solutions for Rail Baltica Railway infrastructure to be applied at design, construction and operation phases.
EU	<i>European Union.</i>
National <sup>2</sup> studies	Detailed engineering and feasibility studies on implementation of Rail Baltica in each of the three Baltic states, covering EIA, preliminary design, feasibility studies, spatial planning and similar activities.
Rail Baltica Global Project	Future railway line (for definition of key technical parameters, please see <b>“Rail Baltica railway”</b> below) eliminating missing links in the European railway network and establishing a fully-interoperable railway infrastructure on the route Warsaw – Kaunas – Riga – Tallinn – Helsinki, with branch line to Vilnius, and ensuring full railway

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<sup>2</sup> Terms national or local cover each Baltic state, if not stated otherwise.



	interoperability and better railway usage indicators in passenger and cargo traffic. The project ensures Baltic State integration into the EU railway area. The project is the part of the TEN-T core network North Sea-Baltic corridor.
Rail Baltica railway	a new fast conventional double track electrified European standard gauge (1435mm) railway line on the route from Tallinn through Pärnu-Riga- <b>Panevėžys</b> -Kaunas to Lithuanian-Polish border, with the connection of Kaunas - Vilnius;
Railway infrastructure	Has the same meaning as an identical term in the Directive 2012/34/EU of the European Parliament and of the Council of 21 November 2012 establishing a single European railway area (recast), as well as it includes freight and passenger terminals and infrastructure and rolling stock maintenance facilities and the ground underneath them and the airspace above them to the extent that the national legislation permits the ownership of the ground and the airspace.
Technical specifications	The present document forming a part of Service procurement regulations and Contract following the procurement procedures;
	<b>Service specific, technical</b>
1435	Refer to the 1435 mm track gauge railway infrastructure, operation or any other parameter or element linked this specific gauge. 1435 mm gauge infrastructure in the Baltic States is implemented by Rail Baltica project.
1520	Refer to the 1520 mm track gauge railway infrastructure, operation or any other parameter or element linked this specific gauge. 1520 mm gauge infrastructure in Latvia is managed by Latvian Railways (LDz)
CCS	Control Command Signalling subsystem
ENE	Energy subsystem
Railway line section	section of the Railway between 2 kilometre points or stations, generally equipped with dual track, with stations, sidings and necessary maintenance facilities
Works	result of consulting services, provided by the Contractor, necessary to elaborate RAMS expertise by carrying out the tasks required in the Contract.
Study programme	Expertise programme, proposed by the Contractor and approved by the Contracting authority, shall include graphical representation of <b>main Expertise's milestones and summarised textual description of</b> the services to be provided as required in Technical specification.
TSI	<i>Technical Specifications for Interoperability.</i>
TWG	<i>Technical work group</i> , group of RB Rail experts, experts from stakeholders and involved parties nominated by the Contracting authority.
WP	<i>Work package</i> , <b>a defined part of Contractor's activities, to be carried out under the Contract's requirements.</b>

### 1.3 Documents, studies and information to be taken into account

- 1.3.1 Within the framework of the Contract the Contractor shall consider the following non-exhaustive list of documents, studies, study projects, spatial development planning documents and any other documents required for service provision as well as online internet sources:

Ref.	Title of document, date of issuance, web link <sup>3</sup>
1	Design guidelines for Rail Baltica railway, in force version (relevant parts shall be provided during Study implementation), presentation slides: <a href="http://www.railbaltica.org/wp-content/uploads/2018/04/Elodie_Faivre_RBGF2018_Day2.pdf">http://www.railbaltica.org/wp-content/uploads/2018/04/Elodie_Faivre_RBGF2018_Day2.pdf</a> ; presentation video: <a href="https://www.youtube.com/watch?v=5qEIXQWhNZQ&amp;t=1s">https://www.youtube.com/watch?v=5qEIXQWhNZQ&amp;t=1s</a>
2	Operational plan for the railway, 2019 <a href="https://www.railbaltica.org/wp-content/uploads/2019/05/RB_Operational_Plan_Final_Study_Report_final.pdf">https://www.railbaltica.org/wp-content/uploads/2019/05/RB_Operational_Plan_Final_Study_Report_final.pdf</a> Track layout, annex 1 <a href="https://www.railbaltica.org/wp-content/uploads/2020/01/191216_track_plans_20263656_v25.pdf">https://www.railbaltica.org/wp-content/uploads/2020/01/191216_track_plans_20263656_v25.pdf</a>
3	Rail Baltica Energy Subsystem Procurement and Deployment Strategy final report
4	Rail Baltica control-command and signalling subsystems procurement and deployment strategy final report
5	Master Design documentation Lithuania DS1
6	Master Design documentation Estonia DS1

Documents for which Internet link is not mentioned will be provided at inception of the study.

## 1.4 Agreement framework

- 1.4.1 The objective of this Agreement is the elaboration of the baseline System RAMS documentation for the development of the Rail Baltica Infrastructure, and the delivery of RAMS studies for specific operational cases.
- 1.4.2 Study implementation area is the complete Rail Baltica railway infrastructure within three Baltic States: Lithuania, Latvia, Estonia and interface from/to Poland.

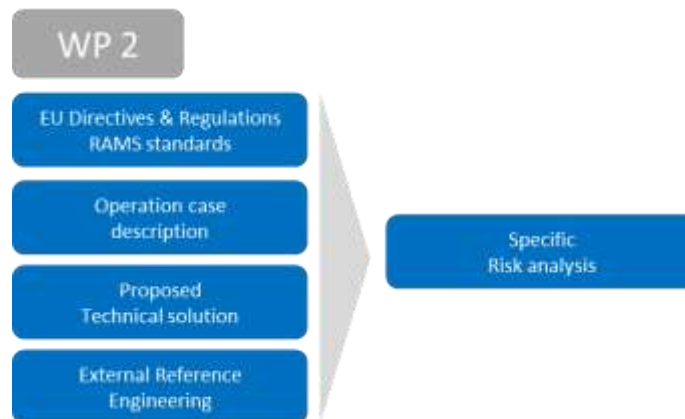
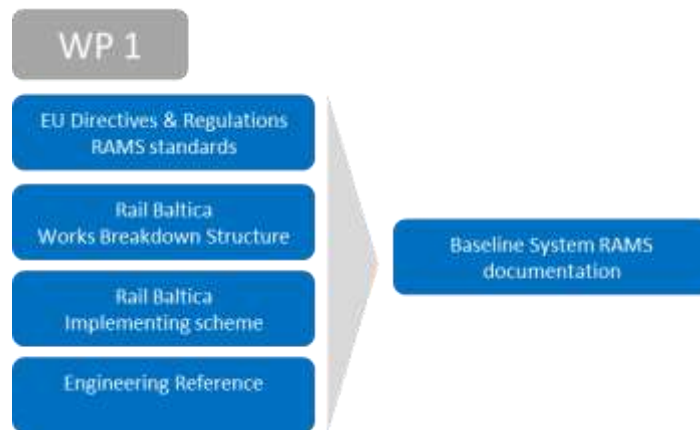
## 2 CONTENT OF THE ASSIGNMENT

### 2.1 Scope of services

- 2.1.1 The Contractor shall carry out the services in work packages (WP) in two stages, as:
- WP 1: Elaboration of the baseline System RAMS documentation
  - WP 2: Elaboration of risk analysis for specific operational cases

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<sup>3</sup> Contracting authority shall not be responsible for the availability and content of the information available online (except for [www.railbaltica.org](http://www.railbaltica.org) website).



## 2.2 Overall framework

- 2.2.1 The primary purpose of this assignment is for the Contractor to provide expertise to RB Rail AS when establishing the basis System RAMS management and RAMS studies for the Rail Baltica Project.
- 2.2.2 The application domain shall cover Rail Baltica Railway infrastructure as CCS, Energy Subsystem (ENE), Track subsystems, Civil works (embankment, road bridges, rail bridges, **overpasses, underpasses, ecoducts, tunnels, buildings, station, platforms, etc...**). Interface to Rolling stock must also be considered.
- 2.2.3 The scope of safety as considered in this assignment is system safety and operation & maintenance safety.
- 2.2.4 Items such as security (vandalism, aggression, terrorism, etc.), health & safety during construction works are not in the scope of this assignment.
- 2.2.5 The proposed System RAMS Management shall allow development of the Rail Baltica Infrastructure in compliance with the European safety directive (EU) 2016/798, regulation 402/2013 and with the international RAMS Standards EN 50126:2017, EN 50129:2003 and EN 50128:2011.
- 2.2.6 The Contractor shall assist RB Rail AS in defining objectives, requirements, and deliverables for RAMS activities to be undertaken throughout lifecycle phases 1 (concept) to 5 (architecture and apportionment of system requirements) according to the definition set in standard EN 50126-1:2017.
- 2.2.7 The proposed System RAMS Management shall elaborate processes, activities, analysis, studies, methods, organisational aspects, responsibilities assigned to parties, and competence review, to be implemented along the RB Infrastructure development life cycle.
- 2.2.8 The proposed System RAMS Management shall identify the reference objectives, the framework and method to perform system hazard (or RAM equivalent) analysis and provide results, identify and allocate System RAMS requirements, assign targets to System and Sub-Systems, and describe the adhoc management of RAMS requirements.
- 2.2.9 Contractor shall review and analyse Rail Baltica context, organisation, status of the ongoing activities, planning material and technical documentation.

## 2.3 WP1

- 2.3.1 In line with the definition of Phase 1 of system life cycle, Contractor shall establish the overall RB RAM and Safety concepts covering the full application domain.
- 2.3.2 In line with the definition of Phase 2 of system life cycle, Contractor shall deliver the RB system definition, RB RAM plan and RB Safety plan.
- 2.3.3 The System definition shall describe main constituents and sub-systems architecture, their limits, the corresponding operation conditions, functions, and the internal/external interfaces.
- 2.3.4 The System definition shall consider RB Rail AS acting as the RB Infrastructure Manager (IM) in charge of establishing the railway infrastructure (or as Railway duty holder according to 50126-1 definition). In this IM role, RB Rail AS is acting as the Applicant towards National Safety Authorities for the delivery of the Authorisation for Placing into Service (APiS) the RB Infrastructure, (or as the proposer as per the regulation 402/2013).
- 2.3.5 Other stakeholders involved in the safety management activities, Implementing Bodies, NSAs, Contractors and others, shall be identified by Contractor and their contribution along the system life cycle shall be established as part of the System definition.

- 2.3.6 A Strategy advising on RB Rail AS engagement towards stakeholders must be proposed by Contractor.
- 2.3.7 The proposed Safety management shall define the required involvement of Assessment Bodies (AsBo, ISA), at System level under the responsibility of RB Rail AS or other central stakeholders and at Sub-system levels under the responsibility of Contractors and other stakeholders. Assessment scheme shall be proposed accordingly.
- 2.3.8 The RAM plan and Safety plan shall be developed according to requirements set in standards EN 50126-1:2017 and EN 50126-2.
- 2.3.9 In line with the definition of Phase 3 of system life cycle, Contractor shall perform initial system hazard analysis, propose and organize hazard workshops and establish the initial RB System Hazard log.
- 2.3.10 Contractor shall propose methodology, hazard (or RAM equivalent) structure and lists adapted to RB context.
- 2.3.11 Contractor shall propose required competent persons list to participate in hazard workshops.
- 2.3.12 Contractor shall lead the hazard workshops and report outcomes accordingly.
- 2.3.13 Contractor shall establish conditions for update of hazard analysis and evaluation along the system life cycle.
- 2.3.14 In line with the definition of Phase 4 and 5 of system life cycle, Contractor shall establish requirements derived from hazard analysis and advise on their apportionment to sub-systems.
- 2.3.15 Contractor shall establish Validation plan for RAM requirements and for Safety requirements.
- 2.3.16 Contractor shall elaborate communication and training material for the promotion of the RB Rail AS safety policy and of a wider safety culture towards RB Rail AS employees, Beneficiaries, Implementing Bodies and National Safety Authorities. Life training sessions shall be organized and conducted accordingly by the Contractor.
- 2.3.17 Contractor shall provide technical support for the procurement of services and products undertaken by RB Rail AS. Technical support shall consist in advising on RAMS requirements to be inserted in the procurement specification.

## 2.4 WP2

- 2.4.1 Contractor shall undertake specific safety studies as part of WP2 for the scope defined in clause 2.4.3. The purpose of the specific safety study shall be to analyse specific operation case, to identify and classify hazards, to propose and evaluate mitigations, and to establish safety requirements.
- 2.4.2 For each case study, a specific safety study report shall describe systems under evaluation, discuss technical options, provide results of the hazard analysis, specification of requirements, and provide recommendation on a solution for system implementation.
- 2.4.3 Operational cases to be considered for the specific safety studies are:
  - Railway protection from errant road vehicles at road bridges,
  - Passengers standing on platforms while high-speed trains passing by,
  - Railway operation at gauge crossings between 1520 mm and 1435 mm tracks.

2.4.4 **Safety study for “protection against errant road vehicles at road bridges” shall:**

- Examine reference systems selected from high-speed railway infrastructures in operation, provide operation statistics on accidents where a road vehicle or vehicle load had fallen from a road bridge onto a high-speed railway track, and evaluate achieved risk coverage for such reference system. Reference systems analysis shall cover at least 2 different systems where one system relies exclusively on passive protection, and other system relies on a combination of passive protection and vehicle intrusion detection system;
- Identify possible related Code of Practice eligible under regulation 402/2016;
- Propose a method for explicit risk estimation.

Recommended approach for road bridge risk treatment in Rail Baltica context must be proposed, including eligible risk acceptance criteria(s) and derived safety requirements.

2.4.5 **Safety study for “passengers standing on platforms while high speed trains passing by”** shall examine reference solutions selected from high speed railway infrastructures in operation, evaluate applicability in Rail Baltica context, provide specific risk analysis for Rail Baltica case with consideration of mitigations according to the technical solutions, and propose safety requirements for the recommended solution. Analysis shall consider case where passengers are standing unexpectedly on platform while train is passing at 250 km/h.

2.4.6 **Safety study for “railway operation at gauge crossings between 1520 mm and 1435 mm tracks” shall be provided as a generic study, covering one operational scenario on main line and one operational scenario on yard tracks, considering technical options defined by RB Rail AS.**

2.5 **Options ordered as additional scope**

2.5.1 Additional operational cases may be defined on the course of the assignment for which Contractor will be requested to deliver specific safety studies.

3 **CONTRACT'S PROJECT MANAGEMENT**

3.1 **Deliverables and Deadlines**

3.1.1 Consulting services to be provided by the Contractor shall consist from presence activities in premises of RB Rail AS in Riga and remote activities performed in premises of the Contractor.

3.1.2 Presence activities include workshops, presentations of study reports and results, moderation of discussions, introduction of solution-options to decision makers,

3.1.3 Contractor shall prepare monthly progress report to be delivered within the first week of each month. Each progress report shall describe Expertise progress and include following parts:

- Overall progress summary;
- Overview of works completed since last progress report;
- Overview of works currently in progress (one-month plan);
- Overview obstacles and problems;
- Overview remaining work.

- 3.1.4 The Contractor shall provide at least 3 (three) days of presence in premises of RB Rail AS during each four-week period of the contract (starting from the kick-off meeting).
- 3.1.5 Remote activities shall be carried out in the premises of the Contractor and shall include independent work on Expertise contents and work packages, elaboration of studies, plans and documents required as of the scope of this assignment.
- 3.1.6 The Contractor shall deliver results of the activities into documentation listed in the table below.

Deliverable	General scope of the deliverable
RB RAM and Safety concept	Investigate scope, context and environment of the RB system and its RAMS implications, Investigate RAMS performance of similar systems, Investigate and confirm suitability of current RAM targets presented in RB Design Guidelines, Investigate and establish Safety targets Define the scope of the RAMS management requirements. Set up Safety and RAM policy
RB System Definition	Define the system and its mission profile, boundaries, scope of operational requirements, and define organisation set or foreseen to address RAMS management.
RB System RAM Plan	Definition of the organisation, responsibilities, procedures, activities, capabilities and resources to ensure RB System RAM compliance with the RB Project targets
RB System Safety Plan	Definition of the organization, responsibilities, procedures, activities, capabilities and resources to ensure RB System safety compliance with the RB Project targets
RB initial System hazard analysis	Report on hazard analysis. Delivery of RB system hazard log
RB System RAMS requirements	Specify system RAMS requirements
RB RAMS Validation Plan	Establish validation plan for RAMS requirements
Training material	Training material on RB safety policy and wider safety culture
Specific safety reports	Reporting the specific activities undertaken for specific operation case

3.1.7 Documentation shall be delivered by the Contractor according to the following deadlines of suggested delivery schedule:

Deliverable	No. of copies	Deadline for the Final deliverable	Payment, % of WP1
Approved RB RAM and Safety concept	1 soft copy	(not later than 6 weeks after CD <sup>4</sup> )	25
Approved RB System Definition	1 soft copy	(not later than 10 weeks after CD)	
Approved RB System RAM Plan	1 soft copy	(not later than 12 weeks after CD)	25
Approved RB System Safety Plan	1 soft copy	(not later than 12 weeks after CD)	
Approved RB System hazard analysis	1 soft copy	(not later than 24 weeks after CD)	25
Approved RB System RAMS requirements	1 soft copy	(not later than 26 weeks after CD)	
Approved RB RAMS Validation Plan	1 soft copy	(not later than 26 weeks after CD)	20
Training material	1 soft copy	(not later than 15 weeks after CD)	5

Deliverable	No. of copies	Deadline for the Final deliverable	Payment, % of WP2
Approved Specific safety study report on Railway protection from errant road vehicles at road bridges	1 soft copy	(not later than 12 weeks after CD)	40
Approved Specific safety study report on Safety of passengers standing on platforms while high speed trains passing by	1 soft copy	(not later than 24 weeks after CD)	30
Approved Specific safety study report on Safety of railway operation at gauge crossings between 1520 mm and 1435 mm tracks	1 soft copy	(not later than 35 weeks after CD)	30

3.1.8 The Contractor shall provide draft reports considering time required for review and approval.

3.1.9 The Contracting authority will review and send comments to submitted documents in one week (5 working days) after receiving the documents. Upon receiving these comments, the Contractor shall adjust report in 1 (one) week period (5 working days) and submit it to the approval by the Contracting authority.

3.1.10 Communication under service contract (e.g. information, requests, submissions, formal notifications, etc.) must be carried out in English.

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<sup>4</sup> CD - Contract commencement date.



- 3.1.11 All written materials, including all deliverables, shall meet the highest standards of English language and technical terminology proficiency. If requested by the Contracting Authority, the Contractor shall engage professional proofreading services at its own expense.
- 3.1.12 Contracting authority is deemed as the administrative instance and will be responsible for making the principal decisions. The Contracting authority will be responsible for settling the operative and professional issues.

## **4 SERVICE CONTRACT MANAGEMENT**

### **4.1 Contractor's obligations**

- 4.1.1 In case Contracting authority finds (at any time of procurement process or during the implementation of the Contract for the provision of Consulting services) that provided information on education, experience of a Tenderer is found to be false, a Tenderer shall be eliminated from the procurement process or it shall be subject to the termination of Contract for the Consulting services (whatever is applicable).
- 4.1.2 The Contractor within its organisational and management structure (or in any other way) shall not be directly linked to any supplier of CCS or ENE -subsystems technologies and components. In case Contracting authority finds (at any time of procurement process or during the implementation of the Contract for the provision of Consulting services) that Contractor is directly linked to any supplier of CCS-subsystems technologies and components, a Tenderer shall be eliminated from the procurement process or it shall be subject to the termination of Contract for the Consulting services (whatever is applicable).
- 4.1.3 In case provided information on education, experience of a particular expert is found to be false, a corresponding expert shall be eliminated from the procurement process or from the key experts team (whatever is applicable).
- 4.1.4 The Contractor shall ensure necessary effort, means, resources and personnel required for the successful provision of Consulting services.
- 4.1.5 The Contractor shall be responsible for ensuring that its experts included in Contract are available throughout the Consulting service provision period.
- 4.1.6 The Contractor must keep records and other supporting documentation (original supporting documents) as evidence that the Contract is performed correctly, and the expenses were actually incurred. These must be available for review upon the request of Contracting authority.
- 4.1.7 The Contractor shall make its own arrangements for office facilities, personal computers and other facilities of appropriate performance and security standard for service provision.
- 4.1.8 The Contractor shall ensure that its team members (experts etc.) involved in service provision are adequately supported and equipped. In particular, the Contractor shall ensure that there is sufficient administrative, secretarial and interpreting provision to enable team members to concentrate on their primary responsibilities. The Contractor must also transfer funds as necessary to support its activities under the Contract and ensure that his employees are paid regularly and in a timely manner. Costs for administration of service contract and office operation including telecommunication costs shall be included.
- 4.1.9 The Contractor will arrange for formal coordination and decision making on project interventions and establish an adequate internal management structure.

- 4.1.10 Contracting authority is main coordinator of the communication between the Contractor, stakeholders and other third parties. The Contractor shall be responsible for timely provision of information, preparation and participation in the meetings, workshops, presentations necessary for the communication with stakeholders and other third parties within assignments scope. No direct communication between the Contractor, stakeholders and other third parties is allowed without permission of Contracting authority.

## 4.2 Provision of services

- 4.2.1 The Contractor must perform the Contract in compliance with its provisions and all legal obligations under applicable EU, international and national law within the set deadlines and to the highest professional, diligence and ethical standards.
- 4.2.2 The Contractor shall prepare detailed Works programme for its services to be provided during the Works. Works programme shall include graphical representation of main Works milestones and deadlines of deliverables as required in Technical specification. Works programme shall cover possible risks for Works implementation and mitigation measures to avoid those risks in order to complete the Works on time. The purpose of **Works programme is to reflect Contractor's deep understanding of Works objectives, scope and milestones as well as to present Contractor's endeavour** to cover all necessary subjects and provided high quality professional Consulting services on time.
- 4.2.3 The Contractor shall provide translations of local meetings with stakeholders from/to local language.
- 4.2.4 The Contractor shall carry out the tasks, prepare and provide all documents, reports, minutes of the meetings and any other information material required for the provision of the Consulting services.
- 4.2.5 During the implementation of Consulting services, the Contractor shall identify possible risks at early stage and propose a mitigation measures in order to successfully deliver services on time.
- 4.2.6 As a part of Consulting services, the Contractor shall prepare information material in a fully comprehensive and understandable way, by providing explicit and full source details (initial information, evidences etc.) used for the analysis and provision of services.
- 4.2.7 **Contractor shall consider Contracting authority's reasoned observations on the initial** information used and analysis methods employed by the Contractor to provide outcome results of the services. The implementation of such observations is subject to the approval of the Consulting services by Contracting authority.

## 4.3 Technical Proposal

- 4.3.1 The Technical Proposal prepared by Tenderer shall describe the following:
- 4.3.1.1 Section 1 – Understanding of the Objectives
- Understanding of the intended objectives and scope of work within the Rail Baltica context
- 4.3.1.2 Section 2 – Methodology
- The method, how Tenderer is planning to achieve a comprehensive execution of the contract and deliver works required under each work package.
- 4.3.1.3 Section 3 – Organisation
- Tenderers proposed organisation providing overview of the responsibilities of involved personnel, including:

- *Proposed team for the assignment including key experts and other personnel,*
- *Experience of other proposed personnel, indicating the expected benefit for the assignment.*

#### 4.3.1.4 Section 4 – Programme Tenderers

An overall programme with schedule of activities and intended assignment of personnel assigned to the project.

### 4.4 Contractor's team

4.4.1 The Contractor shall propose an optimum structure for its team, based on the conditions of Technical specification, and where possible propose a core team with cross-functional roles.

4.4.2 For the provision of services, the Contractor shall ensure the availability of the following team members:

#### Key experts

No	Title
1.	Team lead, RAMS manager
2.	Key Safety engineer/expert for systems
3.	Key RAM engineer/expert
4.	Key Safety engineer for railway structures

4.4.3 The Contractor shall be responsible for the availability of any other additional experts, including administrative personnel, necessary for the provision of Consulting services.

### 4.5 Confidentiality, independence and absence of conflict of interest

4.5.1 The Contractor is expected to ensure that its contractual and professional obligations in particular with regard to confidentiality, independence and absence of conflict of interests are well understood and upheld throughout and after Consulting service provision.

4.5.2 During the provision of services, the Contractor shall provide independent view based on its expertise, education and experience. The Contractor cannot show nor indicate any opinion linked to a particular supplier, company, organisation, institution whatsoever. No representation of any region, country, personal interests shall be shown by the Contractor throughout the Consulting service provision period.

### 4.6 Visibility Requirements

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

4.6.2 Any reports, tables, figures and infographics, appendices, presentations and other deliverable material must be formatted according to Rail Baltica visual guidelines (<http://railbaltica.org/about-rail-baltica/visual-guidelines/>);

4.6.3 Any reports, brochures, other documents or information connected related to the Services which the Contractor produces and submits to the Contracting authority, the Beneficiary, any other third person or makes available Public must include the following:

- 4.6.3.1 a funding statement stating that Consulting services is the recipient of the funding from the CEF: **"Rail Baltica is co-financed by the European Union's Connecting Europe Facility"**;
- 4.6.3.2 (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>;
- 4.6.3.3 the European Union flag.
- 4.6.4 Requirements set in Sections 2.11.3. can be fulfilled by using the following logo:



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

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

- 4.6.5 In order to comply with the latest applicable visibility requirements established by the European Union, The Contractor is obliged regularly monitor changes of the visibility requirements on its own. On the Effective Date, the visibility requirements are published and available on the following website: <https://ec.europa.eu/inea/connecting-europe-facility/cef-energy/beneficiaries-info-point/publicity-guidelines-logos>.

## 5 TECHNICAL DESCRIPTION OF THE RAILWAY INFRASTRUCTURE

### 5.1 Rail Baltica Design model

Specific Design Guidelines were developed for Rail Baltica Infrastructure and Systems.

Design guidelines shall be implemented by RB Rail AS and Implementing Bodies as contracting authorities.

Contractors deliveries shall be compliant to the norm framework as outlined in figure 2.



Fig.2: Framework of the applicable norms

RB system shall be in full compliance with the TSI and European standards. A single NoBo is appointed to provide necessary EC certificates of verification covering the full Rail Baltica Infrastructure scope.

RB system shall be compliant with the safety requirements set out by the European Union in EU Directives and Regulations, and in transposed rules in legislations of Estonia, Latvia and Lithuania.

### 5.2 Rail Baltica Works Breakdown Structure

Rail Baltica Works Breakdown Structure is outlined in figure 3.

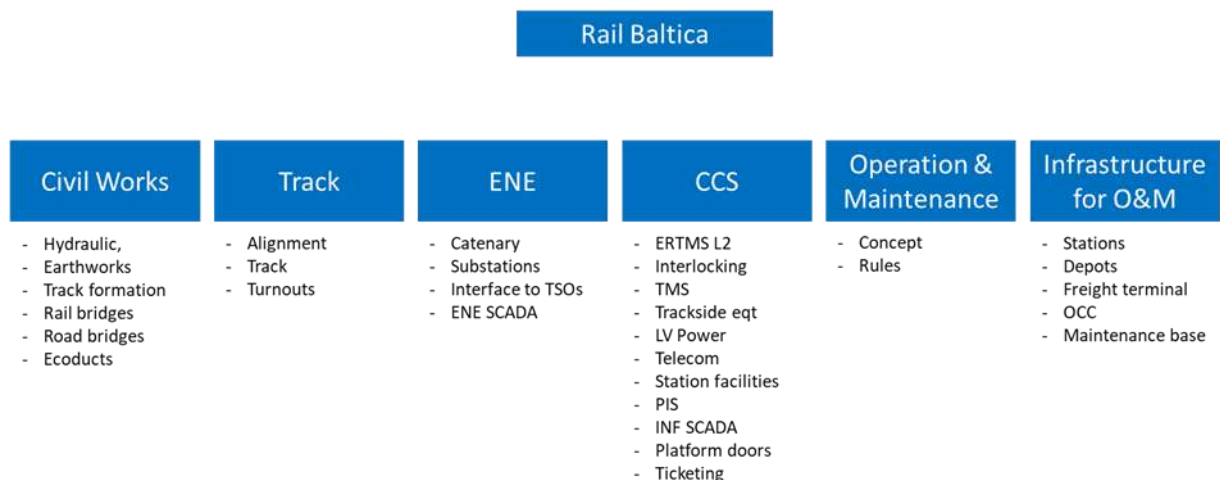


Fig.3: Rail Baltica Works Breakdown Structure

### 5.3 Description of Detailed Technical Design

Ongoing Detailed Technical Design activities (DTDs) cover civil and track works of Rail Baltica main line. Regional stops, regional station platforms and station buildings are designed only on conceptional level in DTD and detail design will be part of a separate contracts.

CCS-and ENE subsystems are included in scope of DTD contracts as well on conceptional level and will be designed in detail under separate contracts.

DTDs for the Rail Baltica Global project are delivered in sections, consisting of

- 3 sections in Estonia;
- 4 sections in Latvia;
- 4 sections in Lithuania.

Detailed Technical Design activities of Local Facilities, e.g. large passenger stations, freight terminals and depots are implemented under separate dedicated contracts where implementation is under the responsibility of Implementing Bodies. In some cases, these design activities are part of Design and Build contracts. Timeline and scope of these contracts differ in each specific case.

Complete track layout of the Rail Baltica line including all DTDs and Local Facilities is provided among reference documents in the paragraph 1.3.1.

### 5.4 Stakeholders outline model for Project technical implementation

Stakeholders outline model for Project implementation is presented in Figure 4.

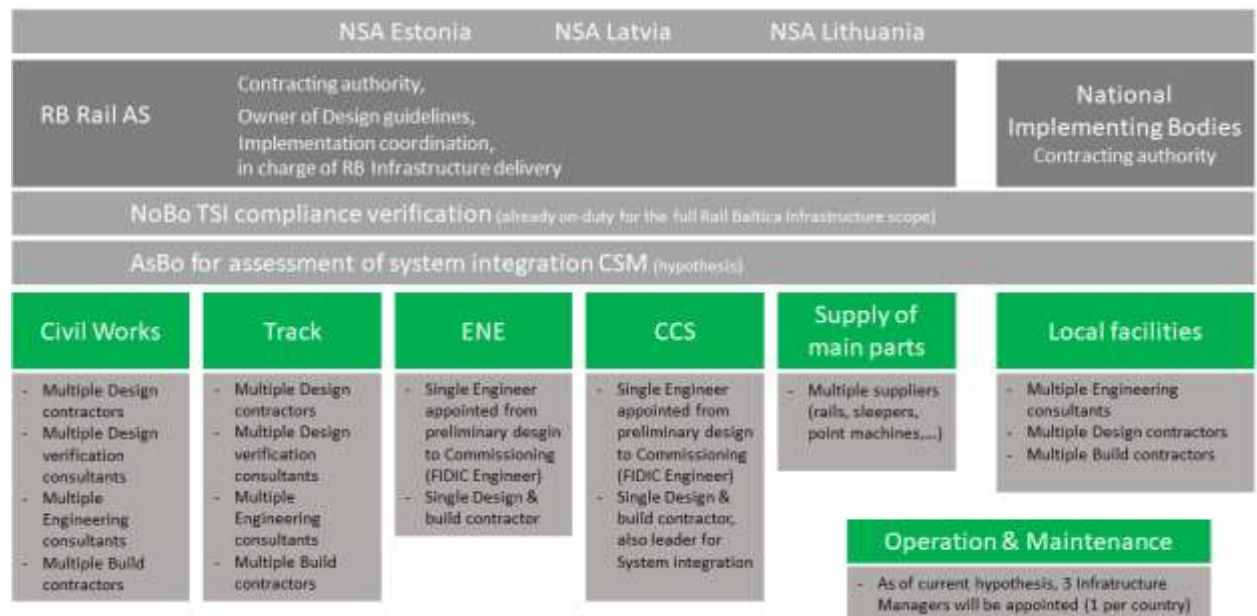


Fig.4: Stakeholders outline model

## Annex C: Schedule of Services

1. Study start date: Commencement Date of the Agreement.

2. Deliverables:

2.1. Work Package 1: Elaboration of the baseline System RAMS documentation

Deliverable	No. of copies	Service Milestone
Approved RB RAM and Safety concept	1 soft copy	(not later than 6 weeks after CD <sup>5</sup> )
Approved RB System Definition	1 soft copy	(not later than 10 weeks after CD)
Approved RB System RAM Plan	1 soft copy	(not later than 12 weeks after CD)
Approved RB System Safety Plan	1 soft copy	(not later than 12 weeks after CD)
Approved RB System hazard analysis	1 soft copy	(not later than 24 weeks after CD)
Approved RB System RAMS requirements	1 soft copy	(not later than 26 weeks after CD)
Approved RB RAMS Validation Plan	1 soft copy	(not later than 26 weeks after CD)
Training material	1 soft copy	(not later than 15 weeks after CD)

2.2. Work Package 2: Elaboration of risk analysis for specific operational cases

Deliverable	No. of copies	Service Milestone
Approved Specific safety study report on Railway protection from errant road vehicles at road bridges	1 soft copy	(not later than 12 weeks after CD)
Approved Specific safety study report on Safety of passengers standing on platforms while high speed trains passing by	1 soft copy	(not later than 24 weeks after CD)
Approved Specific safety study report on Safety of railway operation at gauge crossings between 1520 mm and 1435 mm tracks	1 soft copy	(not later than 35 weeks after CD)

3. The Principal will accept all Deliverables in accordance with the Clause 7.5 and Clause 7.6 of the Agreement only if they will conform with the quality and other requirements defined under *Annex B: Technical Specification*.

4. The Principal may provide comments or remarks to Deliverables after signing of the Provision Acceptance Note. In such situations the Contractor shall implement and/or consider mentioned comments and remarks until the submission of subsequent Deliverables.

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<sup>5</sup> CD - Contract commencement date.

## Annex D: Fee and Payment Schedule

1. **Fee:** Fee in the amount of EUR 510 000 (five hundred ten thousand euros), excluding VAT, consisting of:
  - (1) Work Package 1: Elaboration of the baseline System RAMS documentation (WP1)– EUR 465 000 (four hundred sixty-five thousand euro), excluding VAT,
  - (2) Work Package 2: Elaboration of risk analysis for specific operational cases (WP2) – EUR 45 000 (fourty five thousand euro), excluding VAT.
2. **Schedule of payment of Fee:** after delivery of the following Deliverables and acceptance by signing of the Provisional Acceptance Deed or Final Acceptance Deed the Principal shall pay following amount of the Fee:

Deliverable	Payment, % from WP1	
	%	EUR
Approved RB RAM and Safety concept	25	116 250
Approved RB System Definition		
Approved RB System RAM Plan	25	116 250
Approved RB System Safety Plan		
Approved RB System hazard analysis	25	116 250
Approved RB System RAMS requirements		
Approved RB RAMS Validation Plan	20	93 000
Training material	5	23 250

Deliverable	Payment, % from WP2	
	%	EUR
Approved Specific safety study report on Railway protection from errant road vehicles at road bridges	40	18 000
Approved Specific safety study report on Safety of passengers standing on platforms while high speed trains passing by	30	13 500
Approved Specific safety study report on Safety of railway operation at gauge crossings between 1520 mm and 1435 mm tracks	30	13 500

3. **Hourly rates for the Contractor's experts:**

No.	Expert	Unit	Price (EUR excluding VAT)
1.	Team lead, RAMS manager	1 hour	110,00
2.	Key Safety engineer/expert for systems	1 hour	75,00
3.	Key RAM engineer/expert	1 hour	75,00
4.	Key Safety engineer for railway structures	1 hour	110,00



## Annex E: List of approved Sub-Contractors and Staff

List of approved Sub-Contractors (n/a)

### List of Approved Staff

No	Title	Name
1.	Team lead, RAMS manager	[CONFIDENTIAL]
2.	Key Safety engineer/expert for systems	[CONFIDENTIAL]
3.	Key RAM engineer/expert	[CONFIDENTIAL]
4.	Key Safety engineer for railway structures	[CONFIDENTIAL]

## Annex F: Form of Provisional Completion Deed

No [INSERT NUMBER]

Date: [INSERT DATE IN THE FORM OF 1 January 2018]

Location: [INSERT LOCATION]

For:

RB Rail AS

registration number 40103845025 legal address **K. Valdemāra iela 8-7**, Riga LV-1010, Latvia  
(hereinafter, the "Principal")

This provisional completion Deed (the "Provisional Completion Deed") is issued to the Principal by [•][INSERT NAME, REGISTRATION NUMBER, INSERT LEGAL ADDRESS] (the "Contractor"), represented by [INSERT NAME OF REPRESENTATIVE ON THE BASIS OF INSERT BASIS OF REPRESENTATION].

In this Provisional Completion Deed, unless the context requires otherwise, all Definitions shall have the meaning ascribed to such terms in accordance with the [INSERT AGREEMENT DATE IN THE FORM OF SERVICES AGREEMENT NO INSERT AGREEMENT NUMBER] (the "Agreement") and

Whereas:

- (A) the Principal and the Contractor have entered into the Agreement;
- (B) Clause 7.4 of the Agreement stipulates that upon meeting a Services Milestone or producing a Deliverable constituting all or an identifiable part of the *Annex B: Technical Specification*, the Contractor shall issue to the Principal a Provisional Completion Deed substantially in the form of *Annex F: Form of Provisional Completion* of the Agreement;
- (C) a Services Milestone has been met or a Deliverable has been completed.

The following Services Milestone(s) has/have been met on [INSERT DATE IN THE FORM OF 1 JANUARY 2018], as specified in accordance with *Annex C: Schedule of Services* of the Agreement:

[DESCRIBE IN REASONABLE DETAIL THE SERVICES MILESTONE ATTAINED. INSERT N/A, IF NO SERVICES MILESTONE HAS BEEN ATTAINED]

The following Deliverable(s) has/have been completed on on [INSERT DATE IN THE FORM OF 1 JANUARY 2020] and are attached to this Provisional Completion Deed:

[INSERT NAME OF THE DELIVERABLE. INSERT N/A, IF NO DELIVERABLES HAVE BEEN COMPLETED]

As stipulated in Clause 7.5 of the Agreement, in the event the Principal objects to the issue of the Provisional Completion Deed, the Principal shall give a written notice to the Contractor setting out in reasonable detail Defects or reasons for the objection (the "Objection Notice") within two weeks (10 working days) following receipt of the Provisional Completion Deed.

In the event of conflict between the text in this Provisional Completion Deed and the Agreement, the Agreement shall take precedence.

Signature:

[INSERT NAME, SURNAME  
INSERT POSITION  
INSERT COMPANY NAME]

## Annex G: Form of Provisional Acceptance Deed

No [INSERT NUMBER]

Date: [INSERT DATE IN THE FORM OF 1 January 2018]

Location: [INSERT LOCATION]

For: [•] (the “Contractor”)

This Provisional Acceptance Deed (the “Provisional Acceptance Deed”) is issued to the Contractor by **RB Rail AS, registration number 40103845025, legal address K. Valdemāra iela 8-7, Riga, LV-1010 (the “Principal”)**, represented by [INSERT NAME OF REPRESENTATIVE ON THE BASIS OF INSERT BASIS OF REPRESENTATION].

In this Provisional Acceptance Deed, unless the context requires otherwise, all Definitions shall have the meaning ascribed to such terms in accordance with the [INSERT AGREEMENT DATE] Agreement on [INSERT AGREEMENT NAME] No [INSERT AGREEMENT NUMBER] (the “Agreement”) and

Whereas:

- (A) the Principal and the Contractor have entered into the Agreement;
- (B) the following Services Milestone(s) has been met and the following Deliverable(s) have been supplied to the Principal:
  - (i) [PLEASE IDENTIFY MILESTONE]
  - (ii) [PLEASE IDENTIFY DELIVERABLE]
- (C) any and all Defects have been averted or no Objection Notices have been issued;
- (D) as stipulated by Clause 7.5 of the Agreement, in the event no reasons for objection to the Provisional Completion Deed exist, the Principal shall issue, within reasonable time following receipt of the Provisional Completion Deed, a provisional acceptance Deed in the form of *Annex G: Form of Provisional Acceptance* (the “Provisional Acceptance Deed”).

The Principal is satisfied with the result of any and all achieved Services Milestones and/or Deliverables completed and submitted and, in accordance with Clause 7.5 of the Agreement, the Principal accepts the part of the Services performed as of the date of this Provisional Acceptance Deed.

In the event of conflict between the text in this Provisional Acceptance Deed and the Agreement, the Agreement shall take precedence.

Signatures:

[INSERT NAME, SURNAME

INSERT POSITION

INSERT COMPANY NAME]

## Annex H: Form of Final Acceptance Deed

No [INSERT NUMBER]

Date: [INSERT DATE IN THE FORM OF 1 January 2018]

Location: [INSERT LOCATION]

For: [•] (the “Contractor”)

This Final Acceptance Deed (the “Final Acceptance Deed”) is issued to the Contractor by RB Rail AS, registration number 40103845025, legal address K. Valdemāra iela 8-7, Riga, LV-1010 (the “Principal”), represented by [INSERT NAME OF REPRESENTATIVE ON THE BASIS OF INSERT BASIS OF REPRESENTATION].

In this Final Acceptance Deed, unless the context requires otherwise, all Definitions shall have the meaning ascribed to such terms in accordance with the Agreement on „Architectural, landscaping and visual identity guidelines for Rail Baltica” No [INSERT AGREEMENT NUMBER] dated [INSERT DATE] (the “Agreement”) and

Whereas:

- (A) the Principal and the Contractor have entered into the Agreement;
- (B) one or more Services Milestones have been met and/or Deliverables have been completed;
- (C) any and all Defects have been averted or no Objection Notices have been issued;
- (D) as stipulated by Clause 7.7 of the Agreement, final acceptance shall be evidenced by means of the Principal issuing and both Parties attaching their signature to the Final Acceptance Deed substantially in the form of

(E) *Annex H: Form of Final Acceptance (the “Final Acceptance Deed”);*

The Principal is satisfied with the result of the Services and/or all Deliverables completed and submitted, and the Principal accepts the Services in its entirety.

The Contractor and the Principal confirm at the moment of signing this Final Acceptance Deed that they do not have any material or other claims in connection with the Agreement (incl. but not limited to additional claims for Fee, contracting penalties, travel expenses, claims related to intellectual property, etc.).

In the event of conflict between the text in this Final Acceptance Deed and the Agreement, the Agreement shall take precedence.

Signatures:

[INSERT NAME, SURNAME

INSERT POSITION]

RB Rail AS

Principal

## Annex J: Declaration of Contractor

### THE DATE INDICATED ON THE TIMESTAMP OF THE SIGNATURE OF THE DOCUMENT

I, the undersigned duly authorised representative, on behalf of RINA CONSULTING S.P.A. undertake:

1. To respect the freely-exercised right of workers, without distinction, to organize, 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 organize, 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 14 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 recognized 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 Contract, 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 Contracts 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, so far as is reasonably practicable, 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, so far as is reasonably practicable, 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 characterize, 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 a Contractor or an undertaking related to the Contractor 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 Contractor's business or any kind of economic ties with the Contractor;**
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 Contractors' 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 a Contractor which participated in a procurement procedure or restrictions with similar effect applies;**
18. **To promote the adoption of the principles set forth in this Contractor's Declaration by my potential business partners and promote the implementation of the principles set forth in this document towards own Contractors;**
19. Not procure goods, works and services from other Contractors:
  - a. Who, or its member of the Management Board or the Supervisory Board or procurator of such Contractor, or a person having the right to represent such Contractor 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;
    - ii. fraud, misappropriation or laundering;
    - 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 Contract aimed at restricting the opportunity of a purchaser to determine the resale price, or horizontal cartel Contract, 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 Contractor to participate in the tender), economic activity of such Contractor has been suspended or discontinued, proceedings regarding bankruptcy of such Contractor have been initiated or such Contractor will be liquidated;
- e. who has tax debts in the country where the procurement is organised or a country where such Contractor 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.

**Roberto Carpaneto, CEO**

RINA CONSULTING S.P.A.

THIS AGREEMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND CONTAINS A  
TIMESTAMP



## **Annex K: Contractor's Proposal**

Contractor's Proposal submitted for the Procurement Procedure on 21 September, 2020 and clarifications submitted on 8 October 2020.